



# Debates

WEEKLY HANSARD

Legislative Assembly for the ACT

**SIXTH ASSEMBLY**

26 JUNE 2008

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**Thursday, 26 June 2008**

**The Assembly met at 10.30 am.**

*(Quorum formed.)*

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

## **Petitions**

*The following petitions were lodged for presentation:*

### **Gas-fired power station**

By **Mr Pratt**, from 1,022 residents:

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

This petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that ActewAGL, a Territory Owned Corporation, is proposing to develop Block 1671 of the Tuggeranong District, adjacent to the suburbs of Macarthur and Fadden, to construct a facility titled “Canberra Technology City”, under the submitted Development Application No. 200704152.

The facility will contain a Natural Gas Power Station, high voltage power lines, data storage space and a high pressure gas pipeline. The magnitude of the social and environmental impact on local residents remains unknown and this facility will be located as close as 600 metres from residential areas.

Your petitioners therefore request the Assembly to:

- 1) Immediately rescind any approvals or licenses granted to ActewAGL to construct this facility in Macarthur;
- 2) Undertake to find alternative locations within the ACT that would be suitable for such a large industrial facility.

### **Gas-fired power station**

By **Mr Pratt**, from 479 residents:

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

This petition of certain residents of the Australian Capital Territory draws to the Attention of the Assembly that ActewAGL, a Territory Owned Corporation, is proposing to develop Block 1671 of the Tuggeranong District, adjacent to the suburbs of Macarthur and Fadden, to construct a facility titled “Canberra

Technology City”, under the submitted Development Application No. 200704152.

The facility will contain a Natural Gas Power Station, high voltage power lines, data storage space and a high pressure gas pipeline. The magnitude of the social and environmental impact on local residents remains unknown and this facility will be located as close as 600 metres from residential areas.

Your petitioners therefore request the Assembly to:

- 1) Immediately rescind any approvals or licenses granted to ActewAGL to construct this facility in Macarthur; District of Tuggeranong or close to urban areas.
- 2) Undertake to find alternative locations within the ACT that would be suitable for such a large industrial facility.

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

## **Petitions**

### **Ministerial responses**

**The Clerk:** The following responses to petitions have been lodged by a minister:

By **Mr Barr**, Minister for Planning, dated 24 June 2008, in response to a petition lodged by Ms Porter concerning a development application in Fraser; and by **Mr Barr**, Minister for Planning, dated 24 June 2008, in response to a petition lodged by Mr Pratt concerning the proposed gas-fired power station in Tuggeranong.

The terms of the responses will be recorded in *Hansard*.

### **Planning—Fraser**

*The response read as follows:*

#### **Response for tabling to petition lodged on 10 April 2008 by Ms Porter AM MLA, in relation to DA 200705930, 25 Lind Street, Fraser.**

The Development Application (DA) for the construction of a multi unit development is subject to assessment by the ACT Planning and Land Authority (ACTPLA). The DA was lodged with ACTPLA on 6 March 2008. It is currently being assessed against the Territory Plan and the relevant planning guidelines.

The petition raised the concern that the proposed development may be inconsistent with the objectives of the Part B1 Residential Land Use Policies (A10 Residential Core Area Specific Policies). In determining the DA, ACTPLA is required to give careful consideration to the suitability of the land for the proposed use, advice from Government agencies, and all submissions received as a result of public notification. I understand 11 submissions have been received by ACTPLA.

ACTPLA will inform all objectors of its decision on the DA and advise them on their rights of appeal to the ACT Administrative Appeals Tribunal.

### **Gas-fired power station**

*The response read as follows:*

#### **Response for tabling to petition lodged on 8 May 2008 by Mr Pratt MLA, in relation to DA 200704152, Tuggeranong district.**

The applicant for this proposal has lodged alterations to the application to respond to many of the concerns raised by the community. The altered application is being renotified and the subject of assessment.

The evaluation of a PA and the assessment of a DA are the responsibility of the ACT Planning and Land Authority (ACTPLA) and due process needs to be followed.

The Government has only provided “in principle” agreement to the use of the site for the purpose sought, subject to planning approval.

The petition raises concerns that the magnitude of the social and environmental impacts of the proposed Canberra Technology City remains unknown. The very purpose of a PA process is to scope the extent of potential impacts and determine whether higher level environmental assessment is required.

The DA process will determine the suitability of the land for the proposed use after consideration of the requirements of the Territory Plan, relevant legislation, and the outcome of any PA evaluation. As part of its assessment, ACTPLA will also take into consideration submissions from the community. The outcome of the determination by ACTPLA as sought by the petition, should not be pre-empted.

### **Court Legislation Amendment Bill 2008**

**Mr Corbell**, pursuant to notice, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

**MR CORBELL** (Molonglo—Attorney-General, Minister for Police and Emergency Services) (10.34): I move:

That this bill be agreed to in principle.

Mr Speaker, today I am introducing the Court Legislation Amendment Bill 2008. This bill contains a number of reforms to the ACT’s court legislation, which has been the subject of progressive reform since the Court Procedures Act was passed in 2004. This bill contains new initiatives, including a court attendance notice, improved reference appeal procedures, and time-saving changes to requirements for written statements admitted as evidence.

Most notably, the bill introduces a new and improved method for commencing criminal proceedings in the Magistrates Court. Currently, the legislation requires police officers to attend court to lay information before a magistrate so that the court can issue a summons for the attendance of the defendant on a particular date. This has resulted in great time and financial expenditure for the police, courts, Director of Public Prosecutions and other court stakeholders. The process suffers from a poor rate of attendance by defendants and inefficiently diverts court resources from attention to more substantive issues.

Consistently with New South Wales, the bill implements a court attendance notice, or CAN, to introduce the inadequacies of the current commencement procedures. A CAN is issued at the time of charging and provides all the information required by the defendant, including a brief outline of the particulars of the offence, the time and date that the accused must appear in court, and the consequences of non-attendance.

The CAN system is more efficient than the summons process, and has been used successfully in other Australian jurisdictions, including New South Wales, for a number of years now. It facilitates keeping more police on the street and allows more time for the courts to deal with substantive issues. It also reduces the amount of time accused persons remain in police custody, as it will significantly simplify the process by which their criminal matters are commenced. Another benefit to the accused is the receipt of more information about the charge at the point of release, and greater certainty about the nature of the charge.

For transitional purposes and to allow flexibility for stakeholders, the CAN will supplement the existing commencement procedures during a 12-month trial of the CAN, after which existing procedures will be repealed if the CAN process is found to be satisfactory. The bill also amends the Supreme Court and Magistrates Court acts to allow reference appeals to be heard, irrespective of the outcome of the original proceedings. Reference appeals provide a means whereby a superior court may hear an appeal and decide a question of law arising at, or in relation to, the original proceedings. Given the safeguard that a reference appeal decision cannot invalidate or affect the original verdict or decision in a case, reference appeals provide an important avenue for the DPP and the Attorney-General to obtain guidance regarding interpretation of the law.

Important questions of law can arise in any criminal proceedings. If these questions remain unresolved, future prosecutions may be jeopardised due to uncertainty, yet the Supreme Court and Magistrates Court acts currently limit the availability of reference appeals to issues arising from a trial on indictment that resulted in an acquittal. Accordingly, the relevant sections of the acts have been amended to delete the acquittal criterion.

The bill simplifies the requirements for written statements admitted as evidence in the Magistrates Court. Currently, a written statement admitted as evidence must be in the form of a statutory declaration. In practice, this means that after a document is prepared, it must be signed in the presence of a person authorised to witness a statutory declaration. The requirement for a witness adds little, if anything, to the validity of the statement. It has been removed in New South Wales in favour of rules

setting out the formal requirements such a document must take. The bill proposes that a person making a statement in the ACT would be required to acknowledge in writing that they may be liable to prosecution if the statement is tendered in evidence and they are found to have lied. As the criminal law consequences of a false statement made to a court are equivalent under either process, this appears to be an appropriate change.

The bill amends the Supreme Court Act to give effect to a recent High Court decision regarding the jurisdiction of the Court of Appeal. When the Supreme Court exercises appellate jurisdiction, it is known as the Court of Appeal. Part 2A of the Supreme Court Act sets out the court's appellate jurisdiction. It provides that orders of the court, including convictions, may be appealed. The High Court, in *R v Hillier*, has given part 2A a broad definition, in line with its counterparts in other jurisdictions. To reflect the terms of this decision, part 2A has been amended to be consistent with other jurisdictions, and explicitly provides that an appeal against conviction: must be allowed if the verdict of the jury is unreasonable or cannot be supported; and must be allowed if the order was wrong in law or a miscarriage of justice; but may be dismissed, even if a point might be decided in favour of an appellant, as long as no substantial miscarriage of justice has actually occurred.

Finally, the Director of Public Prosecutions Act has been amended to allow the DPP's non-legal practitioner staff to appear on the DPP's behalf in the call-over list. The call-over list is the process by which the registrar liaises with the DPP and the defence counsel to determine an appropriate date for proceedings to commence. This amendment is consistent with the Magistrates Court practice directions released in 2007, which permit a DPP paralegal to represent the DPP in the call-over list, while the prosecutor appears in matters before the Magistrates Court. Permitting non-legal practitioner staff to appear in the call-over list allows for more efficient use of the court and the DPP's time and resources, freeing prosecutors to work on technical legal matters. I commend the bill to the Assembly.

Debate (on motion by **Mr Stefaniak**) adjourned to the next sitting.

## **Statute Law Amendment Bill 2008**

**Mr Corbell**, pursuant to notice, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

**MR CORBELL** (Molonglo—Attorney-General, Minister for Police and Emergency Services) (10.41): I move:

That this bill be agreed to in principle.

This bill makes statute law revision amendments to ACT legislation under guidelines for the technical amendments program approved by the government. The program provides for amendments that are minor or technical and non-controversial. They are generally insufficiently important to justify the presentation of separate legislation in each case and may be inappropriate to make as editorial amendments in the process of republishing legislation under the Legislation Act 2001. The program is implemented by presenting a statute law amendment bill in each sitting of the Legislative Assembly



and including further technical amendments in other amending legislation, where appropriate.

Statute law amendment bills serve the important purpose of improving the overall quality of the ACT statute book so that our laws are kept up to date and are easier to find, read and understand. A well maintained statute book significantly enhances access to ACT legislation, and it is a very practical measure to give effect to the principle that members of the community have a right to know the laws that affect them.

The enhancement of the ACT statute book through the technical amendments program is also a process of modernisation. For example, laws need to be kept up to date to reflect ongoing technological and societal change. Also, as the ACT statute book has been created from various jurisdictional sources over a long period, it reflects the various drafting practices, language usage, printing formats and styles used throughout the years. It is important to maintain a minimum level of consistency in presentation and cohesion between legislation coming from different sources at different times so that better access to, and understanding of, the law is achieved.

This statute law amendment bill deals with three kinds of matters. Schedule 1 provides for minor, non-controversial amendments proposed by government agencies. Schedule 2 contains amendments to the Legislation Act 2001 proposed by the parliamentary counsel to ensure that the overall structure of the statute book is cohesive and consistent and is developed to reflect best practice. Schedule 3 contains technical amendments proposed by the parliamentary counsel to correct minor typographical or clerical errors, improve language, omit redundant provisions and include explanatory notes or otherwise update or improve the form of legislation in line with current legislative drafting practice. Statute law amendment bills may also include a fourth schedule that repeals redundant legislation. However, a fourth schedule is not included in this bill.

The bill contains a large number of minor amendments with detailed explanatory notes, so it is not useful for me to go through them now. However, I would like to briefly mention several matters. Schedule 1 contains amendments to the Animal Diseases Act 2005, the Cemeteries and Crematoria Act 2003, the Government Procurement Act 2001 and the Legal Profession Act 2006.

The amendment to the Animal Diseases Act revises section 21 (e) to make it clear that a quarantine declaration under section 19 or section 20 of the act does not need to include anything about restrictions on sale if there are no restrictions on sale.

Section 9 (3) of the Cemeteries and Crematoria Act establishes a perpetual care trust for the maintenance of cemeteries and crematoria and any other purpose approved by the minister. The first amendment substitutes section 9 (3) (b) to make it clear that only charitable purposes may be approved by the minister. The second amendment of the Cemeteries and Crematoria Act inserts a new section 16C to provide for the distribution of assets on the dissolution of a perpetual care trust. New section 16C also provides that if another perpetual care trust or fund is established in place of the dissolved trust, the trust or fund must be established for a charitable purpose and endorsed as exempt from income tax under the Income Tax Assessment Act 1997 of the commonwealth.

The amendments to the Government Procurement Act increase the membership of the government procurement board from seven to nine part-time members to facilitate the operation of the board.

The amendment to the Legal Profession Act does two things. First, it revises section 249 (1) to make it clear that if a law practice appoints an external examiner to examine the practice's trust records the law practice must pay the costs of the examination. If the licensing body, that is, the Law Society, appoints the external examiner, the costs are payable out of the fidelity fund. Second, the amendment also revises section 249 (2) to make it clearer that the subsection applies only to an examination undertaken by an external examiner appointed by the licensing body. To date, no claims for costs of an examination under section 241 (1) to be paid out of the fidelity fund have been made under section 249 (1).

Schedule 2 provides for non-controversial structural amendments to the Legislation Act 2001 initiated by the Parliamentary Counsel's Office. Structural issues are particularly concerned with making the statute book more coherent and concise and therefore more accessible. Strategies to achieve these objectives include avoiding unnecessary duplication and achieving the maximum degree of standardisation of legislative provisions consistent with policy requirements and operational needs.

The schedule contains an amendment to the dictionary, part 1, definition of territory authority. The definition currently provides that a territory authority is a body established under an act, except for a body declared by regulation not to be a territory authority. The amendment makes clear that, as well as being established under an act, the body must be established for a public purpose. Schedule 3 includes amendments to acts that have been reviewed as part of an ongoing program of updating and improving the language and form of legislation.

The presentation of this bill is a convenient opportunity to mention a couple of significant achievements made under the technical amendments program so far. First, the process of creating dictionaries in all ACT acts and regulations will be completed by the creation of a dictionary for the Adoption Act 1993 under this bill. The presence of comprehensive dictionaries of defined terms in all ACT legislation makes the ACT statute book easier to use for everyone.

Second, the process of making modern administrative and machinery provisions consistent and in line with the Legislation Act, chapter 19, administrative and machinery provisions, is also complete. These provisions include matters such as functions of office holders, appointments and delegations. These two achievements, along with other improvements under the technical amendments program, make our statute book more consistent, coherent and accessible to users.

In addition to the explanatory notes in the bill the parliamentary counsel is also available to provide any further explanation or information that members would like about any of the amendments made by the bill. The bill, while minor and technical in nature, is another important building block in the development of a modern and accessible ACT statute book that is second to none in the country. I commend the bill to the Assembly.

Debate (on motion by **Mr Stefaniak**) adjourned to the next sitting.

## **Road Transport Legislation Amendment Bill 2008**

**Mr Hargreaves**, pursuant to notice, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

**MR HARGREAVES** (Brindabella—Minister for Territory and Municipal Services, Minister for Housing, Minister for Multicultural Affairs) (10.49): I move:

That this bill be agreed to in principle.

This bill amends provisions in the Road Transport (Driver Licensing) Act 1999 and the Road Transport (Driver Licensing) Regulation 2000 dealing with demerit points. Under the demerit points scheme if a person incurs more than the specified number of demerit points for that person's licence category within a three-year period because a person has committed traffic infringements that attract demerit points the person's licence will be suspended or cancelled. When the relevant number of demerit points has been recorded the person is sent a notice advising that the person's licence will be suspended or cancelled, as the case may be, from the date of effect set out in the notice.

The proposed amendments in the bill apply where a person whose licence has already been suspended nevertheless continues to drive, incurs demerit points and reaches the relevant number of demerit points to trigger a demerit point suspension or, for restricted and probationary licence holders, a licence cancellation. Under the current legislation a driver in this situation will not be sent a notice about the impending demerit points until the person's existing suspension is lifted, which may be several months after the driver committed the infringement that triggered the demerit point suspension.

The proposed amendments will require the Road Transport Authority to send an interim notice to drivers in this position to inform them that they have incurred the demerit points. The notice will tell them that their licence will be suspended or, in the case of probationary and restricted licence holders, cancelled. It will also tell them that the impending licence suspension or cancellation for excessive demerit points is in addition to the existing licence suspension and that they will be sent a further notice about the demerit points suspension or cancellation when their existing suspension ends.

The new notice requirement will ensure that drivers are fully aware of the effect of reaching the demerit points limit for their type of licence and will enable affected drivers to make more informed decisions about their options, including future transport arrangements, before the demerit point suspension or cancellation takes effect. For example, a driver may decide to take steps to bring his or her existing suspension to an end by paying any outstanding fines, thereby bringing forward the start of the demerit point suspension. Alternatively, eligible drivers may take the

opportunity to enter into a good behaviour undertaking under section 19 of the Road Transport (Driver Licensing) Act 1999 when their current suspension ends. While these options are already available, the amendments will ensure that affected drivers have sufficient notice of the impending demerit point suspension to make informed decisions about their options.

The bill also makes minor drafting amendments to the Road Transport (Safety and Traffic Management) Act 1999. These technical amendments simplify the drafting of several provisions in that act and provide a generic description the traffic light offences in division 1 of part 6 of the Australian Road Rules, which contains the basic traffic light offences such as failing to stop at a red light and proceeding through a red light or red arrow. The proposed amendments do not affect the content of the Australian Road Rules, which will continue to apply to ACT drivers.

To simplify that for members, the first part is to provide sufficient notice for people to make decisions. It is possible, for example, to receive a suspension of your licence without knowing it. For example, if you have actually achieved the 12 demerit points, even though you have had some notice, there will be a month or two's difference—say, up to 10 days difference—between when you receive a traffic light infringement notice and the actual withdrawal of those points.

When you receive your notice it tells you that that takes effect from the date of the offence, and there could be a two-week gap between the offence and the notice. If, in that two-week gap, further infringements occur, that will further extend the suspension. Under the current regime people are not necessarily aware of that. They do not realise that that will be on top of the suspension. Sometimes people think it runs concurrently. It does not.

This change to the law will ensure that people receive adequate notice so that they are aware of the opportunities to address their travelling arrangements or reduce the period of their suspension. If, for example, a licence is suspended because of outstanding fines, the timing of that can also affect whether a driver attracts demerit points for going through red light or a speed camera but does not know it for 10 days. This change should make it easier for people to manage.

There has been some confusion in recent times, as evidenced in the *Canberra Times*, as to where people sit in relation to the law about red light running. Some people think, for example, that if the back wheel of the car is before the white line, then that is fine. Well, that is not so. People have to be aware of the semantics of the law in respect of going through an orange light before the red light change. It is that split second which triggers off the red light camera.

**Mr Pratt:** So it should.

**MR HARGREAVES:** And so it should. These changes will make it clearer for people who wish to examine the law to find out where it is they sit. If, for example, they have received an infringement from a red light camera and they think they did not do it and they want to find out what the law actually says, these changes make it more clear that the simple fact is they broke the law when they went through a red light—end of story, game over. These two pieces of legislation are intended to make it absolutely crystal clear to people what the law is. I commend the bill to the Assembly.

Debate (on motion by **Mr Pratt**) adjourned to the next sitting.

## **Long Service Leave Legislation Amendment Bill 2008**

**Mr Barr**, pursuant to notice, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (10.57):  
I move:

That this bill be agreed to in principle.

Mr Speaker, this bill has two objectives: firstly, to amend the Long Service Leave Act 1976 to simplify the eligibility and administration of long service leave in the private sector; and, secondly, to amend the Long Service Leave (Building and Construction Industry) Act 1981 to address an anomaly concerning employer reimbursements in the building and construction industry portable long service leave scheme.

In 2005, the Long Service Leave Act 1976 was amended to change the eligibility period for long service leave from 10 years to seven years. However, the calculation of entitlement is still determined in five-year blocks once the initial seven-year eligibility period has elapsed.

This has led to the situation that those choosing to take their entitlement in the last two years of the existing five-year entitlement block find themselves disadvantaged in comparison to the pre-2005 model. Under the pre-2005 legislation, employees choosing to take long service after 10 or 11 years of service would be entitled to 8.67 weeks of leave. However, as a result of the 2005 amendment, employees choosing to take long service leave after 10 or 11 years of service are currently only entitled to 6.07 weeks of leave. This represents an entitlement loss of approximately 2 ½ weeks as they are not entitled to further leave until at least 12 years have elapsed.

This bill will remove this disadvantage to those under the current legislation by amending the act to remove the five-year entitlement blocks and to provide that long service leave entitlements will now be accrued and made accessible to employees on a year-to-year basis after the initial seven years of service. This will allow employees to take their long service leave at any time after the initial seven years of service without being disadvantaged when compared against the pre-2005 model.

Significantly, this proposed amendment will be creating a better entitlement without adding cost to employers. This is because the act currently provides, at part 2, section 11B, that an employee must be paid out pro rata long service leave for any service of between one and five years after the initial seven years of service when they cease employment for any reason.

As such, the amendment would simply be changing the timing of eligibility for the entitlement and in effect provide for the possibility of an additional 4.3 days of leave

per annum for those who have accrued over seven years of service and choose to stay with the same employer. The added burden on employers may be the possible need for slight adjustments to leave accrual systems.

These amendments are a real win for employees, with negligible cost to employers, while simplifying the practical application of the act. Allowing employees to gain access to their long service leave on a yearly basis after serving an initial seven-year period is innovative. However, with the debate on work/life balance and the need to enhance recruitment and retention policies in the ACT within a tightening labour market, these proposals can frankly be regarded as addressing current workplace realities without being economically irresponsible.

The amendments made in 2007 to the Long Service Leave (Building and Construction Industry) Act 1981 sought, amongst other things, to improve the administration of the building and construction industry portable long service scheme by simplifying the reporting requirements and the calculation of service and payments. One of these amendments applied a new formula to reimburse employers where employees elected to take long service leave under the Long Service Leave Act 1976 or other acts instead of under the portable scheme.

Unfortunately, this formula has not been easy to apply and has led to some confusion on the part of employers and employees. This bill removes that formula and introduces a less complex method for determining what is to be reimbursed to employers, based simply on what has actually been paid to the employee, subject to the governing board's approval.

The amendments in this bill will further simplify and streamline long service leave arrangements under both pieces of legislation and make them more practical for both employers and employees.

Finally, it is worth noting that the federal government has called for the creation of a harmonised national long service leave scheme. This will present a significant challenge to all jurisdictions, given the noticeably different models that currently exist throughout the country. I, for one, look forward to this review and hope that a national long service leave scheme can be created that reflects many of the positive aspects of our own legislation.

In the meantime, the ACT government is committed to working with employers and employees to enhance long service leave entitlements for private sector employees in the ACT and this bill is a clear demonstration of that commitment. I commend the bill to the Assembly.

Debate (on motion by **Mr Stefaniak**) adjourned to the next sitting.

## **Parental Leave Legislation Amendment Bill 2008**

**Mr Barr**, pursuant to notice, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (11.03):  
I move:

That this bill be agreed to in principle.

Mr Speaker, the Parental Leave Legislation Amendment Bill 2008 will amend the Discrimination Act 1991 to make it clear that parents in a same-sex relationship must not be discriminated against, especially in relation to parental leave. The bill also repeals the Parental Leave (Private Sector Employees) Act 1992.

This legislation has been introduced to address concerns that the Human Rights and Equal Opportunity Commission identified in *Same sex: same entitlements*, the final report from its national inquiry into discrimination against people in same-sex relationships. The report was critical of the Parental Leave Act because it does not enable same-sex parents to access parental leave. HREOC recommended that the Parental Leave Act be amended.

Amendments to the Workplace Relations Act 2006 by the Work Choices legislation had the effect that the commonwealth has covered the field in regards to parental leave in the ACT. This makes the Parental Leave Act inoperable. I recommend the Assembly repeal the Parental Leave Act, thereby removing the discriminatory provision. The amendment to the Discrimination Act 1991 strengthens the law in the ACT in relation to prevention of discrimination for those in same-sex relationships.

The ACT Labor government has a proud history of advocating for the rights of people in same-sex relationships. This bill is yet another example of the ACT government's commitment on this issue.

I welcomed the release on 16 June this year of the commonwealth government's national employment standards which will, in a first for Australian employment law, give equal rights to same-sex partners. The national employment standards will form the new safety net for Australian employees. It is worth noting that the original draft standards did not allow for same-sex couples to have access to parental leave and carers leave and that the changes that were announced by the Prime Minister now reflect the acceptance of same-sex rights by the Australian community.

I believe these two changes together will make sure that people in same-sex relationships in the ACT have the level of recognition and protection that is expected by the ACT community. I commend this bill to the Assembly.

Debate (on motion by **Mr Stefaniak**) adjourned to the next sitting.

## **Workers Compensation Amendment Bill 2008**

**Mr Barr**, pursuant to notice, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (11.06):  
I move:

That this bill be agreed to in principle.

The Workers Compensation Amendment Bill 2008 will enable an injured worker to seek compensation for any costs associated with making their domestic environment more liveable following a work-related injury. This change will provide certainty for employers, insurers and injured workers by formalising the extent of compensation or medical treatment under the act.

The Workers Compensation Act 1951 establishes a compulsory no-fault statutory insurance scheme for private sector workers in the territory. The scheme does not currently provide recourse to workers who need to make structural changes to their home following an injury. These are often necessary alterations, such as widening doorways, laying paths or lowering bench tops and changes to an injured worker's domestic environment which will allow for greater freedom of movement, provide better access and facilitate greater independence.

It is desirable for the scheme to cover these costs as the improved accommodation of a work-related injury offers the best outcome for all parties concerned. It is scandalous that employers are not compelled to cover these expenses under the legislation as it currently stands.

The changes were prompted by a case heard in the ACT Magistrates Court recently. In that case, an injured worker made a number of changes to his place of residence but was denied compensation for the costs of making those alterations. The magistrate, perhaps recognising the unfairness of the situation, commended this matter to the attention of the Assembly and it is under this pretext that I present this bill today.

There is anecdotal evidence that some insurers in the territory already cover these expenses, even though they are not legally obliged to do so. This is all the more reason for making this change. It is simply unfair that some insurers do the right thing and cover the costs of necessary home alterations for significantly injured workers whilst others do not.

Members may recall that there has been much discussion about the harmonisation of OHS and workers compensation arrangements in recent years. The federal government has been very active in promoting change in OHS and workers compensation arenas since coming to office. A Comcare review was announced in February of this year and a national review into model OHS laws was also announced recently.

Both reviews are now well underway and this bill will bring the ACT into line with the arrangements in place across the border in New South Wales and under the commonwealth's Comcare scheme. No longer will public servants and workers in Queanbeyan feel the benefits of these arrangements whilst those in the territory's private sector are left out in the cold.



This bill provides for a permanent arrangement to enable workers and employers to manage their affairs around a predictable compensatory framework. In doing so, the bill will lead to greater harmonisation of workers compensation arrangements in Australia by bringing the ACT into line with other jurisdictions and provide greater certainty for employers, insurers and injured workers overall. I commend this bill to the Assembly.

Debate (on motion by **Mr Stefaniak**) adjourned to the next sitting.

## **Health and Disability—Standing Committee Report 6**

Debate resumed from 8 May 2008, on motion by **Ms MacDonald**:

That the report be noted.

**DR FOSKEY** (Molonglo) (11.10): I did not move that the debate be adjourned, because this is a really useful report and I thought that it deserved a bit more discussion in the Assembly.

It is very clear that the whole process was an educational one for committee members. Indeed, the report is an interesting synthesis of the information that is around on this topic. Like most people in the community, my knowledge of ice and related drugs based on methamphetamines comes from rather sensationalised media reports. For me, it was a little reassuring to see that the problem is not as large as the media would have us think.

It is also salutary to realise that people do use these drugs without necessarily suffering harm and without necessarily turning into the kinds of people that we see in some of the programs. That is the same with any drug. We know that many people use alcohol in quite a restrained way; they enjoy it and they do not become alcoholics.

There is a myth around that if you try a drug you will be hooked and that is it. Ice is in that category at the moment. Yet just anecdotally—from talking to young people that I know, not necessarily about their own lives but about their friends—there is quite widespread use of these drugs and related drugs. Not surprisingly, a lot of it is not for pleasure; a lot of it is just so they can get up and go to work, not just in the morning but whenever they do. Some people who work in the hospitality industry, for instance, have very long hours. I am told by people who work there that there is quite a high use of methamphetamines and related drugs just to keep them awake and keep them going through the day.

That is very worrying. It does not say as much about the drugs as it does about our system of work. Every now and again we do well to reflect upon that. We must remember that workers in a different time fought very hard for the eight-hour-a-day rule. In the 1970s—I believe it was—we were having debates about the increased amount of leisure that we were going to get as computers and other systems meant that we had to spend fewer hours at work. We all know that that is not the case. We take those demands upon ourselves.

We work long hours. For those of us who love our work, it is fine; because we derive pleasure from it, we do not need artificial stimulants. But some people work in very difficult and unpleasant jobs that we have not chosen to work in. The relationship between truck drivers and methamphetamines is well known; it is a work-related hazard. We really need to see drug use in those contexts.

Another context that is relevant is the legal context in which drugs are used. We must always remember that often the criminality of drug use is as much of a problem as the drug itself. I want to quote Dr Alex Wodak, who said in an interview with Virginia Trioli on 15 March last year:

Who would believe that a democratic government would pursue for eight decades a failed policy that produced tens of millions of victims, millions of dollars of illicit profits to drug dealers, cost tax-payers hundreds of millions of dollars, increased crime, destroyed inner cities, caused widespread corruption and violations of human rights, and all with no success in achieving the stated unattainable objective of drug-free America.

That was a quote from Nobel laureate Milton Friedman. There are quotes like this from the highest of the high in our communities—people who are held in the greatest of repute. The plain fact is that, whether we like it or not, the war-against-drugs approach has failed, and failed miserably.

We have to remember that ice has emerged at a time when Australia is supposed to be fighting a war against drugs. This is consistent with the iron law of prohibition—that the more zealously, the more stringently, law enforcement authorities pursue illicit drugs, the more likely it is that more dangerous drugs replace dangerous drugs. Perhaps that is the context in which ice has emerged as a more widely used drug; I am not sure.

The risks of ice use are well known and they are detailed in the report. I have brought them together in a list. There is the rise in sexually transmitted infections through the prevalence of unsafe sex with multiple partners and unsafe sex with more stable partners, because risk-taking behaviour is a lot easier when you are high on ice—and probably other things as well: alcohol, for instance.

There is unsafe driving. Though the link has not been definitively made, other behaviours that go with drug use indicate that that could be an issue with this particular drug. There is the rise in blood-borne viruses amongst injecting ice users. There is the unreliability of the purity of the drug and unknown additives—and this will always be a problem while the drug, or any drug, is illegal.

There is the cost of procuring the drug in a criminal market, which makes it more expensive and gives the supplier power. And there are the flow-on effects of operating in a criminal market. Even very ordinary people often use illicit substances; they put their whole family at risk, as well as themselves, just by pursuing their habit.

There are the impacts on families. We are fairly familiar with the impact of alcohol. Consider, too, the impact when that drug is illegal. There are break-ups, poverty and chaos—the family chaos that can occur when there is not enough money when people

have a very bad habit. We can understand that that would translate through to the way children might be affected.

Sometimes there is violence. Ice is characterised as a drug that increases violence in the user. Another thing this report shows is that it does not affect everybody in the same way. And there is the stigma. There is a public perception of the ice user that has been created. When I think of the word “ice”, I can see some of the faces that were presented in the *Four Corners* report last year. It becomes a sensationalist issue. When issues become sensationalist—we have seen it with child abuse issues—it takes people’s eyes off the main game, the systemic changes that must be made at the same time.

One thing that the committee canvassed is that family-inclusive treatment options need to be increased in the ACT. Not everybody who uses drugs is a single young person—there is another stereotype. There are families involved. The whole family needs treatment in some way or other. Certainly people should not be separated from their families. We do not have enough of those options in the ACT.

We also need to recognise the needs of kin carers. One thing that has been discovered in Australian cities—certainly in relation to the AIDS campaign, not just in Australia but in Thailand where the AIDS campaign was able to be stemmed—is the importance of peer education. That is where I think the loss of CAHMA, the needle and syringe program, might have had a deleterious effect, because people who know the problems of users are the ones that users can talk to best. Directions ACT has now got the needle and syringe program. It is an incredibly good program, but I would like to see some evaluation of the loss of CAHMA. It could not be a problem; I do not know. But I am not sure if there is anything out there which indicates that one way or the other.

The committee was supportive of needle and syringe programs, but it did not go so far as to suggest that they should be in prisons. If people get caught selling or even using these drugs, they will end up in prisons. It is ridiculous to think that the problem ends there and that they are put away safe from drugs. We all know that that is not the case. I would have liked to see the committee go that far.

It was really good to see—I was really pleased about it—the attention given to dual diagnosis. That is a growing problem. We have to understand that ice users are probably poly-drug users and that there is an increased presentation of people who have drug issues and mental health issues as well. When I last checked on this, there was one dedicated worker in ACT Health on this issue, I think. It is really important that we do not just have one dedicated worker. The committee does understand this and recommends that the ACT government should make available and resource mental health first-aid training for all workers in the alcohol and drug sector. And that needs to go both ways: people who work in mental health services also need to have a good understanding of all the issues related to drug use.

One of the more concerning things about methamphetamine use is that, unlike heroin use, there is a total lack of pharmacological treatment. We do not have any treatment programs at all in the ACT. Perhaps that indicates the level of use. For instance, ambulance officers told the committee that, while alcohol was 30 per cent of

overdoses they attended, amphetamines were 5.5 per cent and methamphetamines were a smaller percentage of that. Whether that means that it is not yet seen as an issue that requires special attention, I do not know. Concerns about the behaviours that some methamphetamine users present might lift it up the list a bit, because there is recognition that users can be quite difficult to deal with.

I appreciate that the committee has suggested that there be a consultative process involving methamphetamine and other psychostimulant users, to determine their needs for treatment. That is a really good way—based on peer education. It is people who use or who have used that will know most about the best way to become an ex-user.

I am interested in the recommendation that we monitor the Victorian trial on pill testing. That is certainly a real concern, as we know that ecstasy and just the illegality of pills makes them unsafe. We do not know what is in them. I hope that we will monitor that Victorian program with a view to introducing it in the ACT.

There are particular groups at risk. We more often worry about children and young people due to the formation of lifelong habits at that stage of life; due to the particular vulnerability of the forming brain; and, perhaps, in some young people more of a tendency to develop risky behaviour. The children who are most at risk are perhaps children in families where illegal drug use is routine, particularly where ice and other potentially harmful drugs are used by older members. In the ACT we are a small enough community that we can identify families like that. It is an issue that can fall across into child abuse and into neglected children. Again, I do not want to fall into the stereotype. That is not always the case, but it can be a side effect. If we care about our kids, we have to care about people who use drugs. (*Time expired.*)

**MS PORTER** (Ginninderra) (11.26): I believe this inquiry is significant and timely. As Dr Foskey has just said, it has enabled the committee to focus on this group of illicit drugs and on individuals, families and the community in general and the effect of the drug.

Dr Foskey is correct regarding the variety of reasons why the drug is used—the variety and the varying effects. The inquiry has enabled the committee to examine the services that support harm reduction and any treatments that are available as well as examine the support of affected families and persons that are affected within those families. Members will find that the recommendations, 23 in all, are quite wide ranging. However, they are realistic in their approach.

Illicit drug use is a complex area. The committee found that, as Dr Foskey was saying, poly-drug use and co-morbidity are common. And there is no known pharmacological treatment that can be used in a treatment regime—such as with heroin, for instance. Behavioural issues such as anger and violence are also an issue for families—and not only for families, but also for health workers and other service providers. However, the committee did find that psychosocial interventions may be sufficient with people with milder problems.

The committee made several recommendations to address possible gaps in service delivery, particularly in the support of affected people with children in their care, and

grandparents. Dr Foskey mentioned how important this area is. The committee also recommended that staff exchange be instituted between drug services and mental health services and made recommendations about the dissemination of information, mental health first-aid training and, importantly, community education. Community education campaigns need to be about not only this group of drugs but other illicit drugs and licit drugs. We seem to forget from time to time that it is not only illicit drugs that are creating issues in our community; of late we have heard a lot mentioned about alcohol.

I commend the report and its recommendations to members. I look forward to the government's response. I would like to thank Grace Concannon for her support of the committee as secretary and Lydia Chung for her administrative support. I express my thanks to all witnesses who came before us and to agencies that enabled such valuable information to be gleaned during visits to a number of sites.

I will just reflect on what Dr Foskey said about HIV-AIDS. The committee did recognise this issue and make some recommendations in this area, Dr Foskey.

As I said, this is a complex area and it is a difficult area for everybody. Therefore, sometimes it was very stressful—for those who came before the committee or in agencies that we visited—for people to talk about their particular issues around this illicit drug use. I would like to acknowledge that.

Finally, I would like to thank Ms MacDonald for chairing the committee and for bringing this matter to the committee for our examination. Mrs Burke, as the other member of the committee, I thank you as well.

Question resolved in the affirmative.

**MRS BURKE** (Molonglo) (11.30): I will not go over ground that has already been covered this morning but I basically say my thanks, too, to my fellow committee members, the chair, Ms MacDonald, and Ms Porter; to Grace Concannon and Lydia Chung; to the people in Hansard; and for all the submissions that were provided to help us carry out what was perhaps a very succinct glimpse into the life of people who use crystal methamphetamine, commonly known as ice, and into the impacts upon families and grandparents, in particular, which I will touch on in a moment. I would like to also thank all the groups that appeared at the public hearings and thank them for their time.

There are a couple of recommendations that I will draw to members' attention. Recommendation 2, at page 12 of the report, reads:

The Committee recommends that the ACT Government recognise the special needs of grandchildren living with their grandparents as a result of parental substance abuse and the special needs of grandparents who become the primary carers of their grandchildren, and include strategies for this population group in future ACT Government planning.

I would like here to acknowledge first and foremost the work of Marymead and thank the government, too, for the continued support of the work of Marymead. I think it is a credit to them that these programs exist. We do, obviously, need more. We see and

hear, all the time, tragic cases in the media, none more so than this week. I will not touch too much on that, but obviously there are some clear cultural problems and societal problems.

I have to say that Dr Foskey and I agree to disagree on some of the aspects of this. She almost appeared to fully condone drug use, saying that people can exist on drugs and have quite a normal life—

**Dr Foskey:** I did not say that.

**MRS BURKE:** I did not say you said that. I said you appear to fully condone drug use but people do say that you can live a normal life taking drugs. If it is medication then that is fine. But we are talking here about an illegal substance. As with any other illicit drug, it is illegal. To say that we should be sustaining people's lives and allowing them to continue in that lifestyle is wrong.

I think this report shows, points out and tries to give help, support and assistance right across the board, at every point where people take up drugs, where people are fully into the awful situation that they find themselves in once they get on this terrible bandwagon. What we should be doing is not be accepting of this stance; we should be doing more to not allow it to be acceptable in society and, therefore, have more people thinking it is all right to adopt it and take up that sort of lifestyle. We should be assisting people to seek alternatives to getting off drugs wherever we possibly can.

We need to get to the root cause of why people are on drugs and remain on drugs to get through life. Dr Foskey is right. I do know of people that do that. Therefore, we have to not accept that that is the way it is. Dr Foskey is right again. We need to look at some of the work cultures and practices that we have. To me, it is not acceptable that people feel they have to have a hit before they can go and do their job. Again, let us make no mistake: ice is illegal and we need to be doing all we can, and more, to get people off drugs and not really point them in that direction.

That brings me to another recommendation. We do need to exercise care. Look at recommendation 5:

The Committee recommends that information about the consequences and dangers of poly drug use be included in all future community education campaigns, funded by the ACT Government, dealing with licit and illicit drug abuse.

We link that to recommendation 8:

The Committee recommends that the ACT Department of Education and Training develop resilience building education programs for upper primary and early high school children.

Again, I think we have to be really careful. We heard that, recently in New South Wales, probably the best-intentioned people were putting out information about that particular issue and it actually pointed people to again accepting and taking up whatever we were trying to get them away from. So I think we do need to be very careful in that we do stick to the consequences and dangers of illicit drug use.

My determination to focus more on the grandparenting thing is real. We need to do more because I think there is a rising cohort of people, my age and younger, who are now living with the reality of bringing up their grandchildren.

I reiterate the wonderful work that Marymead does and thank the ACT government for their support of people like Marymead. The grandparenting support group is a good start but I think there is much more that we do need to look at. Often, grandparents are obviously at that stage of their life where they are coming into retirement and do not necessarily have a great deal of money. I know two particular grandparents who had got their lives established and, through no fault of theirs, are now raising two young children and are finding it very difficult.

We need to look at the social impacts and we need to look at ways in which we get people off drugs and not condition them to the fact that, in the community, people take drugs; therefore, it is fine. I think this report goes a long way towards pointing out the ways forward. But I think we always need to be sure that, wherever we can, we help and assist people to get off drugs and get onto a better lifestyle.

I have written here that we need to look at either medical help or lifestyle changes. We all make choices in life. I agree with Dr Foskey that there are people who get to a point in their life where they—and this would annoy people who are probably listening now—feel that the only option is to take drugs. We need to be looking at why that is the case.

If society is allowing those people to fall so far through the cracks that they feel that is the only option then that is a sad place. So we need to be capturing people young; hence the report does talk about intervention for young people. But we need to really be exercising with great care that we are not sending the wrong message but obviously are not not saying anything. It is somewhat of a double-edged sword.

I will leave it there. I am sure that the chair will wrap up there. I again urge and encourage members to read the report and let us have any feedback you see as being appropriate.

**MS MacDONALD** (Brindabella) (11.37), in reply: I would like to begin by thanking Dr Foskey, Ms Porter and Mrs Burke for their comments on this report. Dr Foskey is correct. It is a very useful and educational report and certainly, as the chair of the committee and as a member of the committee, I found inquiring into this subject very illuminating and useful.

I would say that the one thing that this report raised for me, in a lot of ways, is my own naivety when it comes to a lot of areas and—I would not say “despair”—my dismay at people taking up and using drugs like ice. I can understand intellectually why people who are working in an industry such as truck driving or the hospitality industry, where they do have long hours, which Dr Foskey and others have talked about this morning, might actually take up a methamphetamine-type substance in order to help them get through their very long shifts. They do have long hours; they are burning the candle at both ends. How do you keep going?

**Ms Porter:** Like politicians.

**MS MacDONALD:** Yes, like politicians, in some ways, Ms Porter, but then again we have other compensating factors, I would suggest, and it is certainly not the same as doing those low-paid, demeaning jobs. Sometimes it can be quite stressful doing jobs like that. Even if it does not require a great deal of intellectual rigour within the job itself, it can be incredibly stressful to be in a low-paid, dead-end job, I am sure.

In spite of my intellectual capacity to understand that people might actually take it up for those reasons, to keep them going—and I heard stories of parents taking up and using drugs and coming to the needle and syringe exchange program in Woden to get their Fitpacks; and these are stay-at-home mothers of young children; obviously there are pressures in being a stay-at-home parent and looking after your children—you do worry and I still do have a great deal of concern and dismay that people get themselves into this trap. That is what it ends up being: a trap.

Mrs Burke made a comment about illicit drugs and their being a problem and maybe not so much of a problem as legally prescribed drugs or drugs that are legal, but we did actually find in this report that alcohol, which is a legal drug, is still the biggest problem drug within our society, especially when it is combined with illegal drugs as well. Ms Porter and Dr Foskey touched on the issue of poly drug use. We do have major problems with poly drug use but I just wanted to make the point that alcohol, a legal drug, is still of great concern and there are, of course, we know, many instances where people are prescribed legal drugs, morphine-type drugs, and then end up going on to abuse it. It is not necessarily that it has been deemed to be legal—you have been prescribed it—and it is necessarily alright, because there can be abuse of that situation, I would suggest.

Dr Foskey made the point as well about dual diagnosis. Yes, the committee did well and truly focus on this as being a major issue. I know that this issue—and I am sure Mr Corbell, as a former Minister for Health, will attest to this—has been an ongoing issue for the health and alcohol and other drugs sectors, the two sectors trying to come to terms with dealing with it.

What I would suggest is that it is the exception that people use only one drug; it is more common, it is the general rule, that people, if they are taking one drug, will take whatever they can get their hands on. That is unfortunate but it is something that we need to face up to. There is also the fact that people who are taking drugs very often have mental health problems and of course, with drugs like ice and other methamphetamines, there are the associated mental health risks which cause major problems.

What I would like to say with regard to this report and what we did find—and Dr Foskey touched on it as well—is that, in spite of all the media attention on this drug, it has been the drug of focus in the last couple of years, the one that is reported on in the papers. I do not know that we actually found it in the end, but I think there have been references that things are starting to turn back towards heroin. There is not a reason for the community to panic as such. Yes, it is a drug of concern; yes, it is a particularly nasty drug—ice, that is, and other methamphetamines—because of the concentration of the drug and the long-term effects of the drug. That is not to say that children are going to walk out on the streets and some will become addicted to ice. Let us not get carried away.



Mrs Burke made comment about recommendations 5 and 8 and the need to be careful about those things and it being a bit of a double-edged sword. I do not necessarily dispute that but, specifically with relation to recommendation 8 about resilience programs in upper primary and early high school children, it is not talking about drug education programs; it is talking about making our children stronger so that they can face the challenges that society throws up against them. Realistically, if we want to keep our kids away from drugs and get themselves into a cycle that they cannot get out of, I believe—and I think the committee believed in the end—that the way to do that is to actually focus on those resilience programs in a lot of cases.

This report does have 23 recommendations. One of the other things that have not necessarily been talked about so much is that we heard that young people in the 18 to 20-age group are most at risk of engaging in illicit drug use. I can leave the rest of the recommendations. I trust that members of the Assembly are quite capable of looking through the report and working out the recommendations.

I want to pay tribute to the organisations that appeared before the committee at not just hearings but a community forum we had in March last year. I should mention that the late Audrey Fagan came to that and spoke at that, along with Tina Van Raay, formerly of Directions ACT. We had somebody from the health area and alcohol and other drugs area. We had a large number of people from the community who turned up to that. I think that that session was very informative. Dr Alice Wodak came down from Sydney. I think it was a very informative session for the community. So I thank people for coming along to that and speaking as well as listening and asking questions. Also some organisations hosted visits from the committee; so thank you to them.

I would also like to thank my colleagues on the committee for their support and for coming on the journey of discovery with this report. Finally, thank you to Grace Concannon and Lydia Chung.

Question resolved in the affirmative.

## **Estimates 2008-2009—Select Committee Report**

**MS PORTER** (Ginninderra): I seek leave to present the report of the Select Committee on Estimates 2008-2009.

Leave granted.

**MS PORTER:** I present the following report:

Estimates 2008-2009—Select Committee—Report (2 volumes)—*Appropriation Bill 2008-2009*, dated 17 June 2008, including a dissenting report (Mrs Dunne, Mr Smyth), together with—

A copy of the relevant minutes of proceedings.

Letter to the Speaker from the Chair requesting authorisation for the printing, tabling and circulation of the Report on the Appropriation Bill 2008-2009, dated 17 June 2008.

Answers to questions on notice (3 volumes).

I move:

That the report be noted.

**MR CORBELL:** (Molonglo—Attorney-General, Minister for Police and Emergency Services): I move:

That the debate be adjourned.

Question resolved in the affirmative.

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

That the resumption of the debate be made an order of the day for a later hour this day.

*A call of the Assembly having commenced—*

**MR DEPUTY SPEAKER:** Just to clarify the matter, there were two motions. The first one was that the debate be adjourned. That was called and resolved. There was another question put, that the resumption of the debate be made an order of the day for a later hour this day, and that is where we are at.

**Mrs Dunne:** Mr Deputy Speaker, in accordance with the standing orders, could I ask that the vote, that the debate be adjourned, be recommitted.

**Mr Corbell:** You can only do that with an absolute majority.

**MR DEPUTY SPEAKER:** Order! I have just taken some advice, and standing order 165 says:

In case of confusion or error concerning the numbers reported, unless the same can be otherwise corrected, the Assembly shall proceed to another vote.

On the basis of that standing order, I am going to go back and call the first vote again and we will take it from there. I put the question:

That the debate be adjourned.

The Assembly voted—

Ayes 10

Noes 7

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

Question so resolved in the affirmative.

**MR DEPUTY SPEAKER:** The question now is that the resumption of the debate be made an order of the day for a later hour this day.

Question resolved in the affirmative.

## **Executive business—precedence**

*Ordered that executive business be called on.*

## **Duties Amendment Bill 2008**

Debate resumed from 6 May 2008, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

**MR SMYTH** (Brindabella) (11.57): The opposition will be supporting this bill, and I would like to thank the government for the fine briefing that I was given on the bill. The principle of this bill is precisely the sort of action that all governments should be taking, particularly as part of a concerted effort to remove or reduce unnecessary regulation.

The reviewing of many of these nuisance taxes has been in place for years. The value of these types of taxing measures really needs to be called into question, especially when they raise such small amounts of revenue. The reality is that the removal of such imposts will more than likely result in more economic activity, and hence increased revenues and profits and, ultimately, revenue flowing into government coffers.

This bill, I was told in the briefing, is estimated to cost the ACT Treasury around \$200,000 a year, but it will lead to a more efficient economy. That will also be a great outcome for the community. It does not take much for an economy that is working well to generate the \$200,000 that will need to be made up. With that, we commend the bill to the house.

**MR MULCAHY** (Molonglo) (11.58): I will be brief; I know there is a lot on the schedule for today. I am pleased to speak in support of this bill as well. As was pointed out by Mr Smyth, this has very small revenue implications—some \$200,000—but it is music to my ears whenever there is any initiative by government to reduce annoying taxes.

Obviously, it is lamentable that the opportunity to provide more extensive tax relief was rejected in the context of this budget, but apart from the small revenue amount there are always administrative costs in these matters to both taxpayers and obviously the bureaucracy, which makes the removal of taxes of this nature welcome, so I will be pleased to vote in support of it. I understand the urgency because of the planned removal of this tax by midnight on 30 June.

**DR FOSKEY** (Molonglo) (11.59): As a general principle, I welcome the removal of taxes and charges which cost the government more in processing expenses than are recouped from the taxes themselves. I also welcome the removal of charges and

impositions on the private sector, which, while resulting in a net financial gain to the agency collecting the tax, result in unreasonable expense or opportunity time lost to private citizens or businesses.

Because this government still has not delivered on its stated commitment to triple-bottom-line accounting principles, it is still the case that government agencies are able to externalise costs and maximise revenue by forcing private citizens to internalise the costs of regulatory compliance. I am sure that this situation sometimes occurs without any malice or even awareness on the part of the agency concerned. A triple-bottom-line discipline would highlight the social costs of regulatory measures and ensure that, when unreasonable regulatory imposts were created or maintained, it would be the result of a conscious decision to do so.

In light of what I have just said, it should be obvious that I welcome the abolition of the two \$20 duties in this bill. I do have some misgivings about the abolition of section 59, which imposes a \$200 duty on the establishment of a trust. Surely, the government can turn a profit from a \$200 duty. Trusts do serve some very laudable purposes, including the fact that trust deeds provide some degree of legal certainty that particular values and ethical standards will be maintained in future in regard to the management of some specified property or sum of money.

They also provide some degree of reassurance that a particular beneficiary's interests—often a cherished family member—will be paramount in the disposition of a particular investment or property. But having said that, I suspect that the predominant motivation behind trust formation is tax avoidance. Exploiting the tax-free threshold for each dependent beneficiary is a gift to the financially literate and it is undeniable that trusts are a predominantly middle and upper-class phenomenon. So I am a bit concerned that the government chose to abolish this particular duty when there would seem to be other duties whose abolition would result in greater social and financial benefits.

This is the government that launches into paroxysms of outrage whenever I, or the Liberal or Mulcahy parties, suggest that some particular tax or duty should be abolished or reduced. So I expect consistency on this matter, and I look forward to the Chief Minister telling us which widowed mothers' refuges are going to be closed and which bus services or kiddies' sports facilities are going to be slashed. I expect that the minister will be keen to justify the social and financial consequences that we are told are the inevitable consequence of any suggestion from this side of the chamber that any particularly inefficient or socially or environmentally regressive taxes or charges should be reduced.

I am impressed by the creative solution to the problem, which has been solved by the government's last-minute amendment, which creates a prospective retrospectivity commencement clause. You do not see one of those every day. This is, of course, one consequence of the opposition's no-confidence motion. I will, however, be supporting the bill.

**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) (12.03), in reply: The

Duties Amendment Bill 2008 amends the Duties Act 1999 to abolish duty on the establishment of and changes to trusts over non-dutiable property. The passage of the bill is necessary to give effect to a revenue measure introduced in the ACT 2008-09 budget—namely, the removal of some minor taxes.

Minor taxes removed by the bill are applied under provisions that impose duty on the establishment of and changes to trusts. Currently, \$200 or \$20 duty is charged on an instrument that declares a trust over non-dutiable property. The most common of these instruments include a family discretionary trust over a small settled amount of money and an instrument that establishes or varies a superannuation fund. However, duty on the establishment of or change to a trust over dutiable property will not be abolished as a result of the bill. A declaration of trust over dutiable property will continue to be liable for duty at the rate applicable to the type of dutiable property over which the trust is declared. For example, a declaration of trust over land will still be liable to duty.

The 2007-08 revenue forecast for the elimination of these minor taxes is \$200,000. A relatively small amount of revenue forgone also involves the removal of inordinate administrative and compliance costs associated with these minor taxes. Furthermore, the removal of the requirement to lodge and pay duty on related instruments will reduce administrative costs to the professional community and the general public.

There is a small amendment, which has been circulated. I foreshadow that, post agreement in principle, if that is the will of the Assembly, I will move that small technical amendment. But I thank members for their contributions and for their support of, as has been expressed, a significant tidying up of what is essentially a nuisance tax or charge—one that probably does not even pay for its administration and compliance. I commend the bill to the Assembly.

Question resolved in the affirmative.

Bill agreed to in principle.

### **Detail stage**

Bill, by leave, taken as a whole.

**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) (12.06): I move amendment No 1 circulated in my name [*see schedule 1 at page 2191*]. I table a supplementary explanatory statement to the government amendment. As I indicated, this is a very minor technical amendment that goes simply to the commencement of the bill.

Amendment agreed to.

Bill, as a whole, as amended, agreed to.

Bill, as amended, agreed to.

## **Estimates 2008-2009—Select Committee Report—government response**

**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) (12.07): As we are about to move to the Appropriation Bill, to assist with the coming debate on the bill, I now present the government's response to the report of the Select Committee on Estimates. For the information of members, I present the following paper:

Estimates 2008-2009—Select Committee—Report—*Appropriation Bill 2008-2009*—Government response, dated June 2008.

I move:

That the Assembly takes note of the paper.

I thank the committee and its support staff for the report on Appropriation Bill 2008-2009.

Earlier this year I had the pleasure of presenting to this Assembly a budget for the future—a budget that was prepared by a government that is ready for the future; a budget that presents a vision for a long-term future for this great city. This is a budget that we have been able to deliver because we have undertaken necessary reform, made hard decisions and maintained fiscal discipline.

I remind the Assembly of the achievements of the 2008-2009 budget and, in particular, the unprecedented, indeed historic, investment in the territory's infrastructure. As I made clear at the time, the budget's centrepiece—building the future—is a billion dollar investment in the productive capacity of our economy. It is a billion dollars channelled into areas that are of critical importance to our city: our health system, our transport system; combating climate change and reinvigorating our urban amenities as well as to communication technology infrastructure and boosting our capital works program.

It is a budget that dedicates hundreds of millions of dollars to targeted recurrent programs designed to maintain the exceptional standard of services Canberrans have become accustomed to under this government. Not content with this alone, the budget was also framed to deliver much deserved tax cuts to, among others, pensioners, first home buyers and, of course, the business community—and all this while responsibility maintaining modest budget surpluses and strong cash surpluses across the forward years. The 2008-2009 budget leaves the ACT indeed ready for the future.

Turning then to the Select Committee on Estimates and its deliberations on this important document, in its consideration of the budget the committee it has canvassed a wide range of issues, the result of which has been the presentation of 54 recommendations to the government. The government has duly responded to each of these recommendations in turn. I will not take the Assembly's time now by working through each of the select committee's recommendations. These are separately discussed in the response document that I have tabled here today.

Broadly speaking, the recommendations included in the report related to improvements in estimates procedures and budget presentation and additional information to be provided to the Assembly in the future. The government accepted or noted the majority of the recommendations and again thanks the committee for its diligence in preparing the report.

The committee's report was accompanied by a second volume, namely, a dissenting report prepared by Mrs Dunne and Mr Smyth, which contained a further 55 recommendations. The government considered the report did little to promote debate about the 2008-2009 budget as it did not substantially further the discussion of the proposed expenditure proposals and resource allocations.

As a result the government has not responded in a detailed manner to the dissenting report's individual recommendations. However, there was one aspect of the report the government felt it necessary to respond to—that of land rent. The land rent scheme operational from 1 July 2008 will allow low to moderate income households to rent, instead of buy, the land component of a house and land package. The report recommended that the government withdraw the land rent scheme.

The government strongly disagreed with this recommendation and considered that, by making such a recommendation, Mrs Dunne and Mr Smyth demonstrated that they have not been able to grasp the basic concepts of the scheme. In fact, the report makes a number of erroneous statements, despite the comprehensive information provided to the estimates committee hearings, responses to questions on notice and direct briefings by officials. To set the record straight, independent analysis of the Treasury modelling of the scheme has been extremely positive, and the scheme has been designed in consultation with the Law Society, valuers, financial institutions and the Real Estate Institute of the ACT.

Returning to the main report of the estimates committee, the recommendations do not raise any serious issues that would prevent the passing of Appropriation Bill 2008-2009. Rather, the report seeks more information and clarification on a range of issues that the government has agreed to provide, where feasible.

I again thank the committee for its consideration of these issues and remind the Assembly that this budget prepares the territory for a prosperous future by building on the strengths of the present. I commend the government response to the Assembly.

**MR SMYTH** (Brindabella) (12.12): It is curious that the Assembly and the opposition, in particular, have given the Chief Minister the courtesy of speaking to the government's response to the estimates committee report, yet the government would not give members of the committee the courtesy of allowing them to speak to their report.

Mr Corbell says it is part of a cognate debate. Well, why don't you apply the same standards to your Chief Minister, Mr Corbell, that you apply to everybody else? This could have been dealt with cognately. It is the tradition of this place, Mr Speaker, that members of committees speak to reports when they are tabled.

**Mr Corbell:** I raise a point of order as to relevance, Mr Speaker.

**MR SPEAKER:** There is a point of order.

**MR SMYTH:** I am addressing the tabling of the report.

**Mr Corbell:** This is not a debate about—

**MR SMYTH:** It does hurt, doesn't it?

**Mr Corbell:** The question is—

**MR SMYTH:** Yes, your arrogance hurts.

**MR SPEAKER:** Order! Sit down for a minute, please, Mr Smyth.

**Mr Corbell:** The question is that the report be noted. That is the question Mr Smyth needs to address.

**MR SMYTH:** Mr Speaker, I am addressing the tabling of the report and how it comes to be in the Assembly. That is entirely appropriate. It is arrogant in the extreme—

**Mr Corbell:** On the point of order, Mr Speaker—

**MR SMYTH:** Oh!

**Mr Corbell:** Mr Speaker, the question is that the report be noted. Mr Smyth knows very well that this matter will be subject to debate in about five minutes, if he stops taking the approach he is adopting.

**MR SPEAKER:** That is not a point of order.

**Mr Corbell:** The matter will be able to be debated at that point.

**MR SPEAKER:** That is not a point of order.

**Mr Corbell:** But if Mr Smyth wants to play silly buggers, then we can be here until 12.30 tomorrow morning, if that is the way he feels about it.

**MR SMYTH:** Oh, threats now—arrogance and threats!

**MR SPEAKER:** Order!

**Mr Corbell:** Mr Speaker, the opposition is failing to understand the procedure the government is attempting to adopt so that all matters relating to the budget can be debated concurrently. That is not unusual. It has happened in this Assembly many times before.

**THE SPEAKER:** That is probably the speech you ought to give on the question that the report be noted.



**MR SMYTH:** Yes, I think he should, Mr Speaker. This just confirms the arrogance of Mr Corbell. He says this should be addressed in the cognate debate. If it is good enough for the opposition to have to put their comments through the cognate debate, then surely it is good enough for the government to do the same. The arrogance and the mismanagement of the manager of government business grow daily. The way he keeps leaping up with his points of order is not in keeping with the traditions of this place. What we should have had this morning was a debate about the tabling of the estimates report and then, if we wanted, a debate about the government's response to that report.

**Mr Gentleman:** You voted to debate it this afternoon.

**MR SMYTH:** Yes, we can also do it cognately later on this afternoon. That is when I will address issues raised, both in this report and in the estimates report, to speed up the process. It is unfortunate that the government does not apply the same standard to themselves in this place. But that is the arrogance of majority government, and I think they will learn about that folly in October.

**MR CORBELL** (Molonglo—Attorney-General, Minister for Police and Emergency Services) (12.15): Mr Speaker, it is not uncommon in this place for all the matters relating to the budget debate to be dealt with together. Certainly that has been the experience of Labor in government and in opposition. It has been the practice adopted by Liberal governments that the government response to the report of the estimates committee and the Appropriation Bill itself are debated cognately. There are good reasons for that. They are all related, and on many points members will make the same point in relation to a number of those items.

The government is not adopting any double standard in this regard. Members are entitled to speak when they table a document or report. If Ms Porter had chosen to speak when tabling the report of the estimates committee, she would, of course, have been quite entitled to do so. Mr Stanhope spoke when he tabled the government response.

If the Liberal Party do not want ministers to speak when we table documents, that is fine. We will just table documents. But debate on the tabling is a matter for the cognate process that the government is proposing and which, without any further ado, we will try and move to right now.

**MR MULCAHY** (Molonglo) (12.17): Is it in order for me to make some comment on the government's response at this point?

**MR SPEAKER:** The report has been tabled and the question is that the report be noted. You can speak to the report.

**Mr Corbell:** Richard, why don't you adjourn it and we can go to the cognate debate?

*Members interjecting—*

**Mr Corbell:** I am just suggesting that instead of doing it twice you can do it once during the cognate debate.

**MR MULCAHY:** I will address the estimates report later. I am talking about the government response at this point.

**Mr Corbell:** You can do it all in the budget debate. If you adjourn it, you can do it in 30 seconds time.

**MR MULCAHY:** I am able to do it now, am I not, Mr Speaker?

**Mr Smyth:** You are entitled to do it now if you want to.

**Mr Corbell:** You can do whatever you want.

**MR SPEAKER:** Order! Have the conversations somewhere else. The question before the house is that the report be noted. If you have something to say about the report, Mr Mulcahy, say it, now.

**MR MULCAHY:** I will, Mr Speaker, and I will be brief. I want to comment briefly on the government's response to the report and its comment on the dissenting report. I am focusing particularly on the matters they have not agreed to, but I note in relation to recommendation 9 that the committee recommends that the budget papers include not only details of FTE positions held by public servants, but also details of FTEs held by contractors within agencies.

The government's response to that is not to agree, and I think it is a very, very significant issue. It is a significant issue at the commonwealth level as well, although our interest obviously here is with the territory. The defence that is provided for not going down this particular road is that it would be administratively complex for each agency to independently and effectively calculate the FTE of contractors who may be engaged from time to time and under a variety of contractual arrangements.

I just do not accept that that is valid because formulae are required, in fact, when calculating payments to contractors and, as a consequence, I think that the argument for not disclosing that information is somewhat fallacious. I am aware that we have very large numbers of people who are categorised as contractors within InTACT and possibly a number of other agencies and I think it is very important to get a full picture of the extent of employment within the public sector that so one can measure growth against demand and population increase and ensure that the use of contractors is not simply a device to get around the more transparent issue of FTEs. I think that the reasons advanced for the rejection of that proposal are fairly thin.

I am pleased that the government agrees to report to the Assembly on the superannuation strategic investment review, but I continue to caution the matter I have raised previously in my former capacity as shadow Treasurer that we have to be very wary of political decisions being taken in relation to superannuation investments. I think the sentiment of the government to date has been to avoid that measure of risk. I know that there has been strong pressure from my colleague Dr Foskey in relation to the issue of superannuation investments.

*Members interjecting—*

**MR MULCAHY:** I think we have got two debates going on here Mr Speaker.

**MR SPEAKER:** Order! Members should take the conversation outside. Mr Mulcahy has the floor.

**MR MULCAHY:** In relation to recommendation 21, the committee recommended that a state of the service report be prepared each year as part of the annual reporting processes of the ACT government. The work force profile which provides a snapshot of the public sector is considered to be adequate in relation to addressing that matter, and certainly after seeing that report, which I think came out the other day, I think it seems to provide a large amount of the statistical data that was previously there. On that basis the response seems reasonable and sound.

Just going further through the government's response, there was a recommendation from the committee in relation to ACTPLA reviewing its policies and procedures to ensure that DA approvals are subject to appropriate checks and balances. I must say I was amazed that the committee actually had to make that sort of recommendation because given what went on in one recent development and given the discussion that occurred at the estimates committee, I was a bit taken aback about the apparent lack of double or triple checking on the procedures that allowed some of those errors to occur. Whilst I think a lot of the recommendations are rather gentle—and I will talk about that later on when we get into the cognate debate—I think that one is certainly an understatement.

I will limit my remarks to that point, Mr Speaker, and talk in more detail when we get into the cognate debate.

Debate (on motion by **Mr Seselja**) adjourned to a later hour.

## **Appropriation Bill 2008-2009**

[Cognate papers:

Estimates 2008-2009—Select Committee report

Estimates 2008-2009—Select Committee—report—government response]

Debate resumed from 8 May 2008.

### **Detail stage**

**MR SPEAKER:** I understand it is the wish of the Assembly to debate this bill cognately with the report of the Select Committee on Estimates 2008-2009 and the government's response to the report. That being the case, I remind members that, in debating order of the day No 1, executive business, they may also address their remarks to the committee report and the government response.

Standing order 180 sets down the order in which this bill will be considered—that is, in the detail stage, any schedule expressing the services for which the appropriation is to be made must be considered before the clauses and, unless the Assembly otherwise orders, the schedules will be considered by proposed expenditure in the order shown. With the concurrence of the Assembly, I am proposing that the Assembly consider schedule 1 by each part consisting of net cost of outputs, capital injection and payments on behalf of the territory.

Is this the wish of the Assembly? That being so, schedule 1 will be considered by each part, consisting of net cost of outputs, capital injection and payments on behalf of the territory, then the clauses prior to schedule 2 and the title.

#### Schedule 1—Appropriations

Proposed expenditure—part 1.1—Legislative Assembly Secretariat—\$5,878,000 (net cost of outputs), \$212,000 (capital injection), \$4,974,000 (payments on behalf of the territory), totalling \$11,064,000

**MR SMYTH** (Brindabella) (12.25): Mr Speaker, the Legislative Assembly budget is important for many reasons, not the least of which is that we work here, and those that we work with are supported by this budget. But the key issue that came up when discussing the Assembly was, of course, the future of the Assembly library, which has been hanging over the staff there for years now. We understand there is a report. But, as so often happens in the estimates, when the minister was challenged as to when he had received the report and when the report was going to go to you, Mr Speaker, the answers were very thin. That is a shame, because it is disrespectful to the staff in the library itself and it is disrespectful to you, Mr Speaker, as the person in charge of this Assembly. It is also disrespectful that ministers do not come prepared properly for estimates, and we saw it time and time again.

If this budget is as spectacular a success as the Chief Minister would have everyone believe, you would think that ministers would actually be able to sell it. You would think they would be across their briefs and that they would actually know what was in the budget. We have a section in the dissenting report on the behaviour of the ministers, because, time and time again, various tactics were used to slow down the process, to obfuscate the answers and to deny members the answers. Of course, it culminated in the embarrassment for the Chief Minister of being recalled by the committee.

Unlike his recollection yesterday that he volunteered to return, the Chief Minister was recalled. Unlike his lack of recollection when he got to the committee on 16 June, the letter from the chair of the committee to the Chief Minister indicated that the hearing was from 10.30 to 2.30. Again, the way that questions are answered leaves more doubt hanging over the ability of the ministers, particularly the Chief Minister, to administer this budget and to deliver the budget.

At times, as is the tradition in every other parliament in this country, members wanted to ask the officials questions, and they were denied the right to ask those questions. Before he became the Chief Minister, Mr Stanhope wanted more open, more accountable, more honest government. But, as I said yesterday and as I have said several times, we see less and less accountability and less and less openness. If the government and its officials will not answer questions then you actually have to have a really good look at what the estimates process is about.

There are recommendations in the committee's report about the process; there are recommendations about setting up some rules for the estimates because ministers constantly hid—

**MR SPEAKER:** Mr Smyth, can you remind me why we are on the subject of ministers? There were none before the estimates committee on this particular line?

**MR SMYTH:** Well, it is a cognate debate, and I am addressing the committee report, the dissenting report and the budget.

**Mr Seselja:** When is he meant to deal with the report?

**MR SPEAKER:** This is in relation to the Legislative Assembly Secretariat. I am just trying to encourage an economical approach.

**MR SMYTH:** This is perhaps part of the failure of the approach. I take your point, Mr Speaker, and I will come back to the subject of the Assembly. But I do make the point that we sought to speak to these reports earlier, and a tactic of the government has been to break down our ability to respond effectively by having our responses piecemeal throughout the budget lines. We saw the Chief Minister talk to his report, but we were denied that courtesy. This is part of the problem of the approach—

**MR SPEAKER:** Come back to the Secretariat. I think there is going to be plenty of time to talk about the other matters.

**MR SMYTH:** I will come back to the Secretariat, Mr Speaker. It is a shame the minister responsible for the report on the Assembly library is not here. It is one of the real gems of this place that we—

**MR SPEAKER:** There is a line in the budget for him.

**MR SMYTH:** Yes, I will get to him in that line of the budget as well, Mr Speaker. In regard to the library, I know that many people are interested. You appeared before the committee, Mr Speaker, and you might like to speak for yourself after the luncheon break as to whether or not you have received the report and whether or not you have had the discussion with the minister about the future of the library.

This is symptomatic of what we are going to hear for the rest of this day and potentially tomorrow as the debate on the budget continues—that is, ministers unable to answer reasonable questions or choosing not to answer reasonable questions, ministers obfuscating and ministers not delivering reports on time. We see it time and time again with this Assembly. We see it particularly in regard to the report on the future of the library, which is of interest to us all.

Other areas of interest that came up in the hearings which are mentioned in the final couple of pages of the report include the impending election and its consequences for the Secretariat and the reason for some extra payments there for the Assembly. We talked about the impact of the shared services and some financial functions. It would be good to see you, Mr Speaker, in time come back to the Assembly and actually tell us what the final impact of the shared services will be on the Assembly Secretariat.

We also talked about the accommodation arrangements for attendants at the public entrance. It is important that we have a friendly and engaging Assembly so people do

feel like they can come here and participate in the process of their parliament—it is their Assembly. It is also important, though, that the staff have appropriate working conditions. That will be something that the Liberal Party will be monitoring.

We also looked at the reliability of the lifts, which I know is of concern to some people, particularly if you cannot use the stairs. The provision of a lift system that works reliably and well all the time is also something that came up in the hearings and about which the committee was concerned.

Mr Speaker, I take on board what you say. I will just make a final comment about the process that got us here to having such a cognate debate. It is a shame that some members of the Assembly were shut out from having an appropriate say earlier in the day whereas other members of the Assembly were allowed to have their say.

*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 12.32 to 2.30 pm.**

## **Visitors**

**MR SPEAKER:** I welcome a delegation from Vietnam who are with us today.

## **Questions without notice**

### **Gas-fired power station**

**MR SESELJA:** My question is to the planning minister. Minister, FOI documents show that, under encouragement from a third party, ActewAGL contacted you regarding fee relief for their development application for the data centre and power station development in Tuggeranong. Your reply of 25 March indicates that you directed ActewAGL to the Chief Minister for discussions relating to reduction of fees. Have you, your office or ACTPLA received any advice at any time from the Chief Minister or his officials regarding this matter? If so, what was that advice?

**MR BARR:** Thank you. I am not aware of receiving a response from the Chief Minister. I will check on that and advise the Assembly. I will take that part of the question on notice.

**MR SPEAKER:** Supplementary question?

**MR SESELJA:** Thank you. Minister, has fee relief been provided to ActewAGL? If so, what fee was charged? What was the amount of the fee relief provided?

**MR BARR:** That would be a matter for the Treasurer. I will take that on notice and advise the Assembly.

## **Children—protection**

**MRS DUNNE:** My question is to the Minister for Children and Young People and relates to the removal of four young people from their home by police this morning. I

have spoken to the minister about this. Minister, can you update the Assembly on developments in this matter?

**MS GALLAGHER:** I thank Mrs Dunne for the question and also for contacting me to discuss this prior to question time.

I can give some general information that is public, but I do need to be conscious of the fact that there are matters before the court and also matters relating to the protection and privacy of the children involved. From the care and protection agency's point of view—I cannot speak on behalf of ACT Policing—the department has had a long and constant involvement with this family for many years, dating back to 1998. That interaction has at times been weekly. In fact, in the last month there have been a couple of home visits. The children were seen last Wednesday. They were deemed to be in good health and being cared for. There was certainly no concern that warranted removal at that time.

These situations change fairly quickly, as they do with families that have a range of issues going on. Obviously, that has now changed and those children have been taken into care for the short term, whilst longer term arrangements are resolved, including discussions with their mother. Mrs Dunne, I am very happy to arrange a briefing for you on this matter so that you can be apprised of details that I am not in a position to discuss publicly.

### **Planning—Narrabundah long-stay caravan park**

**DR FOSKEY:** My question is to the Attorney-General and it is in regard to mobile home legislation and the Narrabundah long-stay park. The attorney would be aware that now that the Narrabundah long-stay caravan park is back in the hands of the ACT government and being managed by Housing ACT it is time for putting the ownership and the management of the park on a long-term footing. Will the Attorney-General please advise the Assembly of his government's time frame for exploring the range of models that might be appropriate, whether that exploration will involve active consultation with the residents and home owners in the Narrabundah park and what those models might be?

**MR CORBELL:** Could I ask Dr Foskey to clarify which particular legislative reform she is suggesting needs to be addressed?

**MR SPEAKER:** Would you care to do that, Dr Foskey?

**DR FOSKEY:** My supplementary question is about the legislation. My substantive question is about exploring the range of models for ownership, whether it might be cooperative housing or community housing. There are two lots of legislation involved: one is the legislation that institutes the ownership of the park in somebody and the management thereof, and my supplementary question is going to be about ensuring long-term security for residents in mobile home and caravan parks.

**MR CORBELL:** I thank Dr Foskey for the question. In relation to the first part of your question, Dr Foskey, I am not the responsible minister for determining what the ownership model will be at the long-stay caravan park. I am certainly responsible for

the general legislative regime that deals with security of tenure and so on in terms of tenancies and other forms of habitation. But, in relation to the particular decision about the ownership model for the long-stay caravan park, it is better that you direct that to the responsible minister and they will be able to provide you with a clearer answer.

In relation to the issue around reform of the Residential Tenancies Act to provide for greater security of tenure for people who live in mobile home type accommodation, that is a matter that the government is giving further consideration to but I am unable to give you a more detailed time frame at this stage.

**Dr Foskey:** Could the question be taken on notice?

**MR CORBELL:** Yes. I am happy to take it on notice.

### **Gas-fired power station**

**MR SMYTH:** My question is to the Chief Minister and relates to the direct sale of land for the development of the power station and data centre in the district of Tuggeranong. Chief Minister, is the direct sale of land for a data centre and power station conditional on the development of a gas-fired power station that would provide a back-up power generation source for the whole of the ACT on the same site?

**MR STANHOPE:** The option for a direct sale of the land the subject of the question is subject to a number of conditions. I must say that I am not quite sure that I have the range of the conditions that were imposed with me today. I am more than happy to check my memory of the conditions that were included within the option that has been extended for the facility. It was a 12-month option. It certainly was most significantly based on a requirement that the proponents of the development manage to gain approval for the development application, which is a necessary part of the statutory approval process.

First and foremost, I can confirm that yes, there is an option for the direct sale of land in the district of Tuggeranong the subject of the question the member asks. Yes, there are a number of conditions. The most significant of those conditions is that the direct sale would not proceed unless the development application the subject of the proposed development were approved. That, of course, is reasonable and sensible and is at the heart of the debate or the discussion that we are having in relation to this incredibly important initiative for Canberra and for the district.

As to the specifics, I do not have those with me. I would prefer, for the sake of absolute certainty, not to hazard a guess. I will seek what information I am able and provide it happily to the Assembly.

### **Housing—affordability**

**MR GENTLEMAN:** My question is to the Chief Minister. Can the Chief Minister advise the Assembly of the government's latest initiatives in the area of housing affordability to get the territory ready for the future?



**MR STANHOPE:** I thank Mr Gentleman for his question. I must say that the government is very pleased to be able today to announce that another two of the 62 recommendations contained in the government's housing affordability action plan are well on the way to being implemented and have been very well received. The latest of these two of the 62 recommendations to be implemented by the government introduce the land rent scheme and the Land Development Agency's own place initiative.

The government is pleased that the Land Rent Act was passed in the Assembly last night. The act will introduce a land rent scheme in the ACT allowing low to moderate income households to rent the land on which they construct a house, rather than purchase that land. This will improve the prospect of homeownership to households on incomes as low as \$50,000. This scheme is unique to the ACT and is the first of its kind in Australia. It will make owning a home an option for a number of households currently excluded from the housing market. The scheme will reduce the entry costs and mortgage repayments for homeowners as households will only have to finance the cost of building a house on the land.

It is important to highlight the savings in housing costs for households entering the scheme. By way of example, the costs for a \$280,000 house and land package would be of the order of \$518 a week. However, the same package under the land rent scheme would only require payments of \$330 a week, reducing a household's cost by \$200 a week. That represents a saving of \$10,000 a year in housing costs.

That example just gives some indication of the hope that the land rent scheme holds out to those young families, those working families, those young families with children who are seeking to gain entree into homeownership. The government's policy will directly help those struggling to enter the housing market and will provide benefits to those households on incomes under \$75,000 a year. On the other hand, by way of comparison, the opposition's no stamp duty policy provides the most help to those households who could otherwise enter the housing market, people on incomes above \$160,000.

The introduction of the government's unique scheme is another step forward towards more affordable housing in the ACT. The scheme will add another housing alternative for households to choose in achieving their goal of homeownership.

I am also pleased to announce that last week—and this is two major initiatives in the space of a week—the government launched the LDA's affordable housing initiative, own place. Own place delivers on another initiative contained in the affordable housing action plan. This innovative project will provide house and land packages priced between \$200,000 and \$300,000 for sale in new LDA estates. It will open the housing market to a larger number of low to medium-level income households and will give them an opportunity to buy a new home in an LDA estate, achieving the dream of homeownership.

This innovative project will see the LDA and a range of builders in the ACT working together, in partnership, to provide affordable house and land packages targeted at low and moderate incomes. The LDA remains committed to delivering these affordable house and land packages in at least 15 per cent of all blocks in new estates. The new

affordable house and land packages will be available to households that are eligible to access the homebuyer concession scheme. Eligible households will have a household income that does not exceed \$120,000 and will not have held any interest in property for the previous two years.

The first of these packages will be available in Franklin and will be for sale off the plan later this year. Only last week the government announced the successful builders who will make up the panel to provide house and land packages as part of the own place initiative. A land ballot of blocks in Franklin will be held for builders on 30 June. This initiative will provide another fantastic option for affordable housing for Canberrans.

**MR SPEAKER:** A supplementary question from Mr Gentleman.

**MR GENTLEMAN:** Thank you, Mr Speaker. Can the Chief Minister advise the Assembly how these affordable housing programs compare with any other housing initiatives proposed?

**MR STANHOPE:** Thank you, Mr Speaker. I am aware of another so-called affordable housing initiative. Really, it is not an affordable housing initiative at all, but I guess it falls within the ambit of the question. It is actually sold as an affordability issue, but the contrast between the owned place and the land rent scheme and, of course, the no stamp duty scheme is quite stark.

The government is implementing a comprehensive and innovative affordable housing action plan—in stark contrast, of course, to the opposition's proposed one-shot approach to housing affordability. The government is addressing the underlying causes and assisting those in need, while the opposition's one and only policy proposal, its one-shot policy, would be a damaging and retrograde policy for affordability generally.

The opposition's one and only policy on affordable housing is to provide a full concession to a person purchasing a half million dollar first home. The opposition's policy is not new. It has—and we acknowledge this—been tried by various state governments and it has been proven to fail, to be worse than ineffective and, in fact, to be counterproductive.

If the opposition will not heed my advice on this issue, perhaps they will listen to Westpac. The Westpac Banking Corporation, in their economic release on 20 June 2008—last week—noted the significant changes to stamp duty rates by a number of state governments in the 2008-09 budgets and earlier. Westpac has analysed the likely effects of these new state government concessions and bonuses and has concluded that they will flow directly into higher house prices—directly into higher house prices!

Westpac concluded that these attempted concessions will flow directly into higher house prices. Westpac also concluded that the inevitable flow-on effect is almost instantaneous. I think the remarkable aspect of the Westpac research and advice in relation to this is that the effect is essentially instantaneous. Westpac studied the situation in Western Australia, where stamp duty exemptions apply in the way that the

Liberal Party here proposes them and concluded that the flow-on effect took three months.

This independent analysis from Westpac is saying that poorly targeted conveyance duty concessions and poorly targeted demand side policies simply and demonstrably do not work. Westpac estimates that these demand side policies could add as much as half a per cent to median house prices nationally and a staggering 2.1 per cent in Queensland—the jurisdiction on which the Liberal Party in the ACT has based its concession regime.

The Queensland result—this really is relevant—of a 2.1 per cent increase in house prices is instructive because it is the policy the opposition would inflict on the ACT. What does Westpac bank conclude in relation to the Queensland experience, the experience that the Liberal Party has adopted? Based on the latest Real Estate Institute of Australia data, an equivalent increase in the ACT to that which Westpac found in Queensland would immediately raise the median house price in Canberra by \$8,900 to \$453,900.

The Westpac analysis indicates that a policy such as Mr Seselja's of providing a full conveyance duty concession on a house purchase of up to half a million dollars is likely to flow directly through to higher house prices in a matter of three months. The perverse result of such a policy, the very policy advocated by Mr Seselja and the Liberal Party, is instantly higher house prices, making it even harder for people on lower incomes to enter the housing market.

The conclusions of the Westpac report—this is a report delivered just one week ago—suggest either that the opposition do not understand the dynamics and the economics of the housing market or they are prepared to seek short-term political gain and flashy headlines at the expense of putting households further into debt. Either way, the opposition cannot be trusted with housing affordability policy.

I should also point out that this government already provides duty concessions for first home buyers, but it targets this concession at those households most in need of assistance, households with income of less than \$120,000 a year purchasing properties up to the median price. The scheme actually helps those. It is a scheme that helps. It is based on evidence. It helps; it does not hinder. It helps those in need rather than simply pushing up house prices for the entire community.

While the Liberal Party opposition has promised to scrap stamp duty for all first home buyers, no matter how well placed they might be to purchase a home, the ACT government is implementing a comprehensive and well targeted range of affordability measures—62 in all. This is 62 well considered, well consulted on measures against one counterintuitive and damaging measure that is nothing more than voodoo economics. It is voodoo economics. In the words of Westpac, it is a bandaid solution that will drive up prices.

## **Taxation**

**MR MULCAHY:** My question is to the Treasurer. Following the finding by the Queensland government that the ACT is the highest taxing jurisdiction in Australia,

the Acting Treasurer argued that the figures used for the different jurisdictions were not comparable because they included rates and charges for local government services in the ACT but did not include these charges for other jurisdictions that provide local government services through local councils instead of through the state governments. She argued that general rates revenue should be removed from the calculations to make the ACT comparable with other jurisdictions.

The Acting Treasurer also stated in a media release on the subject: “The ACT government is in the middle of the pack in our taxation effort yet our overall level of service provision is the highest in the country—at 22 per cent above the national average.” Presumably, this service provision figure is the amount spent on services. Treasurer, does this figure for service provision at 22 per cent above the national average include services that are provided by local councils in other jurisdictions and, if so, what is the figure once these services are excluded?

**MR STANHOPE:** I will have to get the calculator out in order to be able to answer the latter part of the question asked by Mr Mulcahy, and I am more than happy to take that more technical part of the question on notice and provide the numbers. As Mr Mulcahy says, a recent media article reporting the Queensland budget, based on the published Queensland budget figures, led to a claim that Canberrans and Western Australians pay the highest taxes in the nation. The suggestion was, as Mr Mulcahy has said, based on a table on tax competitiveness included in Queensland budget paper No 2. I do have a copy of the particular table here with me, coincidentally.

Mr Mulcahy, in order to answer your question and put it in perspective, table 2 in Queensland budget papers includes general rates. General rates are a local government tax in the ACT but not in any other jurisdiction. So you have a table that purports to compare all jurisdictions in Australia on a like for like basis, but for the ACT, the only jurisdiction detailed in the table, general rates are included within the table and we are the only jurisdiction of all those compared in that table for whom general rates are included. So, just on that basis, you need to go no further, essentially.

**Mr Mulcahy:** You do. You have missed the key point of the question.

**MR STANHOPE:** Yes, but let me just conclude on that. You need to make the point clearly that Queensland Treasury simply did not understand that the ACT, the only two-tiered government in Australia, actually has to be regarded and treated differently from every other place in Australia where municipal taxes are separated out. It does not happen here in our budget papers in the way that it does in other jurisdictions. So the table simply is not able to be used to compare like with like. After removing general rates revenue—I guess this goes to your question, Mr Mulcahy—for the ACT to make the data comparable with other states, the ACT tax per capita is \$2,510, well below the national average and lower than in New South Wales, Victoria, Western Australia and South Australia.

The table as it would have appeared had it been published on a like by like basis has been provided to me. Indeed, this will perhaps answer your question, Mr Mulcahy, and I will table it. Official data from the Commonwealth Grants Commission and the Australian Bureau of Statistics confirm that the ACT is not a high taxing jurisdiction. According to the Commonwealth Grants Commission, our taxation effort is around

the same level as in New South Wales, Victoria and Western Australia and lower than in South Australia. The ABS data indicate that the total of state and local government taxation in the ACT is lower than the national average and lower than in most states. While our revenue raising effort is around the national average, our expenditure effort is above average; that is to say that the claims that I have made in relation to this remain. Queensland got it wrong in its comparison of ACT taxes with others by including, only for the ACT, general rates and not including them for any other. That reduces our per capita tax take to \$2,510.

Mr Mulcahy, I will just study this table but I am more than happy, after giving it some consideration, to table it.

**Mr Mulcahy:** It's not the table; I've got that. It's the services.

**MR STANHOPE:** I will take that aspect of your question on notice.

**MR SPEAKER:** Supplementary question?

**MR MULCAHY:** I look forward to the response to that. Given that it appears that the ACT government combines the functions of a state government with those of a local council, why is the ACT unable to achieve greater cost savings through economies of scale?

**MR STANHOPE:** It goes to the level of expenditure effort which one engages in. It is an issue for the ACT. It has been very much at the heart of decisions that my government has made over the last three years. As everybody here knows, we expend on service delivery at a rate way above the national average. If I can trust my memory, I believe that, in the latest Australian Bureau of Statistics and Commonwealth Grants Commission's determinations on this, we continue to expend at 122 per cent. That is my memory; I will just have to check that number.

**Mr Mulcahy:** That's what you've said. But that's what I'm asking you.

**MR STANHOPE:** I said 122—was it? That was my memory, I have not received contrary advice. That is the latest data available to the ACT government from the Grants Commission and the Australian Bureau of Statistics. We expend at 122 per cent; that is, at 22 per cent above the base. That is the highest level of expenditure on government services in Australia.

**Mr Mulcahy:** And are you including local government functions?

**MR STANHOPE:** Yes—I will have to check that. But, yes, the essential equation is expenditure level, or rate, 122 per cent; revenue effort, or rate, 105 per cent. And that is the disconnect. Prior to decisions that this government took over the last three years, we were expending at over 130 per cent. We are bringing it down and continue to bring it down.

But there is the question of efficiencies—with a two-tiered government, with a city state—and efficiencies of scale. We deliver those. It is because of the efficiencies inherent in the delivery of services—or of government within the Australian Capital

Territory—that we can deliver services at 122 per cent, well above the national average, whilst taxing and charging at only 105 per cent, essentially at the national average. That, of course, is the great achievement of this government.

We welcome the deserved accolades for delivering services at 122 per cent, above the national average, yet taxing and charging at only 105 per cent. That is a fantastic achievement, particularly having regard to the strength of our balance sheet, the modest, significant but nevertheless sustainable surpluses that we are delivering across the board, and the massive budget capital and infrastructure budget that we are in the process of debating.

This is a great credit to our capacity to manage efficiently and effectively. It is a great credit to fiscal management of this government that we have long-term, sustainable surpluses, a strong balance sheet, a massive record-breaking capital and infrastructure investment program, and that we have, in a whole area of policy areas, doubled expenditure on service delivery. Whether it be disability services, mental health services, health services broadly or emergency services and police, this government have, over the course of the last seven years, in a whole range of areas, more than doubled the expenditure from that which we inherited from the previous government.

The fact that we have done that whilst creating a balance sheet that is now the envy of the nation—at the same time announcing a billion dollar infrastructure investment program, and announcing and heralding the start of a 10-year billion dollar investment in health and a massive unheralded \$400 million investment in health infrastructure—is a sign, Mr Mulcahy, of the extent to which we deliver services way above the national average, but efficiently and effectively.

### **Gas-fired power station**

**MRS BURKE:** My question is to the Minister for Health. Minister, when were you first briefed about the potential health impact of the proposed Tuggeranong power station and data centre? What was that advice, and who provided that advice?

**MS GALLAGHER:** We have gone through this at estimates, and you can read the *Hansard*, because I think exactly the same questions were asked, and I answered all of them at the time. At the time, from memory, I said I was awaiting advice from ACT Health. In fact, I received some advice on 28 May, which crossed over the time that the revised proposal was announced. So I saw additional advice after that time.

**Mr Seselja:** Was the 28th the first?

**MS GALLAGHER:** The first written advice, but I have gone through the fact that we had discussions before that. If you are asking me about the first written advice—

**Mrs Burke:** No, the first advice.

**Mr Seselja:** Both.

**MS GALLAGHER:** In the sense of a conversation being advice, I have had conversations at my regular health briefings. But I have answered this. With regard to

the first written advice, which is what I said at estimates that I was waiting for, I had not received any advice around the potential health impacts until I received a brief on about 28 May, which coincided with the revised proposal at about the same time—the day before or the day after.

**MR SPEAKER:** A supplementary question, Mrs Burke.

**MRS BURKE:** Thank you, Mr Speaker. Minister, as one of the two major shareholders of Actew Corporation, why had you still not been briefed as late as last month, and will you table such advice that you have received, written or otherwise?

**MS GALLAGHER:** You have asked me a separate question. You have asked me why, as a major shareholder, I was not briefed. Now, if you are asking me as a shareholder whether I was briefed, that is a different question to the question you asked me initially, which was whether I was briefed as health minister on the health impacts of the proposal. So what are you asking? Are you asking was I briefed as a shareholder about the proposal or are you asking about the health impacts? I find it difficult to answer the question, Mr Speaker, when the supplementary did not relate to the first question.

The briefing that I was provided as a shareholder of Actew is quite different to the question around potential health impacts raised with me under my health portfolio. I am actually not sure how to answer that question. I just do not know. I do not know what you are asking. I do not think this forum allows for a discussion between Mrs Burke and me, but, as a shareholder at a briefing—if that was her supplementary question—health impacts were not raised with me. It was in the context of a separate briefing not related to health; it was related to the proposal in general. I am really unclear on how I can answer a supplementary that does not relate to the original question.

### **Gas-fired power station**

**MR PRATT:** My question is to the minister for disability services. Minister, as you explained during the budget estimates hearing into disability services on 28 May, the need to move the respite facility for severely disabled men, Rose Cottage, the nearest residence to the proposed power station, was due not to any health concerns but to the need for isolation. As the scaled-down version is actually another 100 metres closer, why are you now considering not shifting the facility as reported in the *Chronicle* on 24 June?

**MS GALLAGHER:** I have not received advice from the department yet around that. They are formulating that. I have not changed my opinion, because I have not received any advice that says that I need to move it or I do not need to move it. The proposal is significantly reduced in size; I need to look at that. But yes, the factors I raised about isolation and the necessary place for that facility to optimise the best services for the people that live there are still my main driving factor in terms of considering the location of that respite facility regardless of the size of the proposal.

**MR SPEAKER:** Supplementary question, Mr Pratt?

**MR PRATT:** Given that it was revealed by an official in the budget estimates on disability services that the first time they became aware, through the media, about the plan to site the power station at Macarthur, when was your department officially made aware of the proposed power station and its possible effects on the respite facility?

**MS GALLAGHER:** To get the exact date of that, I will take that on notice.

### **Education—funding**

**MS PORTER:** My question is to the Minister for Education and Training. Can the minister please explain to the Assembly the reason for the government's record \$350 million investment in education facilities and how this investment is building an education system for the future? Are there any alternative policies?

**MR BARR:** I thank Ms Porter for her question and her longstanding interest in the education portfolio. I do note, Mr Speaker, that again Ms Porter's interest and that of the Australian Labor Party in matters of education in the ACT stand in marked contrast to what we have from those opposite. It is interesting that the Leader of the Opposition, in taking on the education portfolio, has asked virtually no questions on this important subject matter.

As all members are aware, the Stanhope government is investing a record \$350 million in our public education system. This investment is an investment in the quality of our public education system. We do so because we believe that investing in quality education is crucial to the future of the Australian Capital Territory. It is a tangible and sensible investment in the building of our territory.

This funding is delivering more than 200 upgrade projects across every ACT public school. It is also being targeted at delivering new education infrastructure and new schools in areas where they are most needed—Harrison, west Belconnen, Gungahlin and Tuggeranong.

I am pleased to advise the Assembly that so far over 36 major projects have been completed, with students and teachers across our education system benefiting from this program. Schools such as Arawang primary school have received magnificent landscape upgrades and new classroom facilities. Bonython primary school has been the beneficiary of an important sustainability initiative with new solar panels installed at the school. Chisholm, Charles Condor and Charnwood-Dunlop primary schools have had significant internal refurbishments. The special needs students at Duffy primary school are now being accommodated in state-of-the-art special education units, and the students at Giralang now have a fantastic new preschool area, which I had the pleasure of opening recently.

All of this is around the government preparing our education system for the future and doing what we can to ensure that we are investing in the future of young Canberrans. We know that delivering quality education involves delivering quality school facilities and delivering quality teaching and learning environments to improve the quality of our education system.



Unlike those opposite, Mr Speaker, we do not see this simply in terms of a bricks and mortar investment but as part of a holistic approach that includes investing in quality teaching. We know those opposite do not see this investment in these terms. They have very short-sightedly dismissed our capital upgrade program as throwing good money after bad.

I have been asked if I am aware of any other policies. Sadly, there are none. Worse still, Mr Speaker, with just 15 weeks or so to go to the ACT election, neither are the people of the ACT aware of any other policies. Despite much grandstanding about bringing the education portfolio into the leader's office, the Liberal leader has released no substantial education policy. That is much to the consternation of a lot of the key education stakeholders. The Association of Independent Schools, for example, has been calling on the Liberal opposition to release some policy, any policy, so that there can be a constructive debate and alternatives put forward for the election in October.

Mr Seselja has made it abundantly clear that he has no vision for the future of our schools and for the future of our students. A new report has been released that shows that the ACT opposition's view on improving school facilities is wrong. The independent report commissioned by the Australian Education Union confirms what the ACT government has known for some time—that is, the quality of school facilities has a significant impact on student and teacher performance and plays a major role in reducing drift away from government education.

The report shows that the ACT is leading the nation not only in terms of investment in public education, but it reveals that we are the only jurisdiction in Australia investing more in public education facilities than is being invested privately in private school facilities. Earlier this year the opposition leader said he was concerned about this drift. However, in keeping with the mantra of throwing good money after bad, he denies that school infrastructure plays a role in parents choosing which education system to send their students to. This is either lazy or spiteful, Mr Speaker. It is opposition for opposition's sake. Most likely I think it is a confirmation that the opposition leader knows very little about public education and cares for it even less. It shows that he is petty and is unable to acknowledge what is good for ACT students. If he were in government, he would be unable to act on improving public education.

### **Gas-fired power station**

**MR STEFANIAK:** That was fascinating, Andrew. My question is to the Attorney-General. Attorney, yesterday in the Assembly, you said, in relation to the identification of blocks for the data centre and power station project:

It would be negligent if government agencies did not have regard to the issue of cost and suitable alternative sites and other potential uses for those sites.

Attorney, in the 2008 estimates committee hearings on 16 June, the Chief Minister said:

Madam Chair, I can confirm absolutely that suggestions that either I or the government took into account the respective valuations or returns to government in relation to the selection of one particular site over another are spurious and false.

Attorney, how do you reconcile these conflicting statements?

**MR CORBELL:** It is quite clear from the documentation that it was a factor being considered by government officials. I also made the point in my speech, which of course Mr Stefaniak does not cite, that it was not a consideration for the Chief Minister nor the government. And it was not.

**MR SPEAKER:** A supplementary question, Mr Stefaniak.

**MR STEFANIAK:** Thank you, Mr Speaker. Attorney, are you being spurious and false or was the Chief Minister negligent?

**MR CORBELL:** Mr Stefaniak is being spurious and false.

### **Health—future needs**

**MS MacDONALD:** My question is to the Minister for Health. Minister, could you please update the Assembly on the government's plan for the future health needs of our community?

**MS GALLAGHER:** I thank Ms MacDonald for her interest in the future health needs of our community. When we look back at when this government took office in 2001, there is no doubt that we inherited a health system that was under enormous pressure. It was creaking under the weight of chronic under-investment. There had been 114 beds cut from the system, constant industrial disputes with doctors and nurses, pay rises that were offered but not funded, and chronic under-funding of the hospital system in general.

Since 2001, the Stanhope Labor government has corrected these mistakes. And we have done more than that: our investment in health has been corrected from a \$472 million budget in 2001-02 to a budget of \$889 million this year. We have restored the 114 beds cut from the system. But we have more than restored them; we have increased them. At the end of this year, we will have provided funding for 172 extra hospital beds in our system.

This is in stark contrast to the way that those opposite managed the health system before 2001. Our investment in health and health infrastructure is being documented in the latest data from the Australian Institute of Health and Welfare, which has noted a 10 per cent increase in beds in the ACT, against a national increase of just 2.5 per cent. So we can see that it is not just me saying it; these are figures that have been validated in national reports around the health system.

We are providing record levels of elective surgery. There were 7,847 elective surgery procedures for the year to the end of April 2008—another 348 procedures above those recorded for the same period in 2006-07. We have also managed to settle all of our industrial negotiations with our workforce without resort to industrial disputes.

If we look at mental health, under the Liberals' management, under Brendan Smyth's management of mental health, we slumped to the worst per capita funding of mental

health in the country, and we have changed that. In the latest report on Australian mental health spending, we have now become the second best in the country. And we have invested more this year in mental health. We have funded a mental health precinct while increasing our mental health budget by another \$3 million a year.

What we can see from when those opposite were left to manage the health system is a health system in chaos—one with chronic under-funding. I think they were the only jurisdiction in 2001 in the Australian Institute of Health and Welfare statistics to actually record negative growth in health funding. How you record negative growth funding when health systems have been growing from anywhere between six and 10 per cent a year is absolutely incredible to me.

And what do we see now? We see no change in this regard. We are in an election year; we are 15 weeks out. What have we had? We have had one policy around funding a private GP practice to the tune of \$200,000 a year. So what is going to happen with the other \$888,800,000? That is the key question. What are you going to do with it? What is the only announcement we have had from Captain Seselja and his team of invisible members? I don't know how he is controlling all of your egos but we don't hear a word from the shadow minister for health any more. I think it is probably because Canberrans just could not believe that Mrs Burke would become health minister. They just could not believe that that is what would be put in charge of the health system.

**Mrs Burke:** “That”?

**MR SPEAKER:** Mrs Burke, order!

**MS GALLAGHER:** And Mr Seselja has had the conversation. He has said: “Jacqui, can you just stay off the news, please? When you get that urge to ring up the radio station and have a go, just don't do it.” She is told, “Ring through to Zed's office and get him to make the call.” That one policy, a \$200,000 policy to fund a private GP practice, is the only policy that this opposition have come up with.

*Opposition members interjecting—*

**MR SPEAKER:** Members of the opposition, cease interjecting!

**MS GALLAGHER:** Fifteen weeks out, with respect to the most important issue in the election, what have we got? Using public money to fund a private GP practice. That is the only policy we have come up with.

**Mrs Burke:** Oh, you don't—

**MR SPEAKER:** Order, Mrs Burke! Cease interjecting.

**MS GALLAGHER:** And they seriously do not think that Jacqui can be health minister. I think that is the only reason why we have not heard the dulcet tones of Jacqui Burke tinkling on the radio in the morning. I have quite enjoyed it myself, but we have missed you, Mrs Burke; come back. Rise up against the challenge of being told to be mute and make a statement around health.

**Mrs Burke:** You're obviously on the ropes because you're on the person.

**MR SPEAKER:** I warn you, Mrs Burke. Is there a supplementary question?

**MS MacDONALD:** Thank you for that answer to my question. My supplementary question is: can you please advise the Assembly on what measures have already been taken to ensure that our health system continues to meet the needs of our community?

**MS GALLAGHER:** I can and I will. In fact, at lunchtime today I went out to the hospital and spoke to a packed auditorium of staff—doctors, nurses and other health professionals—who are interested in and excited about the plan that we have outlined: a 10-year plan, a \$1 billion investment. It will exceed \$1 billion by the time it is finished. This workforce is excited at seeing a government that is prepared to stand up and say, "This isn't about short-term political gain; this is about preparing our hospital and our health system for the future." They are excited to hear that.

But what they do not hear is what those opposite are going to do. My guess is that those opposite will just have to copy our policy, because it is so comprehensive; it is the only way forward. They will have no choice. If they do not copy it—if they do not at a minimum copy our plans for the future—they are going to leave this community underprepared and underfunded, like they did in 2001, because the challenges of the future are so significant.

The plan that we have is a 10-year plan. It is kicked off in this year's budget; it supports the work that has happened before. It is about a \$90 million women's and children's hospital. It is around a \$37 million investment in mental health facilities. It is about an \$18 million new community health centre in Gungahlin. It is about a new intensive-care unit at Calvary. It is about digital mammography—\$5 million. There is a \$5½ million neurosurgery suite, a centre of excellence. People are already travelling here to have neurosurgery because of the skills that we have managed to attract and retain in our city. It is around a \$5 million overhaul of our community health facilities. It is a \$4 million increase for a surgical assessment planning unit. It is more beds—\$2.4 million for 24 new beds. It is about skilling our workforce—keeping them here, attracting them with training and research, with a \$1.3 million skills development centre.

**Mr Seselja:** You've still got three minutes; you can slow down.

**MR SPEAKER:** Order, Mr Seselja!

**MS GALLAGHER:** Mr Seselja interjects and makes fun of this—

**MR SPEAKER:** Never mind Mr Seselja.

**MS GALLAGHER:** the most critical issue for our community—the health system. And what do you offer? Two hundred thousand dollars. That is what you offer—\$200,000. No plan, no commitment, no idea, no policy and a shadow health minister who has been told to shut up and stay off the radio and off the TV because she is such an embarrassment to that party and she cannot—in anyone's consciousness—believe

that she will one day, post the 2008 election, actually pretend to be able to operate in the position of a health minister.

**Mr Seselja:** She is nasty now. We like friendly Katy.

**Mr Smyth:** Go back to friendly Katy.

**Mr Seselja:** Come on. Give us friendly Katy.

**MR SPEAKER:** The warnings have been issued.

**MS GALLAGHER:** This is not just about new buildings; this is about new technologies; it is about creating a workforce for the future. In the past 18 months we have had over 40 new doctors come—and choose to come—to work in our public hospital system. Those opposite say that our public hospital system is one of the worst in the country. How could that possibly be when we are attracting more doctors here than probably any other hospital in the country? It simply does not add up.

In the next few months, we will be opening the new linear accelerator at the Canberra Hospital, a completely new radiation oncology area. We have got a new MRI at Canberra Hospital. We have funded youth step-up, step-down facilities in mental health. We have got the adult step-up, step-down facility opening soon. And, more importantly, we have a plan for the future—a 10-year plan with \$300 million to kick it off this year, a plan that will exceed \$1 billion by the time it is finished. I look forward to the speeches that I am going to hear today—the opposition copying our policy and doing the sensible and right thing.

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

## **Answer to question on notice Question No 1987**

**MR STEFANIAK:** Mr Speaker, I wish to ask the Attorney-General a question under standing order 118A. I refer to question No 1987 placed on notice paper No 132 on 1 April 2008, to which an answer was to be provided by 1 May 2008. Notice paper No 142 dated 25 June indicates that the question remains unanswered. I am not aware of any explanation or statement from the attorney as to why an answer has not been provided and I now ask the attorney for such explanation or statement.

**MR CORBELL:** Mr Speaker, I must apologise to Mr Stefaniak. I was not aware the answer to that question was outstanding and I will endeavour to get that to him by the close of business today.

## **Papers**

**Mr Speaker** presented the following papers:

Auditor-General Act—Auditor-General's Reports—  
No 1/2008—Chris21 Human Resource Management System—Procurement  
and Implementation, dated 12 May 2008.

No 2/2008—Management of Calvary Hospital Agreements, dated 29 May 2008.

No 3/2008—Records Management in ACT Government Agencies, dated 25 June 2008.

Pursuant to standing order 191—Amendments to:

Civil Partnerships Bill 2006, dated 13 and 14 May 2008.

Electoral Legislation Amendment Bill 2007, dated 14 and 15 May 2008.

## **Executive contracts**

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

**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): For the information of members, I present the following papers:

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

Long-term contracts:

Barry Folpp, dated 4 May 2008.

Rodney William Bray, dated 24 April 2008.

Short-term contracts:

Allan McLean, dated 23 April 2008.

Bronwen Overton-Clarke (2), dated 20 March and 21 May 2008.

Craig Hooper, dated 18 April 2008.

George Tomlins, dated 18 April 2008.

Jane Carder, dated 1 and 2 May 2008.

Marsha Guthrie, dated 31 March 2008.

Nikos Christos Kalogeropoulos, dated 8 April 2008.

Patrick McAuliffe, dated 31 March 2008.

Robert Carter, dated 12 April 2008.

Rosemary Kennedy, dated 14 and 15 April 2008.

Seam [sic] Moysey, dated 19 May 2008.

Stephen Hughes, dated 8 May 2008.

Stuart Friend, dated 1 May 2008.

Thomas Kevin Bell, dated 2 April 2008.

Contract variations:

Brenda Ainsworth, dated 14 April 2008.

Craig Hooper, dated 12 May 2008.

Joy Vickerstaff, dated 14 April 2008.

Kathy Melsom, dated 15 May 2008.

Kirsten Thompson, dated 31 March 2008.

Matthew Kelly, dated 5 May 2008.

Neil Brian Bulless, dated 1 May 2008.

Nic Manikis, dated 17 April 2008.

Philip Mitchell, dated 17 April 2008.

Phillip Tardif, dated 8 May 2008.

Ron Foster, dated 10 April 2008.

I seek leave to make a statement.

Leave granted.

**MR STANHOPE:** Mr Speaker, I present another set of executive contracts. These documents are tabled in accordance with sections 31A and 79 of the Public Sector Management Act, which require the tabling of all chief executive and executive contracts and contract variations. Contracts were previously tabled on 6 May 2008. They represent two long-term contracts, 15 short-term contracts and 11 contract variations. The details will be circulated to members.

## **Papers**

**Mr Stanhope** presented the following papers:

Remuneration Tribunal Act, pursuant to subsection 12 (2)—Determinations, together with statements for:

Chief Executives and Executives—Determination 2 of 2008, dated 5 June 2008.

Clerk of the Legislative Assembly—Determination 4 of 2008, dated 5 June 2008.

Full-time Holders of Public Office—Determination 3 of 2008, dated 5 June 2008.

Members of the ACT Legislative Assembly—Determination 1 of 2008, dated 5 June 2008.

## **Annual report directions**

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

**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): For the information of members I present the following paper:

Annual Reports (Government Agencies) Act—Annual Report (Government Agencies) Notice 2008 (No 1)—Notifiable Instrument NI2008-225, dated 18 June 2008, including a copy of the Chief Minister's 2007-2010 Annual Report Directions, a Declaration of Minister for a public authority and a Declaration of public authority.

I seek leave to make a statement in relation to the paper:

Leave granted.

**MR STANHOPE:** Mr Speaker, this instrument is issued in accordance with the Annual Reports (Government Agencies) Act 2004 and provides the framework for the

preparation of annual reports for the three years commencing with the 2007-08 reporting year. Under the act the instrument must be tabled although it is not disallowable. The instrument is notified under the Legislation Act 2001.

Annual report directions were provided to the Standing Committee on Public Accounts for consultation. The chair advised on 11 June 2008 that the committee had considered the draft directions. I have written to the committee thanking them for their comment.

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

Under the act I may declare a day before the end of September on which reports are to be presented to the ministers by reporting entities. To facilitate provision of reports, I propose to declare the date of 24 September 2008 by which reports must be provided to ministers. All reports must include audit and financial statements and performance statements when presented.

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

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

### Financial Management Act—

Pursuant to section 14—Instruments, including statements of reasons, directing a transfer of funds within—

ACT Health, dated 24 June 2008.

ACT Planning and Land Authority, dated 24 June 2008.

Department of Disability, Housing and Community Services, dated 24 June 2008.

Department of Education and Training, dated 24 June 2008.

Pursuant to section 16A—Instruments, including statements of reasons, authorising appropriation for payment of accrued employee entitlements within—

Department of Education and Training, dated 24 June 2008.

Department of Territory and Municipal Services, dated 6 June 2008.

Pursuant to section 16B—Instrument authorising the rollover of undispersed appropriation of the Department of Disability, Housing and Community Services, including a statement of reasons, dated 21 May 2008.

Pursuant to section 17—Instruments, including statements of reasons, varying appropriations relating to Commonwealth funding to—

ACT Health, dated 24 June 2008.

Department of Disability, Housing and Community Services, dated 24 June 2008.



Department of Education and Training, dated 24 June 2008.  
Pursuant to section 18A—Authorisations of Expenditure from the Treasurer's Advance, including statements of reasons, to—  
ACT Health, dated 23 June 2008.  
Chief Minister's Department—  
Dated 25 May 2008.  
Dated 2 June 2008 (2).  
Dated 23 June 2008.  
Department of Education and Training, dated 23 June 2008.  
Department of Justice and Community Safety, dated 23 June 2008.  
Department of Territory and Municipal Services—  
Dated 6 June 2008.  
Dated 18 June 2008.  
Dated 23 June 2008.  
Legislative Assembly, dated 23 June 2008.  
Pursuant to section 19B—Instruments, including statements of reasons, varying appropriations related to—  
Industry Skills Centres—Department of Education and Training, dated 24 June 2008.  
COAG Illicit Drug Diversion Initiative and Elective Surgery Waiting List Reduction—ACT Health, dated 24 June 2008.

## **Paper**

**Mr Barr** presented the following paper:

Education Act, pursuant to section 66A—Government Schools Education Council—Early childhood schools establishment—Copy of letter to the Minister for Education and Training from Di Kerr, Chair.

## **Territory plan—variation No 293 Papers and statement by minister**

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations): For the information of members, I present the following papers:

Planning and Development Act, pursuant to subsection 79 (1)—Approval of Variation No 293 to the Territory Plan—CZ6 Leisure and Accommodation Zone Amendments to CZ6 Development Tables and CZ6 Development Code to Allow Residential Use on Block 1 Section 34 Narrabundah, dated 22 April 2008, together with background papers, a copy of the summaries and reports, and a copy of any direction or report required.

In accordance with the provisions of the act, this variation is presented with the background papers and copies of the summaries and reports. I seek leave to make a brief statement in relation to the papers.

Leave granted.

**MR BARR:** Draft variation No 293 to the territory plan proposes to allow residential use on block 1 section 34 Narrabundah, the site of the Crestwood motor inn, by amending the commercial CZ6 development zone and development table. The development proposal will consist of approximately 40 townhouses, with a maximum plot ratio of 65 per cent and a maximum height of two storeys. All resident car parking generated by the development and all visitor car parking will be provided within the site.

Draft variation 293 was released for public comment in November 2007 and attracted two public submissions. The main issues related to the loss of the motel, noise, traffic, social issues and lack of consultation with the public. A report on consultation was prepared by the ACT Planning and Land Authority responding to the issues raised in the two submissions. Under section 73 of the Planning and Development Act I have chosen to exercise my discretion and not refer the draft variation to the planning and environment committee, as I believe the nature and extent of the changes proposed are not significant enough to warrant further consideration. I now table the approved variation to the territory plan No 293.

## Papers

**Mr Corbell** presented the following papers:

### **Annual report**

University of Canberra Act, pursuant to section 36—University of Canberra—Annual Report 2007, including financial statements, dated April 2008.

### **Subordinate Legislation (including explanatory statements unless otherwise stated)**

Legislation Act, pursuant to section 64—

Adoption Act—Adoption (Fees) Determination 2008 (No 1)—Disallowable Instrument DI2008-127 (LR, 19 June 2008).

Casino Control Act—Casino Control (Fees) Determination 2008 (No 1)—Disallowable Instrument DI2008-125 (LR, 12 June 2008).

Cemeteries and Crematoria Act—Cemeteries and Crematoria (ACT Public Cemeteries Authority Governing Board) Appointment 2008 (No 1)—Disallowable Instrument DI2008-99 (LR, 5 June 2008).

Education Act—Education Amendment Regulation 2008 (No 1)—Subordinate Law SL2008-22 (LR, 22 May 2008).

Gaming Machine Act—Gaming Machine (Fees) Determination 2008 (No 1)—Disallowable Instrument DI2008-126 (LR, 12 June 2008).

Health Professionals Act—Health Professionals (Fees) Determination 2008 (No 2)—Disallowable Instrument DI2008-116 (LR, 19 June 2008).

Legal Aid Act—Legal Aid (Commissioner—ACTCOSS Nominee) Appointment 2008 (No 1)—Disallowable Instrument DI2008-118 (LR, 2 June 2008).

Legislative Assembly (Members' Staff) Act—

Legislative Assembly (Members' Staff) Members' Hiring Arrangements

Approval 2008 (No 1)—Disallowable Instrument DI2008-101 (LR, 29 May 2008).

Legislative Assembly (Members' Staff) Members' Salary Cap Determination 2008 (No 1)—Disallowable Instrument DI2008-124 (LR, 23 June 2008).

Legislative Assembly (Members' Staff) Office-holders' Hiring Arrangements Approval 2008 (No 1)—Disallowable Instrument DI2008-102 (LR, 29 May 2008).

Legislative Assembly (Members' Staff) Speaker's Salary Cap Determination 2008 (No 1)—Disallowable Instrument DI2008-128 (LR, 23 June 2008).

Legislative Assembly (Members' Staff) Variable Terms of Employment of Office-holders' Staff 2008 (No 1)—Disallowable Instrument DI2008-122 (LR, 29 May 2008).

Nature Conservation Act—

Nature Conservation (Flora and Fauna Committee) Appointment 2008 (No 1)—Disallowable Instrument DI2008-120 (LR, 29 May 2008).

Nature Conservation (Flora and Fauna Committee) Appointment 2008 (No 2)—Disallowable Instrument DI2008-121 (LR, 29 May 2008).

Race and Sports Bookmaking Act—Race and Sports Bookmaking (Fees) Determination 2008 (No 1)—Disallowable Instrument DI2008-87 (LR, 12 June 2008).

Road Transport (General) Act—Road Transport (Offences) Amendment Regulation 2008 (No 1)—Subordinate Law SL2008-23 (LR, 10 June 2008).

Territory-owned Corporations Amendment Act—Territory-owned Corporations Regulation 2008—Subordinate Law SL2008-24 (LR, 18 June 2008).

Tree Protection Act—Tree Protection (Advisory Panel) Appointment 2008 (No 1)—Disallowable Instrument DI2008-123 (LR, 30 May 2008).

## **Appropriation Bill 2008-2009**

### **Statement by Speaker**

**MR SPEAKER:** This morning I challenged Mr Smyth in relation to his presentation on the Appropriation Bill. I confess that my judgement was temporarily blurred by my enthusiasm for an economical and speedy debate on the subject matter. I failed for a brief moment to recognise that the Assembly had previously decided on a cognate debate on the Appropriation Bill, the select committee report and the government response. I regrettably inform the Assembly that it is more or less open slather on these matters when the debate resumes.

## **Health system**

### **Ministerial statement**

**MS GALLAGHER** (Molonglo—Minister for Health, Minister for Children and Young People, Minister for Disability and Community Services, Minister for Women): I ask leave of the Assembly to make a ministerial statement concerning the ACT health system.

Leave granted.

**MS GALLAGHER:** The ACT currently enjoys the best life expectancy and the best health status of any jurisdiction in Australia. This makes us amongst the healthiest communities in the world. The Canberra region has access to a modern, well-equipped and effective health system. Nevertheless, the system is faced with a number of challenges. Some are present now, whilst others will emerge in the future, including an ageing asset base, some of which is 30 years old.

Across Australia and in most industrialised countries, health systems are under enormous pressure, caused by an ageing population, the impact of new technologies, escalating global workforce shortage and increasing consumer demands. These increased demands are represented in public hospitals running at near capacity for increasing periods of time, high bed occupancy rates, access block, extended elective surgery waiting times, overcrowded emergency departments and growing outpatient waiting times. The wider health system also faces increasing waiting times for community-based services.

Workforce shortage also looms as a major future challenge. By the year 2032, Canberra's population is projected to grow by 67,000 people to over 389,000, with the proportion of our population over 65 expected to increase from 9.7 per cent in 2002 to 25.6 per cent in 2032. In addition, the ACT health system services a surrounding regional population in south-east New South Wales. This region will also experience similar degrees of growth and a more significant aged population profile, with 24 per cent of the catchment population in the region projected to be aged over 65 in 2022 and 30 per cent by 2032.

ACT Health has commenced a structured approach to addressing these issues in 2005-06, at my request. The initiatives we introduced are comprehensive targets for improving timely access to care, systematic reporting mechanisms, targeted demand management initiatives, such as chronic disease management, falls prevention and after-hours GP services. Targeted capacity increases are beds, operating theatre times, community-based services, system redesign by the access improvement program and new workforce roles, including nurse practitioner and allied health assistants.

While these initiatives improve the performance of the system, there continues to be unprecedented increases in demand for health services. This pattern of rising demand is projected to continue for the next 10 to 15 years. Whilst incremental approaches will assist in the short to medium term, a major increase in the capacity of our public health system is required. It is highly probable that the demand pressures currently felt by the ACT public health system will progressively become the normal state of activity to the point of it being unsustainable.

Limited access to services will place unacceptable risk to patient and staff safety unless specific interventions are put in place now. Incremental change will no longer be sufficient. We need to look at our total health system, including new ways to manage chronic disease, keeping people out of hospital, better use of technology and different ways of supporting hospital care, such as community-based support or other step-up, step-down facilities.

However all of these new approaches will require the right infrastructure to support them. ACT Health has developed a capital asset development plan in response to the

government's request for this comprehensive planning work to be undertaken and to investigate the capacity and capability of the ACT health system's infrastructure for our future needs. This asset planning is about ensuring we have the facilities we require to deliver improved models of care to meet future demand. This plan will provide the basis for building a sustainable and modern health system to ensure safety, availability and viability of quality health care in the ACT into the future.

So what have we done? We have undertaken a synopsis of the outputs of the health system planning that has been undertaken in the past two years. These include: critical care, cancer services, mental health services, diabetes, corrections health and surgical services plans; considered the outputs of a number of project feasibility in plans, including acute care capacity, adult inpatient mental health unit, young persons inpatient mental health unit, a secure unit, a mental health assessment unit, a neonatal intensive care unit, sterilising services at TCH and a skills development centre; and articulated new models of care for the future that utilise available information and communication technology and provide care outside hospitals wherever possible.

We have undertaken detailed acute inpatient demand modelling to project future bed, operating theatre and procedural suite requirements incorporating new models of care. We have analysed requirements for outpatient clinics, administration and interventional facilities. We have considered information and communications technology requirements. We have commenced a process of health service planning of requirements for community-based health services, including renal dialysis. We have commenced a process for rigorously projecting workforce requirements. We have held a total of 10 workshops, including a range of key ACT Health and external stakeholders. These workshops confirmed the outputs of the health services plan, agreed on a set of principles to underpin the development of the CADP, identified future models of care and their impacts on ICT, workforce and physical infrastructure and provided feedback on options for redevelopment of our ACT health facilities.

This intensive planning has told us that our current service mix and infrastructure will not be sufficient to meet the demands of the next 10 to 15 years. Major increases in capacity are required and, even with the best approaches to boosting capacity, the lead time is a minimum of seven years for the creation of such capacity. Decisions need to be made now. That is why the government has made a significant commitment to public health infrastructure and services in this year's budget. Our planning has identified infrastructure requirements to meet future clinical services development by 2022. Big increases in demand will occur steadily until 2015, and thereafter the increases are more pronounced. This is due almost entirely to the rapid ageing of our catchment.

The headline items are that the number of treatment spaces in the emergency department in our public hospitals will need to increase significantly. The CADP provides for doubling capacity from 51 to 106 treatment places, plus an additional 29 emergency bed units. The number of ICU HDU beds needs to double. Public hospital overnight separations are projected to increase by 49 per cent. Public hospital separations in total are expected to increase from 54,000 to 96,000, and this does not include renal dialysis or well babies. Hospital bed numbers will need to increase by 61 per cent to meet the increased demand for services.

The impact of the increase in same-day and overnight separation is a requirement for additional inpatient beds from a base of 785 in 2006-07 to 1,0270 in 2022. At TCH this translates into an increase in medical and surgical beds from 265 in 2007 to 380 in 2022. There will be a further 20 ambulatory-care treatment beds in addition to satellite renal dialysis chairs. At Calvary, there will be an increase in medical and surgical beds from 80 to 130. Aged-care and non-acute beds across the territory are projected to double from almost 115 to 230, as well as beds at the Capital Region Cancer Service.

Mental health beds will also increase from 100 to 120, and complement an increased number of care places based in the community. A mental health assessment unit will also be established next to the Canberra Hospital's emergency department. The development of extended day surgery units at TCH and Calvary to provide up to 80 per cent of elective surgery by 2022 will allow for better management of theatres by delineating movements in elective surgery. The establishment of a medi-hotel on the TCH campus will provide alternative accommodation for patients who do not need to be admitted but who need to be close to the hospital.

On top of the required capacity increases, there is growing international concern about managing the risks associated with hospital acquired infections and the need to aim for an increase in single rooms. New technology such as e-health will also revolutionise the way our health system works together and how the infrastructure is developed. Community-based services will expand their role in managing acute and complex clients to assist in preventing admission to hospital.

We will have state-of-the-art facilities that will include additional operating theatres, additional emergency department beds, additional hospital beds, including ICU and CCU, refurbished and new community health centres, an integrated cancer centre, a women's and children's hospital, increased outpatient or ambulatory services, and an increased research and skills development facility. Through this detailed planning exercise, we now have conceptual designs for the public hospital campus and community health centres to incorporate the above service delivery requirements. This design reflects the combination of new building refurbishment and has received support from key ACT Health stakeholders.

The ACT government has a blueprint for the total renewal of its health facilities and has made a commitment in the 2008-09 budget to move forward to detailed design and construction of projects which are essential to take our health system forward. Taking a design and making it into reality will be a complex process that involves multiple stages expanding over a 10-year time frame. Such a process will need to occur whilst the health service continues to deliver services. We will have a preliminary staging and decanting program which will again be subject to the next step, which is a rigorous, detailed planning and design or project definition stage. It is essential that this is undertaken to ensure that the whole program is planned to ensure that we keep delivering on service while we create our health system of the future.

A key feature of our planning has been the need to rethink the way that we will deliver health care. Whilst much of the planning has focused on physical infrastructure, this will be a major change management initiative that will involve the

introduction of new models of care that are supported by new equipment, workforce design, information management and communication technologies. The next stage of our process will involve significant consultation and engagement with staff, consumers and the broader community.

The last major redevelopment of health facilities, which was mainly on the TCH campus, concluded in 1997—over 11 years ago. Our government is committed to supporting our health facilities, and this is being shown by our commitment to supporting new infrastructure over the past five years, including the ANU Medical School, the sub-acute facility, cancer services through the third linear accelerator and our commitment to improved car parking at the Canberra Hospital.

We have also committed to opening more beds. We have seen a 24 per cent increase in public hospital bed numbers to the end of 2007-08. Based on information from the Australian Institute of Health and Welfare and ACT Health projections based on budget funding, we can see a definite decline in hospital beds in the mid to late 1990s and then the turnaround which has been progressively delivered under this government. AIHW figures show that, between 1996-97 and 2001-02, the number of beds in the public hospital system declined by 114. Since then the government has provided funding to increase bed capacity to meet demand for services. By the end of 2008-09, we will have funded up to an additional 172 beds within the ACT health system.

The latest AIHW report shows that by the end of 2006-07, we had fully replaced the 114 beds taken from the hospital system by the previous administration. By the end of this financial year, we expect that the ACT public hospital system will have a capacity of 830 beds on average, the highest beds count since 1993-94.

Our planning so far has told us that this is not enough. Our health system cannot be sustainable unless we act now to assure the community that they will have access to care in our health facilities. I can provide the assurance that we are doing just that. In the 2008-09 budget, our government has provided \$300 million over the next four years so that the Canberra community has the assurance that we are planning for the health facilities for the next 15 years. This is the first tranche, a down payment on what is likely to be in excess of a \$1 billion redevelopment over the next eight to 10 years.

Nationally, there are a number of large developments being undertaken. Those are largely individual hospital sites. What we are doing in the ACT is to review the entire health service—that is, all of our facilities, public hospitals and community health centres.

What will we do with the \$300 million over the next four years? This will fund the commencement phase of the total renewal and redevelopment of the infrastructure required to deliver quality health services to the ACT, such as a women's and children's hospital at the Canberra Hospital campus. We have identified a critical need to relocate the paediatric unit and co-locate it with maternity services, neonatal intensive care, gynaecology, foetal medicine and specialised outpatient services, thus creating a new and first women's and children's hospital.

There will be capacity for 45 maternity and gynaecology overnight beds and up to 50 paediatric beds, 12 NICU cots, 18 special neonatal care cots and a women's and children's ambulatory-care centre with approximately 50 ambulatory treatment areas, including day-stay beds. Fast tracking of feasibility, forward design, and construction of the women's and children's hospital is a major component of the early stages of this project. The women's and children's hospital is also a major critical step in unlocking the TCH campus for the redevelopment necessary to take our health services forward into the future. It is essential to free up space in the existing acute ward areas of the main tower block.

A 40-bed adult mental health acute inpatient unit will be built at the Canberra Hospital. This will address the shortcomings in the existing infrastructure for adult inpatient mental health treatment. Patients will be treated in a facility purpose-built to provide for individual needs and to facilitate rehabilitation. A secure adult mental health inpatient unit will provide a new service accommodating ACT residents whose mental health conditions require short to medium-term treatment and placement in a secure facility. The mental health assessment unit provides for construction of an assessment unit adjacent to the emergency department at Canberra Hospital. It will be a short-stay observation unit aimed at providing a more appropriate mental health assessment and treatment environment at the point of presentation as an alternative environment to stabilise and discharge clients without the need for admission to an inpatient facility where appropriate.

Funding for a mental health young persons unit will enable the design of an inpatient mental health facility for young people. It will comprise 20 beds and the secure subdivision of the unit in order to meet the needs and safety of younger clients from 13 to 17 and those from 18 to 25. The unit will incorporate the integration of clinical and associated services including inpatient, allied health, and community-based services in order to improve transition from inpatient to the community.

A new walk-in health centre planned for Gungahlin will comprise a network of community health centres to provide a comprehensive range of community-based child and family services, mental health and continuing and post-acute care services. These are currently located in our town centres, and our figures are now telling us that growth in north Canberra requires that a new centre be established at Gungahlin as part of our community network. A new feature of our community health centres will be walk-in centres. Walk-in centres will offer consumers fast, efficient access to health advice, information and treatment of minor ailments and illnesses. The centres will be staffed by a primary healthcare team consisting of nursing staff and allied health professionals and will provide free health care to patients on a walk-in, no-appointment basis.

The walk-in centres will work with hospital emergency departments, general practitioners and extended-hours services such as CAMHS to provide a new service model. It will complement existing services yet fill a recognised gap in access to basic acute primary care services in Canberra. Building a new community health centre in Gungahlin town centre that currently only has limited health services reflects the need to service that major growth centre of Canberra. A capacity to provide a walk-in centre is planned.



A new 16-bed intensive care unit, a high-dependency unit and a coronary care unit will be provided at Calvary Hospital to address the service needs of Calvary as part of the territory-wide network of critical care services. This will also incorporate a territory-wide ICU information management system.

The digital mammography initiative will result in the transfer of all equipment used for the breast screen program from the current analog modality to digital modality. Digital imaging provides many advantages in breast screening in relation to increased clarity of image, operational efficiencies and direct and improved client benefits and clinical outcomes. The digital system will include a purpose-built breast screen information system, an integrated picture archival communication system, a long-term archival system for large volume imaging and medical records, digital imaging equipment and associated computer connectivity and networking between equipment and screening sites.

The proposed neurosurgery suite at the Canberra Hospital will be among the most advanced neurosurgical operating environments in Australia and will enable significant improvements in the effectiveness of neurosurgery at TCH. The new environment will enable MRIs to be undertaken during surgery, improving the effectiveness and efficiency of surgery as well as safety to patients and improved patient outcome. Establishing this theatre for neurosurgery will also free up one of the existing theatres at TCH for other emergency and elective surgery work.

The capital asset development plan has identified the need to provide expanded health services to the community by the existing community facilities. The existing facilities are outdated and do not provide a seamless service to the community. These will be upgraded and, where necessary, redesigned with the capability to create walk-in centres and have closer information technology and clinical linkages with existing hospital and community services.

A SAPU at TCH will streamline the admission process for non-critically ill surgical patients, allowing for increased throughput and rapid turnaround of short-stay surgical patients. It will accept patients for up to 72 hours prior to transfer to surgical wards, or home if appropriate. This will enhance patient safety and quality of care and assist with the reduction of access block in our emergency department. This complements our successful MAPU, which was commissioned in 2007, and in the first 10 months of 2007-08, it has managed 969 episodes of care, provided a total of 3,767 patient days, operated at an average of almost 13 beds a day and had an average length of four days per stay.

Some 24 additional beds will be provided at Canberra Hospital. These beds will assist in dealing with the increased throughput for patients and the need to reduce waiting lists for surgery and deal with patient flows. A new skills development centre on the Canberra Hospital campus will provide skills training for medical, nursing, midwifery, allied health, technical, administrative, managerial and clerical staff. The centre will be located at TCH, adjacent to the ANU Medical School, as part of an education and research precinct for ACT Health.

Project definition planning will essentially be a rigorous detailed planning and design stage, including decanting and staging strategies, and it will involve the engagement

of appropriate resources to ensure the whole program is delivered in the most streamlined, economic and least destructive manner for ACT Health and the people using our health system. It is important to note that this stage will address the full scope of planning, design, and project direction for the anticipated 10-year program.

The provision for phase 1 clinical services redevelopment will provide the necessary asset and capital footprint for the commencement of the rest of the anticipated \$1 billion overhaul of the health system—more beds, more operating theatres, new emergency departments, and new ICU outpatient and clinical support areas. In addition, the funding includes refurbishment of existing facilities, the cost of relocations to enable construction to take place, feasibility studies and forward design for future initiatives and early construction of major work. A key component of this feasibility planning and design is for an integrated cancer care centre that will bring together the different facets of cancer management and research in one location, allowing patients and their families to access all necessary services in one place.

This is the most ambitious and comprehensive plan ever developed for the future of our health services. The plan has come together following extensive liaison and consultation across the health spectrum, including clinicians, administrators and health service consumers. I would like to put on the record my thanks to all of those who have worked on the development of the plan that will drive the future of the ACT's public health system. While the plan provides a framework for the development of our health system's infrastructure over the next generation, it also ensures that our public health facilities will have the flexibility to effectively respond to changes to the way services are provided or changes in demand for services over time.

The plan is also affordable. By setting out a timetable for the redevelopment of our health facilities over the next eight to 10 years we can also plan our expenditures to ensure that we deliver this impressive package of enhancement in a financially responsible manner. The plan is further demonstration of the government's commitment to ensure that the people of the ACT will continue to be able to access safe, high-quality and affordable health services well into the future. I look forward to the Assembly's support for this plan.

## **Appropriation Bill 2008-2009**

[Cognate papers:

Estimates 2008-2009—Select Committee report

Estimates 2008-2009—Select Committee—report—government response]

Debate resumed.

### **Detail stage**

Schedule 1—Appropriations

Proposed expenditure—part 1.1—Legislative Assembly Secretariat—\$5,878,000 (net cost of outputs), \$212,000 (capital injection), \$4,974,000 (payments on behalf of the territory), totalling \$11,064,000

**DR FOSKEY** (Molonglo) (3:54): I want to speak on the Legislative Assembly Secretariat. All in all, we members do very well out of our Legislative Assembly Secretariat, with its dedicated and skilled staff. While the Committee Office could always do with more resources, the quality of that staff is undeniable and it does well with what it has. The civility of all makes this a very pleasant place to work. The education office also works hard and it is always a pleasure to attend one of the well-organised school and community programs that Neal and Laura host.

Corporate services has experienced unwelcome staff changes, especially the accident which has taken Judy Munday from us. That makes it difficult for them. Having to work through Shared Services certainly slowed things down, and the jury is still out on its cost effectiveness. Members are still trying to work out whether the communications allowance has made our lives easier or harder.

Incrementally, improvements are occurring. Webstreaming of Legislative Assembly proceedings and committee hearings is very useful to many people. The public accounts committee was told that around 200 people are viewing it on a sitting day. It is something we need to promote more as we go about our business, as a way for the general public to see what happens here.

A large amount has been spent on maintaining the building and making it more secure. These amounts seem huge to me in proportion to what we see as we look around us. It is an old building in Canberra terms; it is heritage listed, and upkeep requires money. However, every time I enter by the public entrance I look at that X-ray frame, still not doing its job after many months, and wonder about our priorities. The public entrance upgrade has now cost over \$400,000, 32 per cent above the original budget. The security upgrade overall, apart from that, was \$267,000.

I was pleased to hear that there is ongoing work to improve the sustainability of the Legislative Assembly. I am pleased that we have a three-bin system in our offices but note that lack of labelling is reducing its effectiveness in the more public areas like the reception room and the committee kitchen. No labelling means that people do not separate their garbage. I have been asking for an environment plan and still feel frustrated at the amount of papers that we get here printed on only one side.

I am very proud of the Assembly's art collection. I believe that building that collection is money well spent. The art advisory committee is extremely well advised.

On a less positive note, my office was disappointed to see that the old carpet was sent to landfill when we know that there are schemes in operation for recycling and that some innovative carpet producers actually have a system where one hires the services of a carpet and they are replaced and recycled when worn, at no cost to the environment. We are still awaiting secure bike facilities, but it is pleasing to see that so many people ride their bikes to work anyway.

The Legislative Assembly library is a very valuable resource. Members were interviewed about their preferences in regard to its functions many months ago. I am very keen to see the consultant's report and the government's response. I am pleased that the minister for TAMS is talking to the Speaker about it. It must be a very long

conversation. I am also pleased that ex-members are being granted lifelong library access. I am sure that I will be grateful for this as I research my book on Canberra's planning, past and future.

Finally, I believe that our reception room and exhibition room are two great services that we provide to Canberra. I fought the increase in rates during my term, as community organisations are not able to afford their hire too often and members' DOAs are only so big. The increased charges have reduced the number of meetings that I am able to host, and that is a loss to the community in general.

**MR MULCAHY** (Molonglo) (3.58): Some important issues have arisen with regard to the Secretariat this year and some new issues have arisen due to changes in the structure of the Secretariat and the transfer of some of its functions.

I think Dr Foskey touched on the Shared Services Centre when I was listening upstairs. I note that some of the financial functions of the Secretariat have been transferred to the Shared Services Centre in part because of the loss of key financial staff from the Secretariat to the commonwealth. The Clerk commented on this issue in estimates committee hearings on 23 May 2008 and expressed the view that the transfer of these functions to the Shared Services Centre would not save them money but would be attractive from a risk management perspective because it would make the Secretariat more robust to losses of key staff. He was of course unable to say whether the transfer of functions would cost money, though he expected that this would become clearer in August and September after the end of the current financial year.

The accounting treatment of this change is interesting. The government continues to appropriate money to the Secretariat for these financial functions and the Secretariat then purchases these functions from the Shared Services Centre, which presents an invoice for the work. Apparently this reflects the fact that the services being provided are still functions which are for the Secretariat. The idea is that this means that no new appropriation is needed for the Shared Services Centre, which simply receives the money by transfer payment from money appropriated to the Secretariat.

What is interesting about this is that the budget this year adds more than \$10 million in new expenditure for the Shared Services Centre. This is required to establish new operational teams and new staffing positions in the centre and attract new recruits. On the basis of continuing increases in appropriations to the Shared Services Centre, we see that there is very good reason to expect that the savings predicted by the government will be greatly diminished and that this transfer of functions may in fact cost more money. The questionable saving from the transfer of functions to the Shared Services Centre and the prospect that it may even result in higher costs are an ominous and familiar warning. This has been the experience of many other jurisdictions in Australia that have established shared service centres in the hope of reaping huge efficiencies.

It will be interesting to hear more on this matter when the dust has settled from the current financial year and the Secretariat is able to analyse the net effect on its costs. Whilst it might be a relatively tiny portion of the entire ACT budget, it will provide us with a front-row example of how this works. I take the point made by the Clerk that

there are positive risk management effects of transferring financial functions to the Shared Services Centre; however, this has not been the justification used by the government in establishing the centre.

On another matter, I was glad to hear in the estimates committee hearings that the Secretariat is examining payment arrangements in order to address the late payment of some Australia Post accounts. This problem did not go away after estimates. I understand from the Speaker's explanation in estimates hearings that the issue has arisen because Australia Post requires payments within 14 days, whereas the Assembly has a policy of paying creditors within 30 days.

It might seem a trivial issue but I treat it as being fairly important because it does reflect adversely on members of the Assembly when they receive notices for late payment of bills. They are issues that ought not to arise in the parliament. It left me bewildered after—I guess it was a bit of an ill-advised snipe at the estimates hearing—I was obliquely taken to task for raising this issue. But a few weeks later, what do I get but a letter from Australia Post saying, "We are now cancelling your postal services because of your bad debt." There was a bit of red-faced embarrassment in this place when I said, "You obviously haven't fixed the system." It was acknowledged that in fact they had not. Then discussions went on and there was some involved business about how Shared Services were not told to pay bills in 30 days. The head of Shared Services was embarrassed when I raised it at estimates and said that he would come back to me. I am still holding my breath waiting for the return visit. I have not heard any more from them.

Whilst people might get sensitive about these issues, I think members are entitled to be a bit sensitive too because we can get adverse credit ratings, especially in an election year. Two firms have raised with me the capacity of MLAs here to pay bills in terms of providing services for elections. I have been able to establish my bona fides, but I do not want situations like this arising in the future, and I know that other members in this place have been equally unhappy that those problems arose. If the government has an AAA credit rating and the Assembly is supported by that, we ought to be able to address such simple problems.

I also make mention of the library issue, which Mr Smyth touched on. There are a lot of strange things about this legislature. I know that parliament is driven by the fact that it is very small and we are a small jurisdiction and so on. I am probably the only person here who has worked in four legislatures in Australia. There are quite a number of things that stand out here that are different—and not different in the positive sense necessarily.

The library is just one example. I do not think that this library, which is a shared government and parliamentary library, is providing the level of usefulness that it ought to, and I think that is because of the way it is set up and the way it is resourced. You either have a proper parliamentary library, have it available to do research for members, have it appropriately resourced and have it under the control of the Speaker and, in a day-to-day sense, the Clerk or get rid of it altogether.

We have this sort of half-in, half-out approach at the moment with the library. We get an email saying they are going to be working late when we are sitting and so on. But

the very first week I came into this place, I was told, “Don’t ask them to do research. It’s not Parliament House here. It’s not like the Victorian parliament or anywhere else.” You can get a few newspaper clippings and the like, but that is unsatisfactory. You cannot constantly apply a parsimonious approach to important things such as parliamentary services.

I had dinner on Wednesday night with some people on the hill—from the Liberal, National and Democrat groupings; it was a very ecumenical affair. What they said to me about the library was that they have a joint committee that is bipartisan. The chair revolves between the different major parties. That is the way they run it. It ensures that there is no partisan influence on it but it is very much a creature of the parliament itself. I think there is merit in either doing it properly or just getting rid of it altogether. I hope that that can be resolved soon.

**Dr Foskey:** That is a bit rough.

**MR MULCAHY:** Dr Foskey says that it is a bit rough, and I agree: I would rather not see it go. But I do not think it is working properly at the present time. We need to end the impasse between this place and the government’s involvement in running that facility.

Madam Assistant Speaker, you know probably better than most my views on many of the improvements that could be accomplished in this place. I have always wished that this parliament would be a cutting-edge legislature—like we try and declare the rest of Canberra is in terms of our standards and education facilities. It is not. There are many quaint little things. You cannot get colour printing here. I am funding that; I am putting in equipment in my office at my expense. I am not as incapable of funding these things as possibly some other people are who might come in, but I have never been in a work environment where people working in the place are expected to fund their own tools of trade. It is unique. It is something that I think is unacceptable. I hear members complain about it, although they rarely do publicly.

The fact of the matter is that people raise the matter with me in absolute amazement that these things go on here. People say to me, “It’s extraordinary that you can’t get internet email messages onto to your PDAs.” I was told when I arrived here that it is for security reasons. The Chief Minister does not even have a bodyguard or a driver. What is the security issue here? Federal MPs apparently are not of such significance; they can have direct link to emails off their IT networks. But apparently the ACT Assembly is a far more serious institution that cannot extend these concessions. I suggest it is probably for financial reasons, not for security reasons, but we ought to be equipping members here with the resources needed.

I certainly support the appropriation. As I have said to the Clerk, I think you need to up the appropriation and ensure that it maintains an appropriate level of indexation. I constantly hear that we do not have enough money to do things. I do not think that they are just the normal bleatings that people have about budgets. I would like to see us improve things—improve the technology in this place: maintain the integrity of this chamber, but provide the appropriate level of resources that members might reasonably expect to do their job.

I am pleased to support this appropriation but I hope that in future years the Chief Minister might be persuaded to inject some more into this. Self-government is a matter of fact here. Even though there might be a lot of people in the ACT who would be happy for it to disappear, I do not think the commonwealth is about to take us back; we need to operate on the same basis as the other parliaments in Australia.

**MRS DUNNE** (Ginninderra) (4.08): Mr Speaker, speaking cognately, I would like to take the opportunity to reflect on some of the matters in the estimates report. As the deputy chair of the estimates committee, I think it is appropriate that we reflect upon what was and what might have been in the estimates process.

First, it must be stated again that this is the first time in the 19-year history of the Legislative Assembly that the government has hijacked the estimates process and used its numbers not only to ensure that they had the chairmanship of the estimates committee but also that they had an absolute majority on the estimates committee. Because of that there was a bit of an interesting vibe. Part of the responsibility for that does lie with the crossbench, who basically threw up their hands and said, "It is not worth my effort—it is not worth my while to belong to the estimates process." I think that that does not reflect too well on members of the crossbench, and it did create an interesting dynamic.

*Dr Foskey interjecting—*

**MRS DUNNE:** In Dr Foskey's defence, she did attend a lot of the estimates hearings and she waited patiently to ask questions because, as things go, non-members have to wait considerably longer to ask questions than members of the committee. I think that she probably did herself a disservice because she did put in the hours but did not have the opportunity to ask the questions that she might have done had she been a member of the committee.

Mr Mulcahy came and went. He tended to speak over people to get his questions in and then leave, which I thought did not reflect well on the estimates process. The fact that the chair persistently allowed this to happen did not reflect particularly well on the process as well. But there was a considerable problem.

It is not my desire, and it never was my desire as a member of the estimates committee, to have to put my signature to 48 pages of dissenting comments. There is not a comment in this dissenting comment that was not brought to deliberation in the main committee where a form of words was not presented to the main committee and where Mr Smyth or I would say, "We would like this included." We will start with the big issue.

I cannot think of an occasion—and let me just go through the list of occasions: the Chief Minister; the LDA; ACTPLA; environment protection; the Minister for Health; TAMS, for the management of horse paddocks; and disability services. They were all areas that were touched on by discussion of the data centre and power station project. Because of the overarching element—this was a constant theme throughout—one of the simple measures that Mr Smyth and I proposed was that there should be a separate chapter devoted to that in the estimates process. It was a matter that was highly

contested, it was closely questioned and we ended up with the unprecedented experience of having to recall members and officials because the officials eventually fessed up to the fact that they had misled the estimates committee.

The majority members of the committee obviously thought that this would be too painful and too embarrassing for their government. They just folded and said: “No, no, no. We cannot possibly.” So we have got a few footnote cross-references, and that is the amount of coordination that we have on this very important issue. I will come back to the principal issue of the power station later.

It struck me on a number of occasions that the behaviour of the Labor members on the committee was less than helpful, and it was not even helpful to their cause. A number of times Mr Smyth or I would say, “We have this which we would like to bring to the table and we would like to see it incorporated in the report.” The response, particularly from Mr Gentleman, was simply: “No, I disagree. I will not have any part of it.”

We could have said: “Righto. We can go away and write whatever we want to.” If the Labor members had had any sense they would have said, “Perhaps I do not quite agree with that form of words. Can we have a discussion about it?” From time to time they did, and there is much that Mr Smyth and I brought to the table which is now in volume 1, the principal report. But if anything was even slightly contentious, the response was: “No, we do not want to talk about it. No, we do not agree with it.”

That gave us free rein to go away and say a lot more than we would have said or that possibly would have appeared if it had been done with a balanced, critical—in the good sense of the word—approach, with the material appearing in volume 1 rather than in dissenting comments. But the Labor members, particularly Mr Gentleman, were unhelpful. If you really did want to say something difficult, Mick would say, “No, I do not want to hear anything about it.” It became a case of taking it away and putting it in our dissenting comments.

That is not the way to run an estimates process where you are scrutinising the budget, where you are looking at the way a government is organising and running the budget and providing services to the people who pay our wages. The people of Canberra pay our salaries. They pay us a salary to do a proper job. What Mr Smyth and I experienced in the estimates process was three Labor members running interference to protect their minister mates. They would say: “We have got to stop and have morning tea. The minister has been sitting there for a long time.” Give me a break! We almost had to bundy on and bundy off. Then they would say, “No, we cannot possibly come back because the poor minister has been answering questions for a long time.”

If we are prepared to put in the hours—and the members and staff of the estimates committee do put in extraordinary hours—it behoves the ministers to be there and to answer questions for a reasonable time. We had the usual process where basically the Secretariat staff started trying to get estimates appointments put in ministers’ diaries. It was almost as if there was a revelation: “Gosh, we have got estimates. How am I going to fit that into my busy routine?”



Well, estimates has to give way to everything else, so we had a chop and change approach where we would have a minister for half a day here or two or three hours there and then come back in a week's time. The exception was the Minister for Health, who really did sit there. The result was that we were able to have comprehensive questioning on health because she was there for a day and she was prepared to answer questions for a day. She may not have liked it, but she was there and she put in the time. I think that this year in the estimates process we probably had a better hearing and a better analysis of the health budget than we have had for a considerable period of time. Considering we were talking about \$800 million, nearly a third of the whole budget, I think it is appropriate that we had a reasonable amount of time on health.

There are three or four standout issues that come out of the budget and the budget estimates process. The principal issue is the gas-fired power plant and data centre, as it was planned for Tuggeranong—let us not call it Hume under any circumstances or Macarthur because it is in the district of Tuggeranong. As I said before, we have the extraordinary instance where the minister and his officials were called back because the officials eventually confessed to the chair of the estimates committee that they had misled the committee and that that needed to be revisited.

The whole saga was fairly interesting because it took a little bit of persuasion in the committee to actually convince the Labor members that they would be better off having a recall rather than having a big spray about it later on. But they really did not do themselves much of a service, and obviously they went back to caucus and had to say to the Chief Minister when he came back from overseas: “Gee, Jon, we are sorry we could not actually hold it off. You really do have to come back.”

So the Chief Minister came out with all guns blazing, and I am sorry to say that, in trying to show just how tough he was, on yet another occasion he misled the estimates committee. He actually said—

**Mr Stanhope:** I raise a point of order, Mr Speaker. Mrs Dunne has just alleged that I misled the Assembly through the estimates committee. That is simply not acceptable. It is unparliamentary and I ask that it be withdrawn.

**MR SPEAKER:** Did you suggest—

**MRS DUNNE:** I did use the word “mislead”, Mr Speaker. How about I withdraw the word “mislead” and give an exposition of what happened and members can make up their own minds?

**Mr Mulcahy:** On the point of order, Mr Speaker, I think that Mrs Dunne either withdraws the statement or she does not.

**MRS DUNNE:** I did.

**Mr Mulcahy:** But you cannot qualify a withdrawal of an unparliamentary term.

**MRS DUNNE:** I did. I said “I withdraw”.

**MR SPEAKER:** Just withdraw it.

**MRS DUNNE:** I withdraw. Now, Mr Speaker, I will give an exposition of what happened and then members can make up their own minds. (*Second speaking period taken.*) The Chief Minister received a letter from the chair of the committee which said: “Dear Mr Stanhope, These things have happened. Can you please return to the Assembly between 10.30 and 2.30 on 16 June?” The Chief Minister came down, all guns blazing, and said: “I am here till midday. My officials will not stay one second longer than I will because from 10.30 to 12 was the only time that my office was told.”

When he was pushed on that he said again that his office was told that he was wanted from 10.30 until 12 and he was not going to stay any longer. He got up on his high horse and said, “If I have to stay any longer we will have to cancel Christmas.” No, it was not Christmas. He said: “We will have to cancel cabinet for the day and you could not possibly expect that to happen. I am the Chief Minister. How dare you treat me like this!”

It was a pretty good show by someone who obviously did not want to be there and was going to be antagonistic for the day and it was a good way of getting him pepped up so that he could be cranky and angry for the day. But the clear facts are these. The chair of the committee—one of his own colleagues who stood up here yesterday and said that she had the greatest faith in his integrity—wrote to him in very clear terms. The hours for which he was required to attend the estimates were in bold.

When he came down, quite to the contrary of that, he said, “My office was told that I was wanted from 10.30 until noon.” That is in clear contravention of the letter, which the chair had in front of her at the time. It was a pointless exercise but showed the character of a person who serially does this sort of thing. He gets up on his high horse and peps himself up because he wants to have a fight. He felt that he needed to have a fight and this was a good way of getting started. That may or may not be considered misleading. I obviously cannot say that, but members can make up their own minds.

Then we had the whole spectacle. The reason we came back was because the Chief Minister sat there and let officials tell the committee things that were palpably untrue, and they had to come back and correct the record. The most disturbing thing about that is that one of those officials, the acting director of the Land Development Agency, told the committee one thing, and when I went back to check because I had heard something different the previous day this official was just about bullied. He was called back into a huddle and all sorts of people spoke to him in barely concealed whispers, waving fingers at him, while another official told me why he was mistaken in what he had said and why I was mistaken in what I had heard.

The sum total of that was that the acting director of the Land Development Agency turned to me in a state of high embarrassment and said: “Look, I am really sorry. I must have made a mistake. I was reading my brief, but that must be wrong. I am very sorry.” I have seen this man’s work over 10 or 12 years and I think he is a man of the highest integrity. A sign of his integrity was that he went back and checked the record and found out that what he told me the first time was right and what he was bullied

into saying the second time was wrong. He took the principled step of writing to the chair himself—not through the minister or anyone else, but himself—to set the record straight, and I thank him for that. That is the way I have come to expect ACT public officials to behave. That is generally the way that they behave, and his behaviour was exemplary.

But the Chief Minister sat there through that. He saw the way that the acting director of the LDA was bullied—the acting director was not scheduled to be at the table; he came into this at the last minute because somebody was taken sick—and he let that happen because it was convenient for him at the time. It was convenient for him to close down this line of questioning because the whole issue of site selection is one that has caused considerable embarrassment to the Chief Minister and will continue to do so until he admits to himself, to this Assembly and to the people of the ACT that his intervention was misplaced, that he got it wrong and that the people of the ACT are the people who are suffering as a result of it.

In addition to the Chief Minister's involvement, we had the usual constant saga. It was a case of pick a minister, any minister, and we would suddenly find that they had their fingers all over things. The minister for disability services, wearing her disability services cap, had not been briefed about disability services. At that stage, as Minister for Health, she had not been briefed on health. She was so unbriefed as Minister for Health that she would not let Mr Smyth and me ask questions of the Chief Health Officer about the impact of pollutants.

But it was revealing that, as minister for disability services, she was able to tell us that, yes, they had considered the relocation of Symonston House lock, stock and barrel because of its proximity to the gas-fired power station. We contrast that with the fact that it was not reasonable to notify the neighbours just over the hill of the existence of the gas-fired power station, and most of those people only found out about it when a horse owner noticed the small yellow sign.

This was a constant problem with the estimates process. Every time Mr Smyth and I and other members—Dr Foskey and, from time to time, Mr Mulcahy—got onto a line of questioning, the chair of the committee would find a way for the subject to be moved on. She would say: “Look at the clock. We have to move on.” What that really meant was: “Let's not worry about the truth. The main thing is that we work by the clock in the Mary Porter school of time and motion. We just have to move on so that we can run protection for our ministers who are starting to find it a little uncomfortable.”

The other standout issue in the estimates process from my point of view—I am sure that Mr Pratt will dwell upon this at some length when we come to the ESA lines—is the issue of the mishandling of the transfer of the ESA headquarters to Fairbairn. As a member, I keep as much interest as I can in as many portfolios as possible, but I do not have an up-to-date knowledge of what is going on in the same way that the minister would or that Mr Pratt, as the shadow minister, does, but I was stunned to hear that, in fact, in excess of \$170,000 a month is being paid on rent for buildings which are empty, and have been empty for many months.

This process of moving to Fairbairn was announced in December 2005, from my recollection. It has been going on for some time and we have been paying rent on some of those buildings since very soon after the announcement was made in here by the then minister, Mr Hargreaves. On average, we are paying \$176,000 a month, and most of those buildings are unoccupied.

It seems, from my calculations and Mr Pratt's calculations, that over the past two years we have paid something like \$4 million in rent and that there have been something like 20 people occupying the spaces. Most of those buildings out there are empty and, to some extent, unoccupiable because work has not been done on them. This is a searing indictment of the mismanagement of emergency services that we have seen under the Stanhope government.

It was not bad enough that we were not warned that the fires were coming to town. It was not bad enough that four people lost their lives. It was not bad enough that 500 homes were burnt down. It was not bad enough that the Chief Minister, who said a day after the fires, "If you are going to blame anyone, blame me," then gets selective amnesia every time someone challenges him on the issues. But, years afterwards, five years after the fires and after the specific recommendations of the first inquiry, the McLeod inquiry, the inquiry that this Chief Minister and this government chose as their first port of call, we have not implemented this in-principle recommendation. The Chief Minister said, "Everything that Mr McLeod has recommended, I will implement."

More money has been spent than should have been spent on this, by an extraordinary amount—\$4 million in dead rent is a searing indictment of this government. It is emblematic of the wasted opportunities in emergency services. There is much more that can be said, and I will take that up in the line items, but I think that it gives a flavour of the problems with an estimates process that was hijacked by the government, both through its chairmanship and through the fact that they had a majority on the committee.

**MS PORTER** (Ginninderra) (4.29): The select committee had the opportunity to examine details about a budget which is one that builds for the future. It is one that will enable the government to face climate change, ageing of the population, changing models of healthcare, new technologies and labour constraints, to quote the Chief Minister's tabling speech. This budget has vision; yet, unfortunately, the opposition members of the select committee squandered their time on the committee. They ignored the many millions of dollars contained in the budget—for instance, important infrastructure on health and education, community safety, climate change and ageing, as I said before.

Instead of examining these important budget commitments, members of the opposition on the committee spent their precious time chasing down rabbit warrens for something that was not there and was not a matter of this budget. Hour after hour was spent on seeing how many times the same question could be asked in a different way. Any observer, in fact—and some independently observed to me—would see this mindless preoccupation with scoring political points at the expense of proper scrutiny of the budget as dereliction of duty and ridiculous in its nature.

On the subject of Mr Dawes's so-called mislead, it was not a case of being bullied, not a case of a deliberate mislead; it was a simple matter of a person misunderstanding the question and trying to clarify—with others at the time, and exploring that later—realising that he had answered it incorrectly. If there was any bullying going on, it was by some members of the committee in their treatment of some of the officials.

As the chair, I ensured that I allowed opposition members to ask the majority of the questions and use, I am sure, the highest percentage of their time for available questions, and any reading of the *Hansard* will demonstrate that. In fact, opposition members asked nearly three-quarters of the questions, with 1,110 of these being asked by members of the opposition being on the committee.

**Mrs Burke:** We did a good job then, didn't we?

**MS PORTER:** I am sure that they can thank the chair for allowing all those questions. However, there were nearly 300 by opposition members not on the committee. Add that to the 1,110. Crossbenchers, visiting members, asked nearly 250 questions. Government members, again, asked nearly 250 questions. So you can see from that that they certainly had plenty of chances to ask questions.

I draw members' attention to recommendations in relation to the committee processes and the matter of questions on notice taken by the estimates committee. Members will note that the report says 2,134 questions on notice were lodged. Further, the report notes the database shows there were 342 questions submitted. I have actually got an update on that by the committee office which says 467. Each of these questions contained many component parts, over 2,000 in fact. I will now read from the report:

In comparison to the Estimates process, the following general rule applies to questions placed on notice through the notice paper:

- questions are required to be brief and relate to a single issue;
- questions may not contain (i) statements of fact or names of persons unless they are strictly necessary to render the question intelligible and facts can be authenticated, (ii) arguments, inferences, imputations ...

Et cetera, et cetera. So we have a very different system when it comes to asking questions. You can read more fully about that in our report. When it comes to the estimates procedure, as compared to what happens in this place during question time and questions on notice that are taken in this place, the report states:

Ministers have 30 days in which to provide a response to questions placed on notice.

The Committee noted that in the Australian Senate, estimates proceedings are set out in Standing Order 26. In relation to questions on notice, the Standing Orders allow for written questions relating to the estimates may be supplied to the secretaries of the committees, who distribute them to the relevant departments and members of the committees. Answers shall be supplied to and circulated by, the secretaries.

While the timeframes for Senate estimates are very different, generally speaking committees allow members one week to submit and approximately 6-7 weeks for responses, depending on the committee. Typically reports are tabled in August, following the May hearings.

You can see the hearing process that we went through in this Assembly is quite different. The report also states:

... members and non-members are able to put questions on notice subsequent to the relevant estimates hearing. Given the volume and complexity of the questions on notice currently being submitted the Committee considers that some assessment of the questions on notice process is appropriate.

I note the government's response is positive in this regard. The report also states:

All members of the Committee understand that the estimates process is a unique process constrained by the short timeframe available to complete the work ...

There were 13 public meetings, 13 private, a total of 116 hours and 18 minutes of time—88 hours 40 minutes of public hearings and 27 hours 38 minutes of private hearings—and 205 witnesses were heard from. The report also states:

Members submit questions on notice to the Committee Office within a specified time after the Minister's appearance at public hearing, usually two or three days depending on the circumstances. Currently, the Committee requests that Ministers submit answers to questions on notice within five full business days ... There are very few rules placed around the content and scope of the questions.

We recommended:

... that the Legislative Assembly amend the Standing Orders to provide specifically for the establishment each year of a select committee on estimates and which also provides for rules for the conduct of the inquiry and for the questions on notice—

as I said before. I take the point that this is not necessarily something that the government has much control over, but it is something for the whole Assembly. When provision for the establishment each year of the Select Committee on Estimates is looked at within the standing orders, I hope that serious consideration would also be given to clarifying the position of visitors to the committee, as those members not on the select committee—some of them by choice, as we have heard before—appear to misunderstand their rights. Even after being reminded that their questions to the witnesses were only allowed by agreement of the committee and only after the committee members have finished asking questions, time after time visiting members, both in the public hearings and in the media, complained that they did not have a chance to ask their questions. As you see by the stats I read out before, they in fact did.

There was room on the committee for a crossbench member. This was declined. The opposition selected their members to sit on the committee, though time and time again non-members of the committee from the opposition demanded that they had to

ask their questions over and above their own members on the committee. As I said, I think, on the whole, the question of standing orders in relation to select committees needs to be considered and I am sure that we will look at this in the future.

While I am on my feet, I place on record my thanks to Dr Sandra Lilburn, Robina Jaffray, Lydia Chung and all of the other people that work in the committee office for their assistance with these hearings. They were outstanding in their support and long suffering of our needs and I do thank them all. I thank all the ministers and all the officials for appearing before us. I thank the community groups, too, that came before us for the time that they spent on their submissions to the government and some additional submissions to us. I of course thank all my fellow committee members, notwithstanding Mrs Dunne's and Mr Smyth's dissenting report which reminds me of *Alice in Wonderland*.

**MR MULCAHY** (Molonglo) (4.38): I will say a few quick words because I cannot let Mrs Dunne's dissertation go without some challenge. Mrs Dunne made a number of assertions that were simply inconsistent with the facts or with the truth. She obviously had her moment of attack on the crossbench members. I made no secret of the fact that I did not want to be on the estimates this year, and I made those reasons known here to members and publicly. But I did avail myself of the opportunity to attend estimates on many occasions.

There are two amazing ironies here. First of all, there is the attack that was launched by the opposition leader on the crossbenchers for not being on the estimates committee. Surprise, surprise, who did not put himself on? The opposition leader, because it involved something after 5.30 pm, and we know his track record from Mr Gentleman's committee for the last couple of years. You do not get yourself involved with things that cut into your social time, but he was happy to put out a release attacking us. I said to my staff, I said, "I'll bet you money that he will not put himself forward, because he doesn't want the job; it's too much like hard work." The people who drew the short straw were, of course, Mr Smyth, who would have wanted to be on there, and Mrs Dunne, who would have thought it was akin to a nightmare being stuck on that committee because I know her views about those sorts of things as well.

The second thing that was quite untrue was Mrs Dunne went on the record saying, "Mr Mulcahy came in, asked a question, and he'd just leave." I spent numerous hours in those hearings. I did not go to all of them; I saw most of it on the closed-circuit facilities in my office. I spent many, many, many hours at those hearings. It was interesting that, on the first day of estimates, I did not see Mrs Dunne all day. There is the deputy chair of the committee, missing in action. So if we are going to talk about people's commitment to these things, let us have a little look closer to the author of this work of fiction.

Dr Foskey can speak for herself about her role, but let me tell you about one other issue: Mrs Dunne talked about the chair and government members running interference for ministers. The most evident form of interference was the conduct of the deputy chair, particularly towards the latter part of proceedings, desperately trying to stop every person in that room, other than her own parliamentary colleagues, asking questions.

Dr Foskey came to me and complained about it. She said, "This is just ridiculous. I'm sitting in here and Mrs Dunne is constantly trying to pressure the chair not to give me a go." She persisted. I persisted and I was not daunted by all those ploys. But it certainly was a strenuous and determined effort to, in fact, not assist the questioning process but to try to shut down legitimate questioning of ministers because the Liberal Party was worried they were not getting enough glory out of the events.

I am aware of one frontbench member here who went to chair of the committee in tears and said, "It is outrageous that you should let the independent member ask questions," and asked me to produce documents to support my wild assertions about health and hotline things.

**Mrs Burke:** Why don't you put it on the record?

**MR MULCAHY:** I am putting it on the record right now. If you want to refute it, feel free to do so because I think others will challenge your accuracy. If you are going to get up in this place and make up statements that in fact do not accord with the facts or the records of the conduct of that hearing, then be prepared to get a counter-response from me and other members.

I think Ms Porter handled the job rather well under extremely difficult circumstances. It was not easy for her. I do not buy the view that she was sitting there blocking and protecting ministers. I have seen that occur in other hearings, but I do not think that that is what she was doing. I thought she was eminently reasonable. In fact, I will be quite frank. I thought she was being a bit too reasonable over the conduct of some of her members, but I was not a member of the committee so I took the lower-order batting position.

To try to reflect on the way she chaired that estimates process, I think, is grossly unfair and to support the allegation or the claim by making all sorts of nonsensical claims about the involvement of crossbench members is quite disappointing and, frankly, does not deserve a whole lot of regard. I will finish my remarks on that point, but I just thought it needed to be corrected.

**MR SMYTH (Brindabella) (4.42):** Mr Speaker, I thanked you after question time for your statement and I thank you again for this opportunity to put the broad overview—

**MR SPEAKER:** But I am still armed with the tool called tedious repetition.

**MR SMYTH:** I know you are; there is just so much more to say, Mr Speaker. What is this budget about? What is the centrepiece of this budget? The centrepiece of this budget is that we have got this billion dollar infrastructure program. That is a great thing: people like money spent on infrastructure; money should be spent on infrastructure. The problem is that Labor cannot deliver. Yes, it is an enormous spend, but they cannot deliver.

You only have to look at their record. You only have to look at the glassworks that came in six or seven years late. You only have to look at the John Hargreaves inspired Tharwa bridge disaster. You only have to look at the link building, which was about



five years late. You only have to look at the Gungahlin Drive extension, which was half the road for twice the price and two years late. You only have to look at the geriatric step-down facility at Calvary, which is about five years late. You only have to look at the Simon Corbell mental health facility that was due to open this year, but that has not even been funded yet.

You only have to look at the busway—millions of dollars spent for a road that will not be built in Mr Hargreaves's lifetime. You only have to look at the dam. In 2004 it was a disaster; now we are going to build it. But already we are being warned about the blow-out in the cost of it. You only have to look at the roads around the airport, which are an absolute disaster. You only have to look at the cut-down prison. Yes, they were going to build a prison on time, on budget, but we started pulling bits out. There is no gym; there is no chapel. The chapel was out; the chapel was in. We will see what happens.

To cover it all up, they then cut out the capital works program, for the spurious reason that nobody read them or could understand them. My office certainly read them. We loved getting them, because they showed and confirmed, every time there was an initiative in this place, that Labor cannot deliver.

Yes, it is an enormous spend. The money is welcome. It should be spent; it should be spent wisely. But it must be delivered. Don't put up projects that you know you are not going to deliver. That is the feedback I am getting from the public servants. The government has put this in place knowing full and well that, if they are re-elected, they will not have to deliver it—they can drag it out as they have done so often over the years.

You only have to look at their delivery rates. Their delivery rates on these programs have been appalling. It is sad. It is an indictment of this government that their underspend over the last five years is 37 per cent of budget, 36 per cent of budget, 48 per cent of budget, 48 per cent of budget and 38 per cent of the promised spend. This is a government that does not deliver. If there are two other things that quite simply emerge from this budget, it is that they are spending more but delivering less service and, like so many other typical, big-spending Labor budgets, they throw money at problems instead of coming up with concrete fixes.

In a nutshell, that is what this budget is about. It is about duping the public into believing that they can deliver these things when their record of seven years in government is nothing but indifference on capital works, non-delivery of capital works, under-delivery of capital works, overt spending on capital works and blow-outs of budgets and time frames. Yes, it is an enormous spend, but they cannot deliver because Labor cannot deliver on capital works.

Ms Porter gets up and says things like "Liberal members of the committee squandered their time". She says we squandered our opportunity. She should have gone and fronted the rally yesterday—the people of Macarthur, Fadden, Isaacs, Torrens and Farrer who were out there. People from Macgregor are now asking about things that we were "squandering our time on" when we revealed that Symonston house was to be moved, when we revealed that there were cabinet meetings, when we revealed that not a single minister could remember when they first had a briefing. There were the

backflips, the halving of a project, the sudden health inquiry, the lack of interest in residents. Yes, it was about projects and infrastructure, expanding the business base and proving how hairy-chested I am, but it was not the residents. The residents were never mentioned once—except in derogatory terms by the Chief Minister. That is so typical of this Chief Minister.

Yes, we asked questions. No, we did not squander our time. It is interesting that we seemed to get in trouble because we had too many questions. Ms Porter was the chair; she controlled the questioning. Ms Porter had the numbers; she only had to say, “All right, all of you out—closed meeting of the committee.” She had the numbers. They used it in the dissenting report. They just cleansed any suggestion that it would be an affront to the government; they just cleansed anything out of the report that was critical as far as they could. The majority of the recommendations came from Mrs Dunne and me.

Ms Porter said that three-quarters of the questions were asked by the opposition. So two-fifths of the committee asked three-quarters or two-fifths of the committee asked nine-twelfths, which means that three-fifths of the committee asked three-twelfths. So each of the Labor members asked one-twelfth of the questions—one-twelfth of the questions. That is lazy. That is what it is: it is simply lazy.

At the end of each day, I still had questions to ask. I had questions to ask at the end of every session. I did my work. I did not spend my time there like Ms MacDonald, playing on a mobile phone, which is a lack of courtesy to those who attend: playing video games, texting or emailing—whatever she was doing—or sitting and reading the *City News*. It was great to see that the ABC news filmed Ms MacDonald sitting at the estimates committee reading the *City News*. It is an affront to what we do in this place and it is an affront to the people that elect us. They do not elect us to be so disinterested—so disinterested that three-fifths of the committee managed to ask only three-twelfths of the questions, because they had no questions.

This is what we see when we have a Labor-dominated committee in this way. They broke with a decade and a half of tradition when they stacked the committee, they took the chair and they took the majority. And they still could not run it. They are lazy, incompetent and without a work ethic. That is the summary of the Labor members’ commitment to the estimates process.

There are a few things that came out of the committee hearings very quickly. It is characterised by the four great disasters as the government answered questions: the data centre and power station project; the infrastructure spend; the balloon fiasco; and the emergency services move to Fairbairn, which has been managed so poorly that for years now this government has been paying rent—taxpayers’ money—on empty buildings.

When they had a fire, the incident control centre—which was perfectly good; in fact, we were recently told in the public hearings on the fire and emergency services inquiry through the legal affairs committee that it was perhaps the best incident control centre in the country—was dragged back to headquarters. That is good planning! Build it, send them over there, wait until something occurs where it is needed and then pull them back to the old building that had proved to be inadequate. That is a summary of this government’s approach to many things.

I will deal with the data centre, the ESA headquarters, the balloon fiasco and the infrastructure scheme under more relevant lines, but the thing that really disappointed me was the attitude of the ministers and the number of ways that they devised to avoid scrutiny. If you had been in government for seven years, you were sure of what you were doing, you knew your answers and you had done your work, you would have just straight-batted all these questions and answered them.

The complaint is that there were so many questions on notice. God forbid: people dared to put questions on notice! The questions were on notice because they were not answered. When you go back through the *Hansard* the next day and you read them, you think, “Why couldn’t they answer that? Why didn’t they know that?” In some cases, we knew the answers; we were just trying to confirm that what we had been told and what we had worked out was correct. But the government did not know the answer. It just shows the lack of confidence that the ministerial colleagues of the Chief Minister have in the budget. They did not know their answers, they did not want to reveal their answers or they just could not reveal their answers because they knew that it would lead to people questioning what they would do.

So there we have it: a big-spending Labor budget—spending more, delivering less. What we have is just so typical of Labor budgets: throw money at problems instead of fixing them. “When you were in office you spent so much; we are spending so much more so we are so much better.” Again today, Ms Gallagher said, “We are spending so much more on mental health; we are spending so much more on elective surgery.” Why are the lists longer? When we left office, the list was 3,488. It is now almost 5,000—a 40 per cent increase. The budget in health has almost doubled and the elective surgery waiting list has gone up 40 per cent. That is good management! It is so typical of Labor—a big spending budget; throw money instead of fixing the problems; spend more and get less service.

Yes, this is an enormous spending budget, and the focus of it is capital works. But on their record they cannot deliver. Labor cannot deliver and has no intention of delivering the infrastructure spend in this budget.

Proposed expenditure agreed to.

Proposed expenditure—part 1.2—ACT Executive—\$5,582,000 (payments on behalf of the territory) totalling \$5,582,000

**MR SMYTH** (Brindabella) (4:53): The executive is, of course, the part of the budget that funds the ministers, and part of the function of the ministers is that they front estimates. When they fronted estimates, it was clear that there was a strategy that they were not going to answer questions. We saw that in the embarrassment for the government where officials and the Deputy Chief Minister, the then Acting Chief Minister, had to write to the committee and retract statements that had been made. Indeed, the Chief Minister was, embarrassingly, forced to come back with his officials to answer the questions on the line of questioning that had been blocked. That is standard operating procedure for this government.

We saw the constant excuse: “I have answered that somewhere else. It is in the *Hansard*. I told the Assembly.” The committee is not the Assembly. When a

committee asks questions, it expects them to be answered. I went and got advice from the manager of committees. It is quite clear that it does not matter where you have been asked something, what you have been asked or what you have provided somewhere else. Whether it be an FOI, a document or whatever, if the committee wants an answer, a document to examine or something for inclusion in the committee report, it is entitled to it. It has powers to demand those documents, or attendance, should it so choose to use them.

We should not have to choose to use them, but the government has made it an art form. Mr Barr used it on several occasions. He said, "Go and read the *Hansard*. I answered that fully in the Assembly. I did this somewhere else." I do not care. The committee should not have to care either.

Unfortunately, on a number of occasions, when we got to that sort of impasse, the members asking questions were not backed up by the committee chair. That is unfortunate, because the committee has been given a job, clearly set out in the terms of reference, to inquire into the budget and report on that budget. We are not here to inquire what happened in the Assembly or what happened somewhere else. We are here to inquire into the budget as it has been given to the Assembly.

There are some recommendations that I was pleased about. We got agreement with the other committee members about sets of rules that would make this quite clear. The Senate has them. It is appropriate that we clarify at this time with a majority government that thinks it can get away with whatever it wants because it controls the numbers and the chair on the committee. It is quite clear that we need a set of rules.

The other thing was not allowing officers to answer. On a number of occasions, I wanted to question one particular officer, the head of tourism, about something she had written in an email. They are her words; it is her email. I wanted to know what she was thinking when she wrote that. The minister constantly said, "I have answered that question." He cannot answer that question for that person. He cannot know. The committee had a right to an answer, and we did not get it. It is typical of what happens.

There was language. The Chief Minister again led the charge using unparliamentary language. Again, it is about setting an example. That is why, in the dissenting report, we have a recommendation that says:

We recommend that the Chief Minister require all of his Ministers to comply with the Ministerial Code of Conduct, particularly with respect to answering questions in Committee hearings.

It does say that you have to respect people in the code of conduct, but it was not being offered in the hearings.

It was constantly referred to: "The answer is in the budget papers." There might be an answer in the budget papers, but the government are there to prove to the committee that what they are saying is correct—and how they got to that conclusion. It is not up to the committee to go haring back through budget papers. I am quite happy to take them down; I often do. I often end up with four or five budget boxes beside my position there at the committee desk. But it is for the government to justify that

spending, or detail how they spent it, when they are asked. They are there to answer the questions, not to avoid them.

It all comes back to this arrogant attitude: “We do not have to answer your questions, because we control the numbers.” It is a very dangerous thing to happen in a small Assembly like this where we do not have a house of review and we do not have a lot of means to come back and question. It does behove the government to answer honestly and openly.

There were a number of questions taken on notice—questions on notice, placed on notice—that have still not been answered. There is Mr Mulcahy saying that the opposition are lazy. We put our questions on notice. We expect answers. We deserve answers. They are answers to a committee. It is impossible to form an opinion on the budget until you have your questions answered. Ministers have a responsibility to answer those questions.

The Chief Minister, when Leader of the Opposition, talked about being more honest, more open, more accountable. Since they came to government, we have seen the accountability eroded constantly through control in the majority of committees, the disappearance of reporting mechanisms and the disappearance of accountability. That is a shame. People look at us and wonder why this is so. There is a code of conduct. It would be appropriate to make sure that the code is adhered to.

In the report, one of the interesting things concerned back pay to ministerial staffers. Assembly staffers were apparently paid their back pay after the new EBA was agreed to in April last year. It took until November for ministerial staffers to be paid. It is curious that the federal Labor government went to town on working families and looking after working families, yet the ACT Labor government cannot even pay their staffers their back pay. We never got an answer to that question. Perhaps the Chief Minister will answer if he takes the opportunity to stand and speak to this issue.

Some questions were asked particularly concerning cultural education—on the Bell Shakespeare Company and Kulture Break. They were asked by Dr Foskey. They were well asked. As you would know, Mr Deputy Speaker, Kulture Break is well regarded in Tuggeranong, in the wonderful electorate of Brindabella. They do a great job. Francis and the guys do a fabulous job by using contemporary youth culture to engage young people in fitness, in health, in building mental resilience and in having a drug-free culture. It is important that groups like that do get funded, that they do have a future and that they do have a role in our society. I commend the government particularly for funding Kulture Break. It is a sensational organisation—young people looking out for young people, giving young people a great example. That is something that we should encourage.

There are a number of recommendations that the government has not picked up. In particular, in relation to recommendations 1 to 6, the response from the Chief Minister, has noted: “Recommendation 1 agreed in principle. Recommendation 2 noted. Recommendation 3 noted, 4 noted, 5 noted and 6 noted.”

As the Chief Minister quite rightly points out, these are matters for the Assembly to determine. I bring them to attention of the Speaker. What it does is hopefully detail a

way whereby we can move forward and avoid some of the farce that causes Ms Porter to say that we squandered our time. Having a set of procedures and having it quite clear what is expected would help the executive in the way in which they approach the estimates and would make a better process forwards.

**DR FOSKEY** (Molonglo) (5.02): I am going to start on an area that Mr Smyth left off on, and that is one of the issues that I pursued at estimates—the executive decision to fund Kulture Break and Bell Shakespeare to work in ACT government schools. While I have absolutely no doubt about the value of these activities, and I am very interested to hear Mr Smyth’s comments about them, the Greens are concerned about the process.

It appears that in making the decision to fund those bodies no advice was sought from ArtsACT or the cultural council and that the Chief Minister made the decision, perhaps with cabinet support, based on his own convictions. There is no doubt that John Bell is passionate about building a new generation of Shakespeare lovers, and I support that. I have heard John Bell give a dinner talk on the issue, and it is a passion that he has clearly communicated to Mr Stanhope.

Mr Stanhope explained at estimates that he was also convinced that Kulture Break has the ability to get boys dancing—a laudable objective, I agree—but I am aware that there are other groups and projects that can do that; Quantum Leap, for instance. And circus skills hold a great deal of appeal for boys as well as for girls. But the issue is that these groups did not get an opportunity to throw their hats in the ring.

Indeed, funding is so scarce for the arts that not only must it be distributed fairly but it must be seen to be distributed fairly, and that means at arm’s length politically. A great deal was made of just this issue yesterday, as we debated the process for the gas-fired power plant and data centre and its location. In fact, the Chief Minister spent a great deal of time convincing us that these processes need to be held at arm’s length from government. Just because the sums allotted for arts activities are much smaller does not lessen the need to do things properly.

More generally, the Greens are concerned that the executive privilege has been extended through the life of this Assembly, which is the first majority government experience in the ACT. For instance, cabinet-in-confidence is claimed far too often for executive documents. It is entirely up to ministers to release these documents. They are not constrained by the act if disclosure is in the public interest. Of course, they should consult with groups that will be affected by such disclosure, but they cannot claim that they are constrained by legislation. Keeping important documents close to cabinet’s chest erodes trust and certainly reduces the transparency that we all claim to want from government.

The estimates committee made a number of recommendations in regard to the estimates process which were entirely sensible. Estimates are an important part of the legislative calendar and they deserve a formal place on it. The government’s response of “noted” is clearly a case of hedging its bets. And it is interesting that the government’s response was noted to all these recommendations of a government dominated estimates committee.

This is my first year as a visitor to the estimates committee's hearings, and I was castigated for just being a visitor a number of times by government and opposition alike. I was certainly made to feel that each question I was allowed to ask was a privilege and I saw a number of opposition members squirming impatiently each time I got the call.

Nonetheless, as a member I have noted that visitors are given ample opportunity to ask questions, and this was normally the case this year, with one notable exception: the day that Mr Stanhope was called back to answer questions about the gas-fired power station and data centre. I think I got one question that was a supplementary, but I noticed that even the opposition members of the estimates committee were not given many opportunities to ask questions that day.

I also want to add that Mr Mulcahy made a comment, I believe, when he was talking about the estimates committee, that I complained to him about Mrs Dunne. I want to correct the record on that one. Certainly, it was noted that Mrs Dunne squirmed when the chair gave me and Mr Mulcahy a question, because of her impatience to ask questions. I was able to identify with that, because I know that when I was a member of the committee I used to sometimes feel that visitors were given more chance to ask questions than I felt was fair. But I do not remember complaining to Mr Mulcahy at all. I do, however, know that we both observed it, and we did comment upon it together. It could be my memory that is at fault, but I do not think it is really in character for me to complain like that. That is the extent of my comments on the executive.

Proposed expenditure agreed to.

Proposed expenditure—part 1.3—Auditor-General—\$2,072,000 (net cost of outputs), totalling \$2,072,000.

**MR SMYTH** (Brindabella) (5.09): The office of the Auditor-General always operates under major constraints. It has got a tight budget, and there is always the potential for staff to leave for other jobs. It has also had a battle lately to recruit suitable experienced staff—a continual battle—and a battle to retain them.

I note that the auditor sought an increase in her budget for the 2008-09 year of \$210,000 to enable her to have the capacity to comply with the new professional standard. This request was supported by the PAC, the public accounts committee. But unfortunately the request was rejected by the Stanhope government, and I think it is a disappointing outcome. What is even more disappointing is that no substantive reason has been given by the Stanhope government for the decision. They said: "Yes, we increased it a couple of years back. She has got lots of money. It should be okay." We all know that the Auditor-General is very circumspect in her language, but it was quite clear that she was very disappointed by the outcome and it is clear also that the estimates committee is concerned that this rejection could compromise the work program of the auditor. At page 105 of the committee's report, recommendation 54 states:

The Committee recommends that the Auditor-General's request for funding to implement the requirements of the new professional auditing standard be granted.

It was a recommendation that clearly the committee thought was important. In our democratic system it is essential that agencies such as the Auditor-General's Office are properly resourced. You have to note, for instance, the change in the presentation of the ACT budget from the AAS to the GFS basis. I am encouraged that the audit office judges that this change in basis will not result in significant changes in the information content. My concern, however, about this change is the loss of comparability of data in the relevant time series, so there will be a discontinuity in the data between the AAS-based financial statements and the GFS-based financial statements. I would like to seek an assurance that an appropriate time series will be continued to enable appropriate analysis of the aggregates and the trends after the change to the GFS is made.

I note the way in which the Stanhope government presents the outcome for the annual budget in this regard, particularly the way in which the returns from the territory's superannuation assets are identified, and I note that the Auditor-General suggested that the clarity of reporting on this information, the transparency of the reporting, could be enhanced by adding the way in which this information is presented.

The other problem for the auditor is, of course, just the sheer workload. For instance, I think members of the committee and those present at the time were quite surprised when the Auditor-General suggested that she had something like 75 performance audits on her waiting list—75 audits that she has no chance of getting to. They are currently running at about three or four and she has got 75 waiting, some of which they have decided upon, some of which she has had suggested to her by the opposition and others that come through from the community. I would like to read from the transcript:

**MR SMYTH:** I cannot remember your schedule for the outyears, but is there a proposed audit into Shared Services to see if it is delivering what was promised?

**Mr Nicholas:** It is certainly on our list.

**Ms Pham:** Yes, it is on our program, together with 64 other topics.

**Mr Nicholas:** At latest count.

**Ms Pham:** Actually, last night, it became 75, including others that come through from the community—for example, the gas power station. We have already got a representation from the community to audit the process of selection. In fact, we have added to our program, so it has become 75.

We asked some more questions about what might be undertaken and what would happen. One of the officers said:

A lot of research, I suspect. It is a matter that we are obviously giving some thought to at the moment. It is not necessarily going to happen overnight, in terms of a performance audit. It depends a little bit on the scoping ...

But then the auditor came back a little later in the piece and said:

At this stage we have no capacity whatsoever to undertake such an audit.



It is very sad that we have got to a stage that the Auditor-General of the ACT has 75 performance audits on her list that she thinks are important, or have been suggested to her by either, say, the opposition or the committee and she thought that it was important enough that they be added to her list, but the government is not giving her the resources to do this.

You have not answered the question: why won't the government properly fund the Auditor-General? Perhaps the simple answer is that they are afraid of the scrutiny that might be revealed about the process of things like the transfer of the emergency services headquarters to Fairbairn, the process which was involved in the site selection, and many of the other things that clearly the government has got wrong. But there are 75 audits waiting to be done and no funds available to allow them to happen.

I would like the Chief Minister to take seriously recommendation 54 from the committee. But the government response states:

Not Agreed.

The Government expanded the Auditor General's compliance and performance audit capacity by \$0.5 million (indexed) in the 2006-07 Budget.

This is now the 2008-09 budget, the weight of mismanagement of the Stanhope government is now bearing down directly on the shoulders of the Auditor-General and she has 75 performance audits that she would like to conduct, or on her list for consideration, and she does not have the resources to do them.

It would be great to see the Chief Minister and the Treasurer stand up and say: "Yes, I agree with you. We are honest, we are open, we are accountable. We are not afraid of the scrutiny of the Auditor-General and we will fund her to do her job as the people of the ACT would expect, and I will now agree with recommendation 54 and give the auditor the \$200,000 which would allow her to be compliant with the standards and allow her to carry out the additional work that is clearly required to inquire into the activities of this government."

**DR FOSKEY** (Molonglo) (5.16): This year the ACT government did not grant the increase to the Auditor-General's Office proposed by the Auditor-General and supported by the public accounts committee. It was not a big bid: \$210,000 to procure additional resources to meet the new professional standard of accounting for quality assurance for auditing firms. The Auditor-General's Office is an auditing firm as defined in legislation. Without the requested funding, resources will have to be taken from elsewhere. It is disappointing that the government failed to grant the Auditor-General's request although the PAC's letter supported it.

All the audits performed by the Auditor-General's Office under the Financial Management Act must meet APS 320, the professional standard for audits of companies, and these are the standards that must be applied to a department or an authority. In order to comply, the office will have to squeeze resources from somewhere else. We were told that an equivalent of two staff will have to be removed from the audit team of eight because the financial audits have to be done. Tu Pham

estimated that this would mean a difference between eight audits per year currently and four.

The audit office is still struggling to retain staff and attract quality people in an environment where the private sector can pay higher salaries. Certainly, this year's budget allocation does not improve the Auditor-General's ability to pay higher wages. The audit office relies upon the public accounts committee to advocate for it in the budget round. Obviously, the public accounts committee cannot be present at cabinet meetings to argue the toss. I would be interested to know if any of our ministers are so concerned to have their agencies properly scrutinised that they actually go into cabinet, into the budget skirmish, cheering for more audit office resources. Sadly, I think not. It is left to the public accounts committee, which by convention has a non-government chair and has all the power that it can put into a letter.

I note that the estimates committee recommended that the request for \$220,000 funding be reconsidered and I note that the government has refused this. I believe that a well-resourced Auditor-General's office could be of assistance to government. It is obvious, for instance, that Treasury is struggling with the implementation of triple-bottom-line reporting. Perhaps the audit office could step in and give Treasury a hand in delivering on a promise made over four years ago.

**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) (5.19): This is a very significant appropriation for the Auditor-General of the ACT. An expenditure of \$2 million needs to be noted, as that is just under half of the appropriation for the executive. As has been acknowledged, within the last two years, the audit office has received the most significant pro rata funding increase of all ACT government-funded agencies. That gives the lie to any suggestion that the requests or representations of the Auditor-General's Office for increases in funding are ignored by this government or that this government does not respond to the needs of the Auditor-General. We understand the fundamental and central role of the auditor and the Auditor-General's Office. I could be corrected on this, but I would be prepared to guarantee that there is not a single ACT government-funded agency which in this budget round did not make representations to the government for a significant increase in its funding base in just the way that the Auditor-General's Office did.

One of the difficult issues or aspects of government is to prioritise investment or funding. In this particular instance, the Auditor-General was not successful, but, over the last couple of years, the Auditor-General's Office has been extremely successful in attracting additional funds. Singling the Auditor-General's Office out for particular attention in relation to this and to suggest that the Auditor-General's Office provides such a fundamental role that its needs should be put ahead of the Canberra Hospital or Calvary Hospital or policing or community safety or education is to suggest that there should be a special rule that applies.

Every single ACT government agency, instrumentality or authority through this last budget process made requests, suggestions and representations for additional funding to the tune of hundreds of millions of dollars, which ultimately were not successful. This was one amongst many that was not successful. That is the basis of budgeting.

Proposed expenditure agreed to.

Proposed expenditure—part 1.4—Chief Minister’s Department—\$50,148,000 (net costs of outputs), \$15,544,000 (capital injection), totalling \$65,692,000

**MR SESELJA** (Molonglo—Leader of the Opposition) (5.23): The first thing to say is that we see a significant amount of money has been provided to expand the work of the major projects and facilitation unit in CMD. This provides funding of \$1.875 million in the first year, rising to over \$2 million in the final outyear.

The measure description says that this funding will help streamline the processes for project approval—that is, more bureaucrats are being funded in order to help remove red tape. For all the money provided, the measure description says nothing about improving the public consultation or considering the impact of development on public amenities. This is the area which covers the Tuggeranong power station issue. Of course, we have seen how well that has been handled. We certainly would hope that, in future, the people of the territory would actually see better outcomes for the money expended, rather than the situation which occurred in relation to the power station where clearly the wrong site was chosen, despite the very close involvement of the Chief Minister’s Department and the major projects and facilitation unit in relation to that development.

There are a number of spending items that are noticeably front-end loaded with either declining or disappearing funding in the outyears. Some examples from budget paper 3, pages 64 to 65, include accountability in government, building and maintaining public service capacity, responding to skill shortages, demographic research and strengthening the community. You do have to wonder how serious the government is when we see one-off funding in an election year and a tapering down of commitment after the election year is over. We, of course, have seen that in other portfolios, as was highlighted in budget week, with extra maintenance for shopping centres being done only in an election year. There is \$2 million in an election year but nothing after that. Apparently the maintenance will not be needed after the election, but the government is going to make sure that they are all spruced up before the election.

Depreciation of funding for capital items in the Chief Minister’s Department is very interesting. Depreciation funding in this portfolio has been provided at a rate of 10 per cent across all capital measures, regardless of whether they involve funding for equipment or for building construction or refurbishment. Let us compare this to funding for other agencies. In the health portfolio, the depreciation provision varies considerably for new measures. For some measures it is around the five per cent mark, and only for equipment is there a higher rate of 10 per cent. In the education portfolio, there is a strict two per cent rate for buildings, musical instruments get five per cent and fibre optic cabling receives 10 per cent. That is quite a difference to the 10 per cent provision in CMD across all items. It seems that there is one rule for CMD and one for everyone else.

One item in the CMD budget particularly caught my eye. I asked a question on notice as to why 10 per cent depreciation funding had been provided for design work relating

to the Watson Arts Centre. The written response came back from officials that that was a mistake. So there is \$90,000 in the budget which is a simple mistake. I would ask the Treasurer to clarify the following: how many other such mistakes have been identified since the publication of the budget on 6 May; why did the responsible ministers not question or identify the mistakes during budget and cabinet meetings; has the Appropriation Bill been adjusted accordingly since 6 May; and how will the Treasurer make budget adjustments to absorb the effect of such mistakes? We have posed a lot of questions in recent days to the Treasurer. I posed questions to him in my speech in relation to land rent, and those questions were not answered. Hopefully, the Treasurer and Chief Minister will be able to answer some of these questions about what is being done with the mistakes that have been identified.

The government has admitted twice that its land release program is inadequate. It admitted it when it belatedly agreed on an increased program, and it promises that it will attempt to meet levels of demand by Christmas this year—six months time. We have also seen the Chief Minister effectively admit that his land release program is inadequate when he claimed that my stamp duty concessions will cause inflation. Of course, if stamp duty concessions are inflationary, this could only be so if supply is not meeting demand.

We know that there are issues in relation to land release, and we have seen this government get it very wrong over the past few years. We know that the Chief Minister and others, including the current planning minister, would like to simply blame the former planning minister. We know around the industry circles that Simon Corbell is the one they blame for getting us into this mess. It is clear that that was done on the watch of this Chief Minister. Even though he did not have specific ministerial responsibility for that lack of land release, that squeeze on land which has caused so many issues for first homebuyers and which has caused so many of them to move away from Canberra happened on his watch. We have seen a scrambling now to catch up over the last little bit, but we do have concerns about the government's ability to actually release the right amount of land for the market.

We have seen big announcements in relation to 15,000 blocks over the next five years and 4,200 in the next financial year. Of course, we do not know what the market will be doing in two years time, three years time or four years time. What I say to the government again is that we need to have the land ready to come online quickly. We do not know whether land supply in five years time will have to be greatly increased from what it is now or slowed down, depending on whether the market is slowing. We do not want to see a situation where we artificially flood the market and see significant downward pressure on prices, which will put many recent homebuyers in trouble as they see the potential of negative equity and they see the potential of repossessions as we have seen in parts of Sydney.

In relation to the industrial land release program, supply has been inadequate in recent times. We have seen a discussion in terms of the Tuggeranong power station. We have seen the issue of industrial land supply coming to a head. We know that some work is being done on that, but we will need to see the government's outcomes in terms of getting enough industrial supply so that we do not see industrial land continuing to be too expensive.

In relation to the LDA, it is worth making the point that there seems to have been some improvement in some of their spending decisions. I have certainly been critical in the past of the LDA's spending on advertising and marketing on things that are simply branding exercises. We do not want to see branding for the sake of it. In fact, we have been told in the past by the LDA that they would not spend money on simply branding and that they would spend less money on advertising their products. There seems to have been less of that in this budget, and we certainly welcome that. There seems to be less of the kind of individual cost blow-outs that I have certainly highlighted in this place in the past few years. On that score there are some improvements, but I am sure that there are significant further improvements that could be made in terms of the LDA.

We often hear, particularly from the planning minister, comments about our budget speeches and how we never call for restraint and are always calling for more spending. Every year when I have raised these issues I have identified specific spending measures on the part of the LDA which I see as being particularly wasteful and which do not bring a return to the territory. We know the Land Development Agency has a monopoly on land supply, and it used to have a monopoly on residential land development. Of course, it is still by far the largest player and it very much controls the terms of the market. Therefore, the idea of branding and the idea of spending lots of money on advertising the LDA's products I think is a false economy. It is money that is thrown away because people really do not have any options as to where they go.

It is not like there are many different places that young Canberrans can go to to get land. Under this government, the LDA will continue to be the largest land developer by far. In fact, there may even be a prospect of it going back to a monopoly situation. That has been contemplated, it would seem, in previous answers from the Chief Minister where he said that en globo releases were something that would be trialled and that the government would see how they worked.

We do believe in genuine competition in the market; we do believe that that is a good way of bringing a diversity of product to the market and of keeping downward pressure on prices, particularly building costs. We believe in genuine competition in the market rather than one or two big players, as has been the case in the past few years. I certainly would say that the LDA is doing better than it has done in the last couple of years in terms of some of its spending decisions.

**DR FOSKEY** (Molonglo) (5.33): A chief minister's department has responsibility for whole-of-government policy development. But there is no energy policy, despite the promises the government made when putting together its climate change strategy. Interestingly, having published *Weathering the Change*, CMD seems to have no responsibility or no priority now of ensuring the territory addresses the challenge of climate change. This seems to have been relegated to a bunch of programs in TAMS. I do not mean to deride those people working in TAMS but I am astonished that there is no formal whole-of-government priority in moving the territory further on an issue which the Chief Minister continually describes as probably the most important problem that we face.

Towns and cities all around the world are putting together energy plans that will dramatically cut their greenhouse emissions but there is no such initiative in this

budget. Instead, we see the ACT government supporting an irrational mix of strategies, including feed-in tariffs, gas-fired power stations wherever ActewAGL might want them, extra money into roads, new suburbs without public transport planning, and a general reliance on a national energy framework which we have practically no say over. We have not even set any renewable energy targets yet.

It is not as if this plan would have to be developed from scratch; there are more than enough ideas on the table. The town of Woking in the UK has already made the shift away from energy purchase from the national grid to more efficient local generation, and now those plans are to be taken up in London.

To put something appropriate for the ACT in place, I would like to see the ACT government establish an energy commission. And that would have to start from the Chief Minister's Department. After all, it set up the Schools Commission at the end of 2006. That commission reported in April this year and its recommendations can now be seen in elements of this budget, in areas such as industry, education, family support, housing and industrial relations. An energy commission could and should be one of this year's key projects. It would draw on local and national expertise, including planners, community advocates and well-placed people from the relevant industries and it would look at current and future energy use in our buildings and transport. Given that Canberrans' energy use is, on average, 40 per cent higher than the average Australian's, there is plenty of work to be done right here in this city.

The commission would map out the foreseeable risks such as peak oil and the increasing cost of energy as we move away from brown coal. It would develop a plan to make us resilient in the face of these shocks, including a move away from reliance on the car as the only transport option for most people and steps to reduce our giant heating and air-conditioning bills.

I first raised the issue of adapting our car-based city to a declining oil supply and climate change in the Assembly in 2005. In response, the government made much of its energy policy, supposedly in development. Since then we have seen increasing traffic problems, cuts to our public transport system and conflict over a giant gas-fired power station but no policy or strategy to address the underlying issues. The failure of the government to articulate such a comprehensive approach in this budget is a stark and obvious failure.

On public sector management, I note the investment in programs for accountability in government and for building and maintaining capacity in the ACT public service. There are some particular challenges that confront us in the ACT which this government does not always want to acknowledge. It seems to me that the government came up short on accountability in regard to making an appropriate site available to the ActewAGL power station and data centre proposal.

Perhaps more importantly, that sequence of events cast a light on this government's approach to freedom of information. Indeed, given that fish rots from the head, the CMD leadership on FOI is salutary. It was clear, from the FOI decision letters that accompanied the opposition's FOI requests on the gas-fired power plant, FOI officers in some agencies are not upholding the spirit of the act which, as Mrs Dunne explained yesterday, is intended to facilitate the release of as much information as possible within the constraints of the act.

Just one example which I hope this accountability initiative will tackle is the provision of training for freedom of information officers in their assessment of the public interest under the Freedom of Information Act provisions that require a decision maker to make a public interest assessment. In none, not one, of the decision letters the opposition received was a single argument made out as to why the public interest in withholding documents under section 36 outweighed the default imperative in the act to release documents. What is really disturbing is that in this case it seems as if FOI officers were self-censoring to avoid criticism for releasing information that might politically damage their executive or ministers.

On those same FOI decision letters: there is the exact same wording from various decision makers on both major exemption categories claimed. This was a circumstance where there was intense political interest in the decision and when all agency executives would be acutely aware that, if their department was the one which released documents that embarrassed the government, then their popularity would be likely to suffer, to put it mildly.

Last year, the Labor Attorney-General cited with approval the infamous High Court judgement in McKinnon, when he introduced yet another conclusive certificate clause. McKinnon was a case in which the Chief Justice himself, among others, dissented and condemned the reasoning in the judgement for destroying the principle of a public interest test and making a mockery of an applicant's right to information free of politically motivated interference.

It makes a mockery of accountability and, while these clauses remain on our statute book, whoever is in government cannot credibly claim that they have a commitment to accountability—three government agencies and not one argument in favour of the public interest in knowing the truth, not even when the decision involves sections of the Freedom of Information Act where the decision not to release documents must only be made when the arguments for and against releasing the documents result in a decision that the public interest in exempting outweighs the public interest in releasing the documents.

There are also the requirements of a small jurisdiction with numerous complex responsibilities. The lines of policy and implementation can and have been blurred at times. Officers of the ACT public service need a particularly sophisticated understanding of the proper demarcation between their responsibilities and those of their ministers. I do not believe that is always the case. How the public service deals with the intimate connections among government agencies, service providers, community pressure groups, business organisations, even political parties is also worthy of closer scrutiny. There are clearly both advantages and disadvantages in living and working in such a small pond. I would hope that the public service improvement projects would look carefully at these matters.

Another issue in relation to this is that the Public Service Commissioner, as a position, has been quite considerably downsized from someone who had that role alone to someone who now tries to fit it in amongst all her other executive duties as—

**Mr Mulcahy:** She probably had to do dog catching as well.

**DR FOSKEY:** I hope that there are not too many dogs working in the Chief Minister's Department. It is of concern to me that this lack of sole attention on the public service may actually be detrimental to conditions and in terms of advocacy for public servants, in terms of complaints mechanisms and reporting and so on. If those complaints can only be reported through the existing systems and to someone who is a director of a department while also wearing a public service commissioner's hat, I do not feel that public servants necessarily feel that their complaints will be dealt with in an objective fashion. I would like to see a review of the Public Service Commissioner's role in order to see whether it still performs the functions that it was set up to do.

In terms of industrial relations policies, I am concerned that the ongoing review of the ACT's private sector workers compensation scheme will see a further erosion of employee rights. (*Second speaking period taken.*) Of course Comcare, the commonwealth's public sector scheme, was recently adjusted to exclude journey cover to and from work. While the Greens are committed to keeping that protection in the ACT private sector scheme, there will undoubtedly be external pressure to strip away many elements of the scheme. And journey cover will be one of them. I have not yet heard from the ACT government what it plans to do with the scheme after the election.

On coordinated communications and events: I am somewhat concerned with the growing trend to package up and promote the ACT government. That might be par for the course with all well-organised governments these days but there is something about the modesty with which ACT self-government began which I am sorry to lose. Where we do need to better resource and promote ourselves, in my view, is the Legislative Assembly which has, in a way, suffered the opprobrium of anti local self-government and anti politician prejudice. I believe we need more MLAs, more Legislative Assembly resources and so on. But what we have seen instead is city-wide government newsletters, budget brochures distributed before the budget is passed and a general increase in polish and shine and spin.

There are also an increasing number of events such as the family fun day in November that seem to be funded in order to justify a public holiday—in this case, a substitute for union picnic day which of course did have a meaning until it was abolished by the Howard government and which, in itself, has almost eliminated the cultural meaning that Melbourne Cup day has developed in workplaces around Australia. I am not certain yet whether we are going to have a holiday for Melbourne Cup day this year, but I strongly hope we do not. I made the comment last year that Melbourne Cup day is a day for people to sit down and have lunch together, have a sweep and basically talk to people that they are usually too busy to engage with, apart from work.

I think that there are too many cakes and circuses and that is where our money is going. It is true that Canberra's people do flock to some events, especially outdoor events, but I believe that its government is really about providing programs and services and the cakes and circuses need to be for the benefit of the people rather than for the benefit of the government.



Output 1.5 is arts policy, advice and programs. I am really delighted to see an increase in arts funding. There is both a growing activity base of arts in the ACT and an increasing need to fund professional arts activity at an adequate level. This boost to the arts fund is a welcome addition to available resources, though it is not, in itself, a solution to the challenges faced by the arts in the ACT.

I was disappointed that the ACT government seems to have taken a very passive approach when it comes to exploring long-term solutions to the well-known pressure confronted by the Canberra Symphony Orchestra and the Canberra School of Music. When, through a question on notice, I raised the possibility of getting those organisations to work more closely and, therefore, supportively with each other, I was advised, in effect, that it was a matter for them.

Perhaps the ANU is just too big an organisation for the ACT government to even think it could influence. It seems to me, however, that the territory was pretty generous to the ANU in the carve-up of Civic West. It is a shame that we do not seem to have used that leverage to benefit the arts, despite the importance of the ANU's Institute for the Arts, which includes the School of Music, in our cultural landscape.

I was also dismayed that the ACT Cultural Council, which reputedly provides key arts advice to the ACT government, has nothing to say to the Canberra population or its arts community. When I asked whether the council had a view on a long-term future of professional dance and theatre in this city, I was advised that it did but was not told what it was. So the council has views, but they are all secret or private. I am not sure how valuable or effective it is, despite the quality of the people on it.

I note also that external expertise will be engaged this year to refresh the arts action statement. Once again, it looks like local views might be sought but the actual dialogue and decisions will all stay locked up between government, minister and consultants.

It is interesting to note that it is now clear that the decision to fund a number of arts education projects last year were essentially ad hoc decisions made by the Chief Minister on the basis of arguments put to him by the contract recipients. I am very pleased that the minister for the Arts is interested in the arts but I am disappointed that there appears to be little transparent dialogue about priorities and directions.

On the penultimate point of project facilitation, there is probably enough here to discuss the notion of project facilitation in the context of the various power station proposals. The debate on the motion of no confidence yesterday made it suddenly desirable for the government to show me a lot of documents that shed a light on government decision making in this area. But in none of those documents did I see a risk analysis which considered climate change impacts, adverse community response, health and environmental impacts or the possible need for or desirability of environmental impact statements—apart, that is, from the ACTPLA document. So I am not sure exactly what the project facilitation output delivers.

One of its measures is about developing and implementing a land supply strategy. It would seem that the broadacre and industrial land supply strategy, at the very least, got tangled up by the sudden exciting prospect of a gas-fired, peaking power station

and data centre project. Clearly the strategy was unable to immediately offer a range of possible and appropriate sites for a project of that scale. And perhaps it never could have. I am concerned that inadequacies in the process or the strategy or the absence of an overarching climate change in energy policy will now result in a grid-powered energy inefficient data centre in Belconnen.

I should add, however, that the Greens are pleased to see progress on housing affordability. The passage yesterday of the Land Rent Bill, which the Greens supported, was an example of progress made. It would be nice now to see some action in regard to including affordable housing in all major developments, especially those close to public transport nodes and services, and I commend this to the project facilitation group in the Chief Minister's Department.

Finally, on business and industry development, business support appears fairly wide ranging. The Canberra Business Development Fund is not well reported on in annual reports and it is hard to understand how effective it has been in meeting its goals of supporting the expansion of local business through equity investment and what the nature of those businesses is. There are also some programs, such as supporting business innovation and facilitating business investment, which seemed to be similarly unfocused.

I would like to see more support for new businesses and am pleased that the ACT government is promoting investment in ACT business, but it would be good to have some socially responsible index on the kinds of businesses being supported and for those priorities or criteria to be made explicit. I do not mean only support for the development of renewable energy businesses, but there are numerous areas of community development work, education services, sustainable design and so on that clearly are businesses of the future. We might do well to focus particularly on their support.

**MR STEFANIAK** (Ginninderra) (5.52): I thank members, especially Mr Mulcahy and Mrs Dunne, for letting me speak now. I will just talk about the arts and a bit about industrial relations.

In general, I think the arts have been reasonably well catered for in this budget. It does have increased arts funding and has provided for a range of capital works projects. It is prepared to look ahead, with the review of the *Arts Canberra action statement*. But there are some areas of concern. The percent for art scheme, whilst perhaps laudable in its philosophy—and that is to promote and facilitate public art in our community—is ill targeted and non-strategic in its implementation and is public art for the sake of public art.

**Mrs Dunne:** It is crap.

**MR STEFANIAK:** Indeed, my colleague Mrs Dunne says it is crap. Some of it is, I think. The government needs to take a long, hard look at this policy to ensure that its purpose is more than simply to plonk bits of art all around town, some of which is seriously questionable anyway from an artistic point of view. I can think of a few things there. That is exactly what my colleague meant to say, questionable from an artistic point of view.

The Canberra Theatre feasibility study is a good and much-needed initiative, and that creates opportunities for bringing our major entertainment facilities into the 21st century. I would also commend a very detailed Assembly report done in the First Assembly by the arts and heritage committee, which did look at a number of these things too. There is no point for us to reinvent the wheel. I assume that time has moved on in the last 20 years, but there are some good points which would be useful for people to look at.

I hope, perhaps in vain, that this government has learned lessons from past experience, such as the GDE, the gas-fired power station, the arboretum, the prison, the Grassby statue, the Belconnen busway and others. I think the number one lesson this government has to learn is to ensure that it brings the community along with it, that it consults with relevant stakeholders to reach a shared solution.

That is very important in the arts. That is something that perhaps has not been done certainly in relation to the public art program, especially two items of so-called art on the GDE. The metal structure could be positively dangerous and very few people I have spoken to appreciate that expenditure and that as an artwork.

On the Belconnen Arts Centre: I suppose I have to applaud at least the funding for stage 1. It is a commitment that goes back, I think, to the previous Liberal government. It has been a long time in coming. It was something this government, under the previous minister, Bill Wood, did finally do some work on. Of course it will be a great boost for local arts in Belconnen when it is completed. But there is potential for the Belconnen Arts Centre to emulate the great success story that is the Tuggeranong Arts Centre, run by Evol McLeod who, I note, was awarded an OAM in the recent Queen's birthday honours.

But the government has once again fallen short. There is no funding or indeed any commitment whatever in the budget for stage 2. I find that quite extraordinary. There is no guarantee from this government that stage 2 will ever be delivered. That will include the theatre and essential parts of this centre which will put it at least on a par with Tuggeranong. It is the very least, I think, the people of North Canberra and Belconnen deserve.

**Mrs Dunne:** There are always Cinderellas.

**MR STEFANIAK:** Indeed. All the government can say is that the estimated cost for stage 2 is \$15 million. This is beginning to look a little bit like a half-delivered GDE and is another blow to the people of Belconnen and Gungahlin delivered by this government. I am amazed why they could not have, in the outyears, a commitment to complete stage 2 of what will be a very fine arts centre, if it is completed. But we do not want half an arts centre, just like we do not want half a road, as we have with the GDE.

In the short time left to me, I will touch on industrial relations. I note there are a couple of extra inspectors for WorkCover, and that is good. However, it is very hard for WorkCover to compete with the private sector. In the private sector, an inspector can actually get somewhere between \$120,000 and \$150,000. That is for starters.

With our skill shortages, it makes it very hard for work inspectors to actually be kept. There is a real problem in terms of WorkCover being reactive and not being proactive. That really does affect worker safety.

I think all of us in this place accept the obvious. A worker should be entitled to go to work knowing they are going to come home in one piece and knowing that there are things in place and laws in place, government policies in place, which will ensure safety in the workforce as far as you can. That means WorkCover has to be proactive, getting out there inspecting work stations, getting out there and seeing what needs to be fixed. We have had some tragic accidents and some near tragic accidents in this territory in the last few years that we simply do not want to see happen again. I think those couple of extra inspectors, whilst welcome, do not really address the very significant problem there in terms of worker safety in this territory.

Dr Foskey mentioned the Melbourne Cup holiday. I must say she has parroted something which I agree with and which I said on many occasions in relation to this. The traditional Melbourne Cup day has been an opportunity for people in the workplace to get together in a convivial, social atmosphere, let off a bit of steam, let down their hair and interact in no other way that you can in the workplace, not even at the annual Christmas party.

It has been a great tradition that I think has been taken out, effectively, by this government declaring that a public holiday in place of the traditional trades and labour day. The government of course now have got no excuse if they want to bring it back, because Work Choices has gone out the door as far as the federal government is concerned. They do not have an excuse there and, if they were to reactivate that, I do not think too many people would complain. But the big problem is the fact that it has a detrimental effect really on workplace morale to have another public holiday.

We have seen, because of when it falls, that it creates a four-day long weekend. People will take that Monday off. People will leave town. It is an impost on business. There are some significant issues there just in terms of the cost to business of the extra penalty rates they have to pay as a result of that public holiday, plus the fact that people will naturally take the opportunity to have a holiday on Monday—flex off, whatever, day in lieu—and take that public holiday on the Tuesday and have a four-day holiday. There is the effect that has on business in the territory and the productivity of the territory.

That does not mention of course the fact that the traditional Melbourne Cup day in Canberra—where people would organise their own entertainment, bosses would be pretty reasonable, people would be able to take time off work, many people would just celebrate in the workplace—was a rather unique day which, sadly, we will not see if the government persists in making sure that is a public holiday. I want to make those points in relation to those two particular areas in the Chief Minister's Department.

*At 6.00 pm, in accordance with standing order 34, the motion for the adjournment of the Assembly was put and negatived.*

**Sitting suspended from 6.00 to 7.30 pm.**

**MRS DUNNE** (Ginninderra) (7.30): The Chief Minister's Department's appropriation is a serious matter. When we look through the range of issues that the Chief Minister's Department now spans, I think that we have to take very seriously this appropriation and very seriously the leadership of the Chief Minister in his department.

Dr Foskey dwelt at some length upon freedom of information. She used the somewhat famous cliché—it is a cliché, but it is a good one on this occasion—in relation to freedom of information that a fish rots from the head. I thought to myself, “I wish I had said that.” But I did not. I will not repeat it as my own. I think Dr Foskey has seen the symptoms of what is wrong with the Freedom of Information Act and its administration in the ACT. And it is the cultural aspects of the administration of freedom of information.

Dr Irene Moss, in her assessment of open government that was published in October last year, spent a lot of time talking about the culture in agencies and how politicians had to take a lead and ensure that there was a culture of openness in agencies. As I adverted to yesterday, the Chief Minister is anything but open and does not have a notion of openness when it comes to the Freedom of Information Act.

The misapprehension that he peddles about what the Freedom of Information Act is about has obviously filtered down into departments and we have seen a reluctance to release. Yes, there are a lot of documents that are still subject to the 30-day consultation under section 27, but there are vast numbers of internal working documents which just have blanket section 36 exemptions, without any consideration of whether the release of that would be contrary to the public interest. There is a culture that needs to be addressed in the ACT public service and that leadership of change should come from the Chief Minister.

There are a range of things I want to dwell particularly on. I think a lot of the other areas have been covered already. I want to dwell particularly upon the new output class 1.6, project facilitation. This is a new output class this year. It was designed as a get-the-Chief-Minister-out-of-trouble-over-planning organisation and probably a year or so ago the Stanhope government was in a lot of trouble in relation to planning. The Chief Minister made a couple of quite strategic decisions which showed that he at that stage was in touch with what was going on and that he was capable of analysing where the government was failing in doing something about it.

A combination of things—taking control of the land allocation portfolio, which we will address later in the budget, changing the planning minister and creating the project facilitation unit in his department—were seen as decisive moves to fix up the planning system in the ACT, which had been bogged down under the previous minister, and to put a bit of free enterprise notion into the notions of land allocation and land supply policy. On the surface, that seemed like a good move. But when we actually look at the fruits of project facilitation organisation, the most obvious one being the site selection process for the gas-fired power station and data centre that was proposed in Tuggeranong, we see that it is an organisation that has not got off to a very good start.

Through the process of estimates, there was a fair amount of time spent on the issue of site selection or, was it, site identification. I do not much mind which term people use. The short story was that, over time, four sites were identified, and the Chief Minister in his answer to questions said that those four sites were dealt with sequentially; they were not essentially on the table at the one time; and that, as we went through the process, we eventually ended up with the site that we are on. During the estimates process, I asked the Chief Minister and officials a lot about the project facilitation aspects of this. I asked the Chief Minister:

In putting together a proposal or helping a proponent—any proponent—does anyone—

in the bureaucracy—

put together a proposal for government and say that this may or may not succeed—

referring to the particular case that we were interested in at the time, the case of the Tuggeranong power station—

... they would say, “There is the risk of pollution in close proximity to populations and schools; perhaps this is not a good site.” Does anyone make that sort of judgement—in this case or generally? If not, what is the point of having a facilitation process between all of these agencies?

Mr Stanhope’s response was very gung-ho:

These are decisions that the proponents make.

Just think about it. He said:

These are decisions that the proponents make.

The government, he was telling us, does not have a role in risk management. This is the sort of notion that would make Maggie Thatcher blush. This is what the Chief Minister told us: the government does not have any role in risk management. He continued:

The proponents believed—and still believe—that this site is appropriate and that this site will meet all the relevant Australian standards ...

You have to remember that this was the very day that the proponents publicly pulled the plug on the gas-fired power station and that they had been planning to do so for some weeks before. I interrupted the Chief Minister, as is my wont, and tried to get back to the question that I had asked him. I said:

My question was: does anyone make a judgement as to whether or not, on a particular block of land, a particular proposal is likely to succeed or not? ... Does anyone make that judgement? “Does Mr Mitchell’s organisation—

the LDA—

make that judgement, does Mr Dawes's organisation—

the project facilitation organisation—

make that judgement or does cabinet make that judgement at any stage?

I asked whether we ever actually say:

“We really would like these people to come to town, and we would like this project to succeed. Where is it most likely to succeed?”

The Chief Minister said that the government had been very supportive and had been supportive from the outset. That is what he always says. He then said:

But the government does not make commercial, scientific or value judgements on the basis of proponents, large or small.

I asked the question: “Does anyone make an assessment about whether the project will succeed?” The Chief Minister said, “The answer is no.” I ask the question that I asked the Chief Minister in estimates: what is the point of the project facilitation organisation if their role is to unthinkingly plonk developments on sites which may or may not be suitable?

While we are on the subject of power facilities, I would like to go to another power facility about which I am particularly concerned. I hope that other members are concerned. I am sure that Mr Gentleman is concerned about this. There is \$67 million in a hollow log in the budget for possible contribution to a solar farm. I am a big fan of solar farms; I have great visions for solar farms in the ACT. I would really like to see this proposal succeed. I am extraordinarily alarmed because, during the process of estimates, I asked a range of questions of the Chief Minister about the solar farm and feasibility study.

I got the answers to those questions today. Actually, they were brought to my attention today. I think they had been in my office for a couple of days and I had not actually had a chance to have a look at them until today. One of the questions was:

Are there any sites currently being assessed for the location of the Solar Farm ...

There were other questions about the feasibility study. The answer came back:

The consultant undertaking the feasibility study—

and they named the consultant—

provided ActewAGL with a set of characteristics for land that might be suitable to accommodate a solar power facility in the ACT. Based on the information provided by—

the consultants—

officers from CMD—

presumably the project facilitation organisation identified a number of sites—

as having sufficient size for possible development of a solar plant.

They listed eight blocks. Then it goes on:

No other characteristics beyond size were considered at this point. Any further consideration of these sites will be subject to the results of the consultant's study.

That is fair enough. So I went to my trusty block and section map and my trusty territory plan and I started to have a look at the blocks. (*Second speaking period taken.*) The first block on the list is block 498 Stromlo. I opened up my block and section map and I looked and thought, "Gee, that is an enormous block of land." We did some calculations in the office, and one of my staff went and looked at ACTMAPi. Some of the blocks actually have sizes on them, but they are in square metres and I never know where to put the decimal point to work out how big that is in hectares. I am not sure whether the block is 55 or 550 hectares, but it is a big block. My maths was up to it just before dinner, and I have not gone back to check it.

Then there was another block not very far away, block 418 Stromlo, which is even bigger. It is about 10 percent bigger than that block. They are enormous blocks of land. So I thought, "Gee, they really have in mind an extraordinarily large power plant." Then I looked at some of the other blocks.

The next block on the list is block 624 Gungahlin, if I am right. It is a pocket handkerchief size. I do not know what they were thinking about and what the size criteria are. I would be interested for the Chief Minister sometime to tell us what the size criteria are.

One of the blocks is block 183 Tennant. I have not checked all of my maths carefully, but I am pretty sure that block 183 Tennant will in fact be under water if we ever build the Tennant dam. I do not think that it is a very good place. Mr Costello actually said the other day, on the record, that the Tennant dam is not off the agenda and it should never be taken off the agenda. I agree wholeheartedly with him.

There are two or three other blocks of land. So I went back and started to look at them very closely. I went back to the first block, block 498 Stromlo. I looked at the block and section map and I said to my staff, "That is on the western side of the Stromlo treatment plant and Mount Stromlo, the Mount Stromlo observatory. That block is on a fairly steep west-facing slope." I thought, "This does not seem like a very good place to have a solar farm, because it will not get any sun until quite late into the day, and you want to maximise the sun." I am not an expert about siting solar farms but I would have thought flat terrain was probably where you want to put them.

I looked a bit further. I transposed it onto a map on the territory plan and discovered that this enormous block of land, which CMD has identified as meeting at least the



size criteria for a solar farm, is part of the land which is now subject to a variation of the territory plan in relation to the Molonglo redevelopment and a variation to the national capital plan. We have got a west-facing, very hilly, very rugged piece of land which the territory is proposing to redevelop as part of the Molonglo housing development. The Chief Minister's Department has selected a block of land inside the variation to be a solar farm.

It seems that, again, Chief Minister's is going off on its own fantasy. I wonder why Chief Minister's is doing site selection or site identification, whatever you want to call it, even preliminary site identification, when we have a planning authority and a land development agency whose task that is. I think that we run the risk of here again having a botched process because the people are unskilled in identifying sites, are not planners, are not across these issues and are going along saying, "The consultants said we needed a big block. Where is a big block?" Did they play pin the tail on the donkey? Did they get a collection of big blocks and put the block and section numbers in a hat and draw them out? I do not know, but one of the ones they have pulled out clearly falls within the draft variation to the territory plan for the Molonglo development.

I want to know how the project facilitation organisation in the Chief Minister's Department is ever going to facilitate a solar farm, something that the people in the ACT want to see. They want to see solar development in the ACT. When you talk to the people about the gas-fired power station at Tuggeranong, people often ask why did not we think of solar before we thought of gas. There are reasons why we thought of gas instead of solar for that. There is a place for all of these technologies.

But we have botched one facility already. We have had the on again, off again, will we be having a gas-fired facility in relation to Belconnen. Now, with our solar farm, I have been told that there are eight blocks. Actually, Mr Barr, on behalf of Mr Corbell, on behalf of the Chief Minister, signed off on this. What we know is that, as a result of this, one of the sites that Chief Minister's is looking at actually comes within the area of a draft variation for a major housing and town centre development. I wonder what Chief Minister's is doing. It is about time the Chief Minister took an interest in what his project facilitation organisation is doing.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (7.48): I will confine my comments to the industrial relations portfolio but, having heard prior to the dinner break Mr Stefaniak seemingly indicate the death of Work Choices, whilst there was no-one more pleased to hear that than me, I am afraid that Mr Stefaniak has perhaps misunderstood the nature of how that Work Choices legislation can be unravelled.

He referred to the appropriation for the Family and Community Day. There will be at least two more years of that day, in 2008 and 2009. As I explained to him when he asked me the question in estimates, the federal government's legislation program to overturn Work Choices will require passage of legislation through the House of Representatives and the Senate. Whilst a transition bill has succeeded through the Senate in spite of the coalition majority in the Senate—that, fortunately, has ended—the legislation that will unravel Work Choices finally and put it into the dustbin of IR

history will not, I suspect, pass the Senate until some time later in 2009, and that means that the prohibition on union picnic day remains in place.

I was pleased to hear Mr Stefaniak indicate support for a return of union picnic day and I do note that that was not the position that the Liberal Party took prior to the federal election last year. If this is now a belated recognition from the ACT Liberals that Work Choices was punitive, most particularly the aspect of Work Choices that stripped away the entitlement for those workers under their awards to have that day off—that the stripping of that away was a bad thing—I am pleased that Mr Stefaniak has come to that conclusion.

I must confess some disappointment with Dr Foskey's comments on the same matter. This is an important day, and I think it is too easily dismissed by those of us who have, through public sector employment, access to a certain number of days off, public holidays; we would be concerned if one of those days was stripped away from us for purely ideological reasons. The capacity to address that loss of entitlement was only available to the ACT government through the Holidays Act, and that meant declaring a new public holiday. So we went to extensive consultation and by far the most popular day that was chosen for the replacement holiday was Melbourne Cup Day. So that is the day that the government went ahead with.

There has been seemingly some confusion about this. Even though Mr Stefaniak directly asked me the question in estimates, he appeared not to pay attention to the answer and raised the issue again today, so I reiterate that the government has gazetted Family and Community Day as the first Tuesday in November for 2008 and 2009. We indicated at the time that it would be our preference, when Work Choices is overturned, that the entitlement to union picnic day is returned, and that way we could return to the traditional arrangements that had been in place. I think that would be an outcome that all would endorse.

It is worth noting, on the selection of the day, that in New South Wales it is on Melbourne Cup Day. In New South Wales under many awards the union picnic day is known as the first Tuesday in November because, again, under the Work Choices legislation it was not allowed to be called union picnic day. But that entitlement is recognised and celebrated on the first Tuesday in November. So it is not unusual for states other than Victoria to have that day off; there is nothing particularly unusual about selecting Melbourne Cup Day for this holiday. It perhaps reflects on the more comfortable position of those of us in here who seem to want to scoff at the fact that an entitlement to a day off was stripped away and that the ACT government has sought to address that and restore that entitlement.

**Mr Mulcahy:** Eighty-three per cent of people have never had it.

**MR BARR:** It is important for those families and those members of the community who participated in last year's family fun day in Glebe Park. Some 3,000 or 4,000 people were involved in the course of the day, and I think their view and the view of the vast majority of Canberrans was in support of the day.

Having heard the comments from Dr Foskey and from Mr Stefaniak, I do not want to hear again the Greens or Liberals decrying a lack of work-life balance—when a

practical measure that the ACT government put in place to recognise the importance of family, of our community and of spending time with your family and with the community is disparaged in the way that it was and—

**Mr Mulcahy:** They are setting an example of work-life balance: less work.

**MR BARR:** treated the way it was, by the comments of the Greens and the Liberals earlier, and the interjections of Mr Mulcahy.

It would appear that there is only one party in this place that is prepared to take some action in support of a work-life balance and in support of families and our community, and that is the Australian Labor Party. We very strongly support this day and this recognition of the fact that an entitlement was stripped away for purely ideological reasons. We look forward to the overturn of the Work Choices legislation and we hope that we have the support of the Liberal opposition in going up to the hill and talking to their colleagues in the Senate in the hope that they will not obstruct the removal of the Work Choices legislation, that this silly, punitive measure to ban union picnic day can be removed and that things can return to how they were in the ACT prior to the Work Choices legislation.

**MR PRATT (Brindabella) (7.55):** I stand with my Brindabella hat on to represent the Tuggeranong community in reference to one particular matter under this line item, and that is under the subheading of special projects, that area within the Chief Minister's Department.

**Mrs Dunne:** Project facilitation.

**MR PRATT:** I echo all of that which Mrs Dunne has just outlined in terms of the questions around judgement, and I want to add a couple of quick comments only to what Mrs Dunne had to say. It is very important that we stress here that the judgement of the Chief Minister, his office and his department on a very large project, being the gas-fired power station and the social, environmental and commercial impacts of that project, certainly have left a lot to be desired.

Did anybody not think to alert the Tuggeranong community about the specifics and the facts around the proposed gas-fired power station close to Tuggeranong residences—specifically the Macarthur residences but really even out to a radius encompassing Gilmore, Gowrie, Mawson, Farrer and Isaacs, if indeed not further? No, that was not the case. There was a thundering silence for many months during those early project identification, project concept, phases. Nobody did.

So we arrived on the night of 28 April at the Tuggeranong Community Council meeting—a special meeting, by the way, forced upon a reluctant ActewAGL by the community—and saw 330 people realise for the very first time the actual siting, the actual size, the actual footprint, the actual power and the actual output of this particular project in terms of emissions: the 255 milli-units per metric tonne of nitrous oxide, one half of one per cent below the national standard for that type of chemical emission. We saw the community for the first time picking up on these facts.

The Chief Minister's office or the Chief Minister's Department were either totally out to lunch and did not give a stuff about undertaking adequate prior community consultation or they were part of a broader movement of government agencies and government mates to ram through, beneath the radar, a \$2,000 million project. Only then did we see a government backdown—and a backdown, I reckon, only because the Chief Minister and his department were sprung; they were not able to ram this project through under subterfuge at all.

What we have seen here is either the Chief Minister's Department demonstrating itself to be severely wanting or other issues which have never been explained clearly have come into play. Clearly, there is a range of very significant questions about the role of the Chief Minister's office, the Chief Minister himself and his department in this particular matter—and that fundamental concern about a fundamental project under project management does not reflect well on the government, and does not reflect well on this budget analysis process.

**MR MULCAHY** (Molonglo) (7.59): The Chief Minister's Department has been a hub of increases in staffing in both the previous and current budgets. Whilst I know that a number of members have devoted a large part of tonight's discussion to the power station and that saga, I do not intend to focus my remarks tonight in terms of this budget item on those issues. There is a bit of "groundhog day" sense in this place: the same stuff seems to be going around and around.

At the end of the day, I think it is important that we focus on the budget line items as well as reliving the events of this week. The increases certainly belie the government's claim that this is a budget for the long term. In fact, the budget of the Chief Minister's Department is consistent with the fact that the government has developed an election year budget with large amounts of resources going to assist the Chief Minister in the lead-up to the election.

I noted when I spoke on the budget in May that this is quintessentially an election year budget, replete with large spending increases and all manner of vote-winning projects, including over \$6 million on festivals. The government have made much of staffing increases in ACT Health, alleging that this shows their commitment to front-line services. If we look at these figures, we see that staffing at ACT Health increased by 5.06 per cent in 2007-08 and is budgeted to increase by a further 1.87 per cent in 2008-09.

It is interesting to compare this with the staffing increases in the Chief Minister's Department. The budget figures show that staffing in that department increased by 33.7 per cent in the 2007-08 fiscal year and is budgeted to increase by a further 9.04 per cent in 2008-09. This increase in staff in 2007-08 was the fourth highest rate of increase after the ICRC, Actew Corporation and the much beloved LDA. The budgeted increase in staff in 2008-09 is the fifth highest rate of increase after the superannuation provision account, ACTIA, the LDA and the ACT Gambling and Racing Commission. In other words, instead of focusing on core services, as the government claims, it has instead chosen to employ more advisers and spin doctors for ACT government policies. If the spin doctoring is as good as the Chief Minister gave us tonight on television, I am happy to hear more of that, but I suspect that is not where the focus will be going.

**Mr Stanhope:** Talking about you?

**MR MULCAHY:** Yes. This blow-out of advisory staff for the Chief Minister has made a mockery of the department's 2007-08 budget objective to develop and improve the arrangements for strategic human resources. In its human resources budgeting, the government budgeted for an additional 22 full-time equivalent staff in CMD. In response to a question at the estimates committee on 27 June 2007, the acting chief executive of the department denied that there was any intention to further increase staff beyond the budgeted level. She stated:

Given that the budget footprint remains the same, I think we would be pretty much on the same path unless staff get cheaper.

This result, of course, was not as strategic as planned and was not on the same path as the acting chief executive stated. Instead of the budgeted increase of 22 full-time equivalent staff, the department ended up with an additional 42 full-time equivalent staff, an increase of over one-third in the number of FTEs in only a single year. Despite this flow-in of staff, in the current budget the government has budgeted for a further increase of another nine per cent in staffing levels.

I noted in my earlier speech on the budget that I was not particularly enthusiastic about some of the new expenditure, and one of the areas that do continue to give me great concern is the initiatives of the Chief Minister's Department to provide corporate welfare under initiatives to support business innovation and to facilitate business investment. My views on this subject are at odds with the government, which has chosen to spend over \$4 million on these initiatives over the next four years.

My hostility to corporate welfare is also starkly at odds with the opposition, who seem to have embraced the concept, advocating large amounts of government spending to prop up ACT business—a pattern which got them into trouble once before. I do not think anyone could accuse me of being anti business. However, I do not believe that it is either appropriate or economically valuable to subsidise ACT businesses with corporate welfare initiatives. Private enterprise thrives precisely when it is left alone by government, and corporate welfare initiatives tend to attract the worst kind of businesses with the least efficiency. In my experience, and I am basing this even on working for the Premier of Victoria some many years ago, businesses that rely on government privileges in order to survive and grow are often grossly inefficient.

One of the big problems that could occur with this kind of approach is that we could end up in the ACT with economically unviable businesses that can only survive through ongoing taxpayer support. Rhodium is such an example; although, of course, it was not a private business, it shows the pitfalls of having businesses that are reliant on government support. This can become entrenched and it can become very difficult to get rid of these systems of corporate welfare since that can lead to business failures.

In addition to its corporate welfare initiatives, the government has allocated new expenditures of more than \$6 million for festivals, including new expenditure initiatives for the Family and Community Fun Day, the Centenary of Canberra, an ACT festival fund, multicultural festival enhancement, international mountain bike

event support, a rugby world cup match, an events assistance program, Canberra Festival running and accommodation for the Australian Science Festival. Each of these events is interesting and there are lots of enjoyable activities there, but whether we need as taxpayers to fork out \$6 million for these sorts of activities is something I would question. Bread and circuses was the old formula of the Roman Empire: get the people distracted with festivities while you squander their hard-earned money.

One of the major areas of this budget has been the provision for capital works. I have said that if the government must spend large amounts of money I would prefer to see it spent on infrastructure rather than on pet projects or recurrent initiatives that do not develop the ACT economy. In that sense, I am not opposed to this aspect of the budget and I hope that the capital works plan is able to be delivered, and on time and within budget.

I am, of course, as is well known, and I have not changed my view on this, opposed to the practice of allocating one per cent of all new capital works funding to arts projects. I think this is excessive and I think that it shows that the government has an unfortunate focus on peripheral projects which are not part of the core services of government.

**Mr Barr:** It would be a bit of a barren world, Richard, without—

**MR MULCAHY:** Oh, no. I guess where I come from is that I grew up in an era where we did not rely on the government to run our lives and fund every piece of enjoyment in our life. I actually do not need to go to an organised mothers day event put on by the taxpayer and the state. I do not need to go to a fathers day event put on by the state. I think people can organise some of these family activities themselves without us having to control them, direct them and have them underwritten by the taxpayer. There is nothing wrong with the enjoyment. But why all these events have to be stage managed is something that I am struggling to come to terms with.

My final comment is in relation to the project facilitation folks in the CMD. I, for one, think this was a great initiative. I said at a dinner of supporters the other night, of business people, that in fact I wish we had six David Daweses in this territory helping to facilitate business. Those who think that project facilitation is about micromanaging and running every aspect of business just do not get it. The biggest frustration for business often is not about getting handouts from government but working their way through the system and trying to get things expedited. It is done in other states; it has been done in years gone by in Queensland, and they still embrace this concept. They see it as a competitive feature in terms of dealing with their government versus others—and, if the ACT does not embrace this philosophy of having project facilitators that can help potential investors come into the territory, we will get left behind at the last post.

Yes, there may be issues and some information may not have been presented in the most appropriate fashion, but if we throw out the baby with the bathwater in this instance I think we will do the long-term economic development a lot of damage. I urge people to just step back a little bit and understand the important fundamental concept behind what this unit is about, rather than try to tear it down in its very early stages of operation.

**MR SMYTH** (Brindabella) (8.09): By its very nature, the Chief Minister's Department is a veritable hotchpotch and the issues that emerge this year certainly match that. I think that is reflected in the nature of the budget. There is no sense of strategy in this budget; it simply spends; it is a repetition of what other Labor governments have done—big spending budgets, claims that we are addressing needs but, in fact, not necessarily delivering what the people need. And parts of CMD are in a bit of a mess because of this.

We see a reversal of support for the business sector—gutted in 2006, replaced in 2008. We see increased support for the major projects and facilitation unit, with some questionable outcomes so far. I think we need to see what they can achieve. It is interesting that the Chief Minister's staff budget continues to increase. There are some increased resources for accountability, though. Perhaps there is a win there for the community.

I think the Achilles heel of this Stanhope government has been its relationship with the business community and, while the government has sought to build good links with the business community, or says it does, all its actions have been just the opposite. We had the economic white paper. That was meant to make the ACT the most business-friendly jurisdiction in Australia. But reality has seen the repudiation of all of the recommendations in the white paper.

The ACT had a most useful suite of programs that assisted a range of businesses until the smash and burn budget of 2006. We have got decisions that were based on the still-secret Costello report that said the government should not continue to support individual enterprises. Yet two years later, after the report on innovation from Howard Partners, we see a backflip on behalf of the Chief Minister. In addition to the \$3.6 million for two specific projects, they ran \$3 million over three years for innovation programs. There is also a quarter of a million dollars each year for marketing the ACT's business and investment profile.

The concern with these proposals relates to the assistance for innovation. The Stanhope government has only provided for assistance for three years; that is, until 2010-11. We all know—that is, everyone except the Stanhope government—that the one thing the business community hates about government programs is the way that they can be changed. What business likes is consistency so that plans for longer than one year can be made. Investment proposals comprising significant amounts of funds cannot be justified for short periods. Ask the Stanhope government why this program has been funded for three years and I am not sure that we will get an answer.

I am also aware of concerns about the decision of the Rudd government to discontinue the commercialising emerging technologies, the ComET, scheme. I think it reached a climax this week, with the revelation that a number of early start-up companies, particularly a number here in the ACT, would be severely disadvantaged by this decision. This decision will affect those companies that typically are at an early point in the commercialisation process, when costs are very high and revenue is just starting to flow. The issue that we are dealing with here is called market failure, which of course is a technical concept that the Chief Minister may need to have explained to him. If he wants, he can see me afterwards and I will give him some assistance.

While the provision of funding assistance to the private sector can be subject to question, there are some situations in which sound arguments can be developed for such assistance, particularly when there is a competitive application and evaluation process. This Stanhope government failed with this one, and the Rudd government is now starting on the same path to failure.

I also have continuing concerns about the role of the Chief Minister and his department in the lead-up to and in the changed arrangements for the 2008 annual balloon event. It is yet another example of poor process by the Stanhope government. In this one we have seen fair assessment processes overturned behind closed doors, a community-based activity by an ACT-based incorporated group replaced by a government-managed event, a lack of transparency with decision making, a lack of transparency about the costs of running the government-managed event in 2008, concerns about the presence of conflict of interest, concerns about the varying of the role of public servants in dealing with the private sector and a major concern about the lack of accountability. More particularly, and specifically with respect to this department, the community has an interest in learning what role the Chief Minister played in any decision making about the balloon event in 2008.

As well, it is interesting to note that, in his haste to laud the apparent outcome of this year's balloon event, the Chief Minister made rather a mess of using statistics. Rather than a quarter of all the people who attended the ballooning event being tourists who specifically came for the event, the actual situation was that, of all the people who came to the ACT from interstate or from overseas, a quarter of those people came specifically for the balloon event. It is a significant difference from the Chief Minister's exaggerated claims.

Contrary to the Chief Minister's claims in 2001 when he was Leader of the Opposition, this government has not been open, has not been transparent and has not been accountable about these matters. It is interesting that, again, what we see is a continuing decline in the amount of accountability that the Chief Minister would put to the community.

It is interesting that, on page 42 of the estimates report, the select committee has recommended that a state of the service report be prepared each year as part of the annual reporting processes by the government. But the government response to this is less than satisfactory. In fact, what the government says is: we do some other things and that is okay. So the government's response is: not agreed.

The ACT government workforce profile provides a snapshot and, in combination with the Commissioner for Public Administration's annual report, provides an effective report on the state of the ACT public sector. I disagree. Let us disagree. The report, which has been prepared for a number of years, clearly outlines what was happening within the public sector. It is very important in this town that we are across that, that we become aware and remain aware of what is happening with our public servants. And if you are genuine about being open and accountable to the people of the ACT, this is one of the things that you would do.

Inside Chief Minister's, there are many areas. It also includes the LDA. I am not going to go back over the LDA and the mess that has been made of this whole sad



saga about the data centre and the power station in Tuggeranong, but I still think there are a number of clouds hanging over this, particularly about the process that was involved. We will not go through what happened in the debate yesterday, but even now there are so many questions on notice that remain unanswered over this whole sad and sorry saga that you have to question whether the people of the ACT will ever get a genuine answer as to how this debacle was allowed to happen.

It is interesting that just about every piece of advice that the government was presented with, through reports that it commissioned or activities that it started itself before this process, was simply overthrown in the haste of the Chief Minister to appear to be working on the diversification of the ACT economy. He has had seven years for that, and in that seven years there has been no genuine attempt by the government to go out and really look for a future for the ACT. I guess this project came along and, for a desperate Chief Minister, it must have looked like manna from heaven.

Again, just so typical of so many Labor governments, particularly this one, is the inability to deliver properly—that will compound this process—where they trip over themselves in their haste because they have not built the appropriate relationship with the business community; they have not taken the opportunities that have been presented in the last seven years; they have not listened to the community, the people that actually know what goes on out there; and they have not acknowledged that for so much of the time the success of this economy, the ACT's economy, was simply due to the spending of the Howard Liberal government. I know they do not like to hear that; I know they do not want to hear it. But they have rested on their laurels; they have been along for the ride; they have slipped along on the coat-tails of John Howard; and they have failed to have a strong and concrete approach to delivering a sustainable economy in the long term. You can see that simply in the way that the white paper was abandoned.

We talk about the Canberra plan but the Canberra plan is all but gone and forgotten. We have these grand visions but we have absolutely no idea on how to deliver. Labor governments cannot deliver; this Labor government cannot deliver. They will spend a lot but they will deliver very little for the people of the ACT in this budget.

Proposed expenditure agreed to.

Proposed expenditure—part 1.5—Department of Treasury—\$49,623,000 (net cost of outputs), \$34,450,000 (capital injection), \$37,041,000 (payments on behalf of the territory), totalling \$121,114,000

**MR SMYTH** (Brindabella) (8.19): Treasury encompasses a wide range of matters. There will be, I believe, issues with the infrastructure program that has been put together. You have to compare the potential to the reality of delivery by the Stanhope government over previous years. And I think it is quite interesting to ask the Chief Minister questions about his ability to deliver this. I asked him in estimates:

Chief Minister, can you supply the committee with a full list of all the contingency funds under future provisions and what they are to be used for?

The Chief Minister replied:

Whereabouts are these details?

I said:

They are scattered throughout the budget. If you go ... to page 68 of budget paper 4 ...

And on it goes. I asked whether he could provide the list for all the contingencies in the budget. He replied:

Yes, we are happy to do that.

I am sure he is happy to do it and it will be interesting to find out when it actually appears.

Even though there is a lot of money in the budget and there is a lot of money for capital works, there is not a whole lot of detail on how it will be delivered. You only have to go back to the record of this government and their inability to deliver capital works on time and on budget and within the parameters set to see that what you have here is a sham. It is a nice number. "We are going to put in a billion dollars and, with what is in the basket, we have already got there \$1.4 billion over the coming years." But the question is about the ability to genuinely deliver this money. You really have to question whether the government are serious about their commitment to make this happen.

What we have seen is a litany of projects that came from the former government. They date back to 2001. There are things like the link project, the glassworks, the step-down facility at Calvary Hospital, the Gungahlin Drive extension and a whole list of new projects that have been botched since this government have been in office. If they cannot answer the questions about what the money is for then I do not think we have got much hope of them getting the ability to be actually able to deliver it.

I note the changes to the ACT's payroll tax system. They are great. We commend those changes to the Chief Minister. Unfortunately, like so much this government has delivered, they are six years late. This is the path that the previous government stepped along. It should have come into force on 30 June 2002, but here it is coming in on 1 July 2008. And that is a shame.

I think a more fundamental, a more important, question is: how aligned is the ACT's payroll tax regime to the regime in New South Wales? There should be a principle, which we often operate on, that we should seem to have regulations between the ACT and New South Wales as equivalent as possible, unless there was a clearly defined reason, a specific objective, where one would differ from that. I guess the question is: what is the objective here? What is it they are seeking to achieve and where will it go from here? Again, you do not get the sense of a plan by this government that they have actually any idea whatsoever about where this is going.

In the area of housing affordability, there have to be, and there still remain, very significant questions about the government's much-vaunted housing affordability plan.

We identified housing affordability in the poverty report back in 2000. The government have had two or three reports since they have stepped on this path that they have stepped along. But at the heart of it, the question is: what has happened? All of the reports would indicate that the housing affordability crisis in the ACT is a direct result of the failed policies of the Stanhope government through their planning regime, courtesy of Mr Corbell and his “my way or the highway” view of planning and through the land release programs that the government has lauded for the last seven years. The problem for the people who cannot afford to purchase a house has been caused by the cost of land.

I go to the submission given by Ric Battellino, Deputy Governor of the Reserve Bank of Australia:

... housing affordability have declined since the mid 1990s ... The overwhelming factor that has led to this is the rise in house prices; mortgage interest rates in Australia are no higher than in the mid 1990s, when housing was at its most affordable.

Go through the document that he presented to the committee:

We are therefore left with the conclusion that the decline in measures of housing affordability since the mid 1990s is almost entirely due to the rise in house prices relative to incomes.

And what causes that? He goes on to say that what causes that is the cost of land. We are unique in the ACT. We actually have control of all of the land supply, unlike any other jurisdiction. The problem here is the cost of land. When you see the reasons for it and when you look at who controlled planning and when you look at who controlled land release, the only person who is to blame for this is the Chief Minister. The impacts on these factors are land supply, infrastructure costs and transaction taxes such as stamp duty on house prices. All three of those are covered by this government; all three of those are under the control of this government; all three of those could be fixed by this government.

I think the shame of it all is that, while you can have a 62 or a 68-point plan, whatever it is, at the heart of it, if you will not address your own failures and if you will not look at what is causing this crush—and the Leader of the Opposition has said so often it is through the way that the land supply has been contained by this government—if you do not genuinely address those problems, and they still have not been addressed, you are going to continue to gouge first homebuyers.

The Stanhope government seeks to gain credit for its policies of attempting to assist people to buy their own homes. We already know that the Chief Minister’s land rent scheme will be an incredibly expensive program for the ACT taxpayers with, according to the Treasury estimates, only a small number of people receiving any benefits as they attempt to move from renting land to buying the land on which they have built their home.

I think a concern for this Assembly and for the people in the broader community is that the Stanhope government is proposing to spend more than \$80 million over the next four years buying land for this scheme. We should all be concerned about the

opportunity cost that is implicit in the spending of such a large amount of money for relatively little return.

Interestingly, the Chief Minister, in proclaiming the supposed benefits of this policy, has sought to use a recent report from the Westpac bank to justify his policies. In doing this, of course he criticises the opposition for proposing a reduction in stamp duty on residential conveyancing. Yet this is exactly what the Reserve Bank said: the costs incurred are hurting affordability.

So it is not surprising that the Chief Minister did not and does not seek to criticise his Labor Party counterparts in other states and territories for their decisions to reduce the stamp duty impost. We know that this action has been taken by a number of other governments in their recent budgets. So it looks as if the Chief Minister of the ACT is the only one in step—in step with himself.

If the Chief Minister wants to try to criticise policy proposals from the Liberal Party he should be very careful that he is not guilty of creating the same or similar problems. And it may surprise the Chief Minister to learn that policies such as he lauds with respect to housing affordability will act to distort the market. Distortions can be caused in many ways, such as by providing concessions or exemptions, by providing special access to programs or by providing subsidies. The ultimate aim for any government that is really interested in working with the community is to remove as many distortions as possible and to enable the community, the private sector and other organisations to pursue productive activities as efficiently as possible. The Chief Minister's housing affordability policy, apart from other elements, creates a massive subsidy from the public purse for a small number of people who are trying to enter the home owning market.

I wonder what advice the Chief Minister and Treasurer has received from his department's advisers about the distortions that his policies are creating in the housing market for people in the ACT. If the Chief Minister and Treasurer was really concerned about the future of this territory, he would be working as hard as he could to establish the best possible environment in which the ACT economy can diversify and grow.

Unfortunately, all we see from this Chief Minister, from the Stanhope government, is a hotchpotch of policies that lack a sound strategy. Not only that but, when there is a prospect of substantial investment on the horizon such as the data centre and power station project, the Chief Minister makes a complete hash of handling these proposals. He is clearly out of his depth in dealing with project proposals such as these. A consequence for the ACT is the prospect of the Chief Minister's incompetence resulting in the ACT losing these projects and his arrogance at not being able to say that he got it wrong to the people who are most directly affected. Projects which were integral to diversification and strength of the ACT economy are at risk because of one person and one person's actions alone—that is, the Chief Minister.

**DR FOSKEY** (Molonglo) (8.29): I do not think that running the net operating balance down over the next four years will affect the AAA credit rating, assuming that the financial projections of this budget actually materialise. There is one major risk to the territory's financial position, however, that this government appears to have

adopted a “hide under the covers” approach to, and that is taking positive steps right now to ameliorate the inevitable impacts of fossil fuel shortages and climate change on a city that is wedded to the car and which is already facing water shortages.

The accountability and the strategic indicators in this year’s budget are of more significance than usual due to changes to the Chief Minister’s annual report directions. I want to commend the latest annual report directions that recently came to the public accounts committee because it is very evident to me, as someone who has been on the PAC for four years, that those annual report directions have improved over those years in terms of reporting on environmental issues and in terms of setting up strategic indicators.

Since the start of my term I have been pushing very hard for Treasury to take on triple-bottom-line accounting mechanisms for the ACT. In fact, I was just looking for a folder and I saw all the correspondence that passed between me and Mr Quinlan when he was the Treasurer. I would have to say that things appear to have slowed down on that front since Mr Quinlan has left, though I have to say that they were moving at a glacial speed even when he was here.

The latest terminology is sustainability reporting, but essentially it is the same as triple-bottom-line reporting. Greens around the world are working to integrate social, environmental and cultural costs into financial accounting systems. We all understand that climate change will affect our budget; but it seems that exactly how has been too hard for ACT Treasury to understand and implement. This is really rather curious given that it knows how to repackage standard budgetary items as climate change initiatives.

One thing that I have noticed over the years is that from year to year indicators were changing so radically that it has become almost impossible to track whether one year’s outputs were any better than the previous year’s. One major step towards sustainability reporting is the fact that annual reports will now have to report on the indicators set out in the budget, which will give members and the public an opportunity to examine more closely how the government is performing in those areas. I am very pleased about this little bit of progress. I am fairly sure that, as long as the government can continue to work with these same indicators, perhaps to refine them so that they become more meaningful while maintaining the essential core so they can be tracked over years, we will start to get a real feel as to whether the ACT is making progress on the social and environmental as well as economic grounds.

Budgets, of course, are far more than that but that is as far as we have gone so far with implementing sustainability budgeting. Without a system of environmental accrual accounting such as triple bottom line, it is difficult for voters to judge the proportion of expenditure actually aimed at addressing climate change. By measuring and anticipating the social, environmental and financial consequences of policy and investment decisions, triple-bottom-line accounting would enable us to escape from the greenwash spin cycle by providing credible measures of climate change expenditure and benefits. I look forward to Treasury doing further work in this area. As I said before, in talking about the Auditor-General, I believe that her office has people in it with such expertise and I would suggest that the Treasurer call upon them to work with Treasury.

On insurance, I welcome the implementation of a group insurance initiative for non-profit organisations in collaboration with Volunteering ACT. This sounds like an excellent initiative and I congratulate the government on doing something positive that promises to have a real benefit in terms of freeing up the scarce resources of community groups which would be much better spent elsewhere.

In relation to affordable housing, I would like to revisit my suggestion last night, in talking about the Land Rent Bill, that Treasury should set up some kind of reference group to provide it with insight and guidance regarding people living with income insecurity. There is a history with various housing schemes that a proportion of people that we are seeking to assist into home ownership or security in the house where they live—they should not need to own it to feel secure—can be caught out. I would like to see the community inclusion board have a role, or a reference group drawn together from community-based experts, to ensure that the everyday realities confronting people with limited and unpredictable incomes is factored into Treasury's management of its programs. I do not seek to cast the officers of the department in a poor light; rather, I want to make the point that Treasury itself, by definition, tends to have a narrow focus, giving rise to the need for a more structured approach to social impacts of its programs.

On regulatory impact statement processes, it is disappointing to see yet again that the government has failed to listen to its own Auditor-General and failed to deliver on its own commitments to implement a more socially and environmentally aware system of assessing and measuring the impacts of government programs and policies. There is no funding for a climate change impact analysis for major projects and developments. There is no funding for benchmark studies to obtain measurements of various quality of life and environmental vitality factors so that we can get an understanding of what changes our actions are causing, whether or not we measure them.

One of the most salutary effects of this kind of policy is that it focuses the minds of policy and decision makers on the environmental and social implications of their actions. It also makes it harder for a government to claim that money spent on roadworks, new buses or introduced weeds is money spent on greenhouse abatement measures. The sadly ironic thing is that this kind of fraudulent nonsense does make up the bulk of the government's greenhouse abatement strategy; it was certainly the bulk of measures announced in this budget.

I welcome the government's commitment to a more environmentally responsible, whole-of-life assessment procurement policy. Any funding spent on training procurement officers on these principles is money well spent and I refer the Treasurer to his own media release of 14 September 2007 when he, along with other COAG ministers, agreed to commit to sustainable procurement. I would be very interested to find out how that is tracking; I will be asking a question on notice about that.

I also point out an initiative that has been taken by the Victorian Treasurer and the Department of Treasury and Finance. There is an advertisement in this week's *Canberra Times*—we have to watch they are not poaching our experts—looking for climate change team senior policy advisers. The ad says:

In the Climate Change team you will have the opportunity to lead and contribute to a variety of policy work relating to climate change, energy, water, drought response, environmental and natural resource management issues. Current, high profile topics that the team advises the Treasurer on include national emission trading scheme design and impacts, ongoing water market reforms, and structural adjustment and adaptation issues associated with climate change.

I believe we would get better sustainability outcomes from Treasury if they had people like this advising them, because at the moment I think there is a danger that Treasury could be part of the problem rather than part of the solution.

**MR SESELJA** (Molonglo—Leader of the Opposition) (8.38): I would just like to say a few words. We asked some questions particularly in relation to infrastructure when we asked the Treasurer to outline the budget for us and, given the great focus on infrastructure, we thought we might be able to get some answers. With the planned spend of \$1.4 billion over the next few years in infrastructure, it is worth reflecting on the government's underspend over the last few years. We asked what was going to change.

It is worth reflecting on some of those numbers. In 2002-03 the underspend was \$56 million or 37 per cent of the budget, in 2003-04 the underspend was \$61.1 million or 36 per cent, in 2004-05 there was an underspend of \$118 million or 48 per cent, in 2005-06 an underspend of \$151.1 million or 48 per cent once again, and in 2006-07 an underspend of \$135.3 million or 38 per cent. The question that we put, which was not answered in any way, was: what are you going to do differently to get a much more ambitious program of capital works spending through over the next few years?

The government really had no answers; they were not able to tell us what structural changes they would make that would actually change this massive underspend and would allow them to embark on a more ambitious program of capital works spending in the next few years. We simply did not get the answers.

We absolutely agree with the principle that in these times when the government have been swimming in revenue from land sales, from conveyancing, from GST and other sources, particularly when they have been relying on money from land sales and some of the big commercial land sales that we have seen in recent years, we should see infrastructure; we should see lasting infrastructure. In fact, the last few years have been a record of failure in terms of getting some of that lasting infrastructure built.

You only have to look at the Gungahlin Drive extension. There is great disappointment in the community, particularly in Gungahlin but also in parts of Belconnen, that after years of waiting, after years of delay, what we have is a one-lane road. It is a one-lane road that at peak hours already appears inadequate and we know that as Gungahlin grows, and it is still growing fairly rapidly, we will see real gridlock. There is disappointment in the community at this government for getting this project so wrong by seeing it delayed so significantly, seeing the costs blow out but also seeing in the end an inadequate road. If you are on it in non-peak times, it is a very good road; it is a good way of getting north-south on the western side of Canberra. But if you are there at peak hours, particularly in the mornings, it is a particularly slow journey.

A number of my constituents in Gungahlin, in my dealings with them just in the last couple of weeks, have told me that they are back on Northbourne Avenue because Gungahlin Drive is, unfortunately, so slow. So that is a great disappointment and it is a great disappointment to my constituents in Gungahlin. The people of Gungahlin have been let down in a number of ways in terms of infrastructure and services and they see the GDE as symbolic of that failure, of the failure of this government to be able to deliver infrastructure that would improve their lives, the failure of this government to be able to get the job done on major infrastructure projects.

We asked the question: what structural changes are going to be made? And we have seen nothing. That stands in marked contrast, of course, to the Liberals' policy in relation to infrastructure in Canberra. We have announced a range of measures that will certainly make a difference. We will establish an infrastructure plan, have an infrastructure commissioner to give high-level advice on infrastructure priorities and have a capital works committee that will oversee some of these projects and impose some of the disciplines that I think have been lacking in relation to infrastructure development and implementation.

It was interesting talking to representatives of Engineers Australia just this week. They were highlighting some of the issues and we were noting some of the problems with the delivery of capital works and the delivery of infrastructure. They raised a number of issues. They talked about maintenance, which is, of course, something that most governments do neglect over time because it is not one of those issues seen as getting you a lot of votes. But of course it is very important. They highlighted the deskilling or the lack of specialties, particularly in engineering and other areas, within government departments and the challenge that that presents. This is a nationwide problem, I think. We have seen in the Commonwealth public service the move to more generalist officers—there are fewer specialists in the public service now than there were several years ago—and I am sure that is the case also in the ACT public service. So perhaps that is one of the structural issues we need to look at, to address. But we need a plan.

We need to have an infrastructure plan and we need to be putting things in place that will actually see things improve, rather than just saying: "We're going to spend \$1.4 billion. We do not know quite how we're going to do it. We haven't been able to spend that over the past few years; in fact our underspend has been between 36 and 48 per cent over the last five years." We put very direct questions to the government on those issues. We were given very brief answers which really did not address any of those issues in any substance. So we are very sceptical of the government's ability to deliver.

Of course we have seen their infrastructure record. We have seen the resistance to building the dam for so long, and we know that Canberrans will continue to suffer through water restrictions for perhaps many years as a result of that failure to see what most people can see—that we do need more storage; that we do need to plan for the future. We should not just be responding many years after the drought starts; we need to get out in front of these issues.

We have seen the debacle around the airport and certainly the airport road, some of which is belatedly now being upgraded. But the bottleneck that is at the airport is



symptomatic of how this government has treated infrastructure. It seems that it is patch-up jobs and it is catch-up jobs, rather than planning ahead and putting in place real and serious infrastructure improvements.

We have made comment about the government's land rent scheme—I covered that in a speech yesterday—and certainly we have real concerns about it. We have real concerns based on the answers that were given to us by Treasury. We have concerns about negative equity. We have concerns about people on low incomes getting themselves into more trouble as a result of this scheme. And we see the very small numbers that will be part of this scheme. The government is budgeting for 120 blocks a year—that is what it is expecting will be the take-up rate at this point—and Treasury tells us that after five years it expects that 20 blocks will have been purchased, with 20 per year every year after that; so it is very small.

But that is not the major problem. We are talking about four per cent of first homebuyers being expected to take up these blocks. The major problem is the issues around stability and the issues around negative equity. We think this could be a detrimental scheme that might hinder rather than help first homebuyers and see their dream of house and land ownership drift further away. We see the risks associated with owning a house, but we do not see the security that goes with owning land. If you do the numbers and compare it to actually renting in the private market at the moment, the costs are not all that different, yet when you rent, of course, you do not have the risks that are inherent in taking out a large loan and having an asset which is a depreciating asset. So this is a scheme that we have real concerns about.

We put those concerns on the record and I take the opportunity again to put on record that this is a scheme that has not been well thought through, despite the Chief Minister's protestations. We do need to put the numbers into stark contrast. We have the Treasury saying 120 blocks per year will be taken up and on these assumptions that after five years only 20 families in Canberra will have been able to purchase land as a result of this scheme. We do not think that it is worth the money that is being allocated, especially considering the significant risks of negative equity and financial instability that are inherent in this scheme.

**MR MULCAHY** (Molonglo) (8.48): Discussion of the Treasury portfolio is obviously central to the discussion of the budget, and I am pleased to be able to speak on this topic. We have seen the government take a consistent direction in this territory in favour of expanding the size and dramatically increasing taxes to fund its large increases in expenditure. In the 2006-2007 budget, the government introduced new taxes and made large increases in rates and charges, allegedly on the basis that this was required to balance its budget. The government did not look to curtail its spending in a serious fashion but instead simply forced taxpayers to pick up the bill for its profligate attitude.

The justification for tax increases was shattered when, over the last few years, it has emerged that the government have substantially underestimated their tax revenue or, probably more accurately, Treasury have significantly underestimated tax revenue in the advice they have given to government and, in fact, the government have received substantial windfall revenues that they were not expecting. The forecasts in relation to the budget have not been close to the mark in the four years I have been in this place

and, whilst I have said that every year, it is starting to raise real concerns about the capacity of Treasury to accurately forecast.

Their answer is: “We are not too much worse or we are about the same as everybody else interstate.” That is really not an impressive response as far as I can see when you are so far off the mark. The fact that you just say, “We might be hopeless but others are even more hopeless,” which is effectively what they are saying, when you get such incredible inaccuracy in the forecasting—

**Mr Stanhope:** Better than Peter Costello.

**MR MULCAHY:** I am not here to defend Peter Costello; that is their problem. But the fact of the matter is that I am worried about the ACT’s forecast. And what I am worried about is that the advice that the Chief Minister seems to be accepting uncritically is just so far off the money. He must wonder when they say, “This is where the bottom line will be at the end of the year,” and then, come the end of the year and they have made the various cabinet decisions, it is not even close to the mark. You have really got to start questioning the quality of the advice you are receiving if that is the case.

The only other scenario is the government in fact knew it would be a different outcome and was working towards an election war chest. We will not make sweeping assertions like that because they may not be accurate.

The real reasons for the increase in taxation have become clear. They were introduced to allow the government to continue its extravagant expenditure programs. Since the last budget, the government has been presented with a golden opportunity for serious tax reform through the windfall revenues that have occurred in the last year. Revenue figures from taxation have been substantially above what was predicted in the 2007-08 budget and this gave the government the opportunity to repeal some of the massive increases in taxation that it has imposed on the people of the ACT.

Since coming to power in 2001, the Stanhope government has increased taxes, fees and fines by over 66 per cent and this is more than 7½ per cent per annum, far above the rate of growth of the CPI, the WPI or the ACT economy. In 2008-09, general rates and charges will increase by the wage price indexation of 4.4 per cent and this will mean an average increase of \$49 for residential properties, \$21 for rural properties and \$234 for commercial properties.

Instead of reversing these tax increases, the government has simply increased its spending. In fact, the ink was not even dry on the 2007-08 budget when the government rushed to put through a second appropriation bill to spend its newfound windfall revenue. Because of this the government has declined opportunities to repeal both the utilities tax and the fire and emergency services levy, both of which should never have been imposed in the first place and the repeal of which was quite within the capacity of the territory.

I am pleased to see the government have taken some minor action in this budget to reduce the massive tax burden it has imposed on the people of the ACT. They have committed to a stamp duty exemption for pensioners, changes to the property value

thresholds and to the homebuyer concession scheme, an increase in the threshold for payroll tax and the repeal of duty on the establishment of trusts.

The first one, in relation to the exemption for pensioners, I have had raised with me by some seniors as I have been out and about in the electorate. Whilst there are a few people that may have fallen through the gaps in terms of their status—and I have written to the Chief Minister in relation to one such case, a British war serviceman who has retired here—I think that the initiative has some sense as we try to encourage people to downsize, without a massive tax penalty, which will help in a small way or potentially will help with the housing situation where you are getting people out of houses that are substantially in excess of their requirements and making it easier for them to move to something more suitable.

These are welcome changes but they certainly do not undo the damage done by this government's ongoing philosophy of high spending and high taxation. The small alleviations of the tax burden are simply a bump in the road on the government's ongoing journey to bigger and bigger government.

There are several examples in this budget of wasted or inappropriate spending or spending which has been brought on as a result of the government's mismanagement. The Chief Minister is fond of portraying any push for tax relief as an attack on core services like front-line medical and education staff. This approach of course is a stunt. It is disingenuous of him to argue that forgone tax revenue has to come from core services. I have heard him say it again and again and, after a moment of candour tonight and sensible comment, he quickly lapsed back into the old catchcry "any tax relief will lead to"—what is it?—"potholes, nurses being sacked, no policemen".

In fact, one might have the belief that a lawless state would prevail if the views I have advocated in relation to tax relief were applied to Canberra families and business. Of course, that is not the case. It is a useful line in terms of justifying why no relief whatsoever is going to be available for the families of this territory who are finding it more and more difficult to make ends meet.

We all see, in our own household budgets, the soaring cost of fuel. In a city which is still largely dependent on the car, where between 90 and 92 per cent of people use means other than public transport to get about, and in a city where we are seeing grocery prices go through the roof, there is a screaming demand for some form of tax relief. Whilst the ACT government may not be able to control those two major items of household expenditure, it would be the decent thing to extend some of the tax relief back to the ordinary families of this territory.

There are also areas of government waste, in my view. I have talked about corporate welfare before; I talked about percent for art; the arboretum; the list goes on. These are not critical projects. It is possible to demonstrate restraint in spending without taking doctors out of hospitals and so on.

My argument, which the Chief Minister well understands, is that government in the ACT should be committed to spending on core services like health and education. I accept that there has been a substantial improvement in the health expenditure and the AIHW figures in relation to our performance against other states have improved

from where they were in 2004 to now. We are still a poor performer relative to the other states in a number of areas, particularly on our case-mix calculations. It has improved, but we have a long way to go before we achieve satisfactory outcomes.

I am amazed at the number of teachers that continue to complain to me about distressing issues related to the schools, about discipline issues, about their morale and about the lack of support that they feel is forthcoming.

This government should also, as a high priority, exercise restraint and not spend for the sake of spending. The people that are best able to spend money are not government; it is the people who earn that money. When the government is in a position to provide tax relief, as this one is, it should do so. It should not respond to extra revenue by automatically looking for new ways to spend it.

One of the major issues that Mr Seselja touched on that arose in debate on this budget was the large amounts of money earmarked for capital works. The issue of capital works is a very important one. It would have been very worth while if we had been able to have a serious discussion about the government's ability to deliver these projects, both in terms of timeliness and in terms of budget compliance. In questions on this issue, the opposition has quite rightly pointed out that there are a lot of rollovers of capital works appropriations, and I think the government has also quite rightly pointed out that this is not necessarily unusual.

Unfortunately, this debate has been marred by evasiveness from the government. I was particularly dismayed that the Chief Minister went out of his way to avoid answering questions by the opposition leader about the government's capacity to deliver on its capital works program. Throughout the entire exchange on this issue, the Chief Minister simply set about attacking through a straw man argument, claiming that the opposition were merely criticising the ACT building industry. Whether or not this was the case, which I do not think really was the basis of their complaints, we need to hear more than just the Chief Minister's grandstanding against the opposition.

We were treated to long-winded, verbose answers in which the Chief Minister repeatedly went into the straw man argument to avoid having to discuss the details of their record on capital expenditure and their projections for new expenditure. Avoiding questions on the government's ability to deliver its capital works program is a poor reflection on the estimates proceedings and the respect this government shows for accountability to the Assembly and the people of the ACT. (*Second speaking period taken.*) In order to examine whether these rollovers or delays are a cause of serious concern, we need a Chief Minister who is willing to answer questions about this issue when asked. Instead, we have a Chief Minister who concocts and argues with straw man arguments to avoid important discussion which displeases him.

I would also, in the context of this Treasury discussion, again repeat my criticism of the percent for art scheme, which I believe to be an excessive and wasteful approach to the spending of public money, and I find many people in the arts community feel this is a disproportionate weighting of one section of the arts community as a result of this policy.

In final comment, there are some aspects of the financial decisions in this budget which are very welcomed. I prefer to see money invested in capital infrastructure rather than on recurrent spending on pet projects or non-core services. This is a welcome aspect of the budget. Unfortunately, there are several other financial decisions which I do believe are somewhat foolish. The several budget initiatives I have highlighted, as well as the government's devotion to corporate welfare, must be examples of this wasteful approach.

It is inappropriate for the government to dramatically increase expenditure on non-core services, on one hand, and then argue that they cannot afford tax relief, on the other. And the lack of tax relief and serious attempts at making tax reform and handing back to the people of Canberra the impulse that was introduced a couple of years ago on the basis that the territory was desperately in need of those extra funds, I think, are lamentable. It is the single biggest disappointment I have in this budget and I am disappointed that it has not occupied a greater part of either the estimates report or the dissenting report.

**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) (9.00): I would like to draw attention to the significance of this budget and its highlights. I must say they have of course been ignored by every contributor to this debate so far in relation to Treasury. The essential budget highlights are a little too attractive. It is interesting that, in the debate, not a single member of the Assembly yet has touched on the fact that this budget contains a billion dollars of infrastructure and the additional \$400 million.

**Mr Mulcahy**: I just said that was the best bit of it.

**MR STANHOPE**: You did, but you did not go actually to the commitment that this government expresses through this budget to those essential issues that the people of Canberra have asked this government to invest in. We have responded closely through this budget to what it is that the people of Canberra want of a government and not what they want of this government. They wanted a government that produces a strong balance sheet, a strong budget, sustainable surpluses and a capacity for an unprecedented investment in the territory's future through the Building the Future infrastructure investment program.

Building the Future will provide \$5 million over the next five years which, along with the annual capital works program, provides for a total capital investment through this budget of \$1½ billion. The five-year, \$1 billion Building the Future program provides for \$300 million in establishing a health system for the future—and that is only the first tranche, the first tranche of a billion dollars proposed by this government over the next 10 years—and \$250 million to be invested directly in the territory's transport system, in direct response to what it is that the people of this territory want: a major investment in public transport in roads. We provided \$250 million specifically for that, over and above our normal capital works provision for transport, and \$100 million of additional funds over and above the normal capital works program for improving urban amenity.

We have provided \$100 million of additional funding for climate change initiatives, a \$50 million direct investment in information and communication technology infrastructure, a \$200 million boost to the existing capital works program. That is what this budget provides. Around \$700 million of that investment will be funded from existing surpluses and \$300 million will be funded from the current and future budget capacity.

Some of the specific capital programs and projects that are funded in this budget are youth construction works of \$532 million across the budget and forward estimates; feasibility and forward designs of \$31 million; capital upgrades of \$42 million; capital grants of \$13 million; the continuation of the whole-of-government capital improvement program of \$3 million; the establishment of a \$4 million contingency fund for the capital works program; new plant and equipment of \$62 million; new information and communication technology initiatives that total \$24 million.

Additionally, there is provision for \$726 million over five years detailed in the budget for future programs and projects relating to climate change, transport, improving the urban amenity, capital works to support economic growth of the city. Works in progress from previous years will carry through into the budget projects, with expenditure totalling \$372 million to be completed over the next three years. There is the delivery of a responsive and forward-reaching program of current expenditure initiatives totalling \$403 million over four years across major areas of priority expenditure and need. There is a significant investment in addressing climate change, with funding now at \$242 million over the period 2007-08 to 2012-13.

There is the targeted tax concessions for pensioners and first homebuyers; an increase in the payroll tax threshold from \$1.25 million to \$1.5 million; a strong general government balance sheet, with the asset base growing by more than 10 per cent. Four major initiatives alone will reduce CO<sub>2</sub> emissions massively. There are significant operating cash surpluses across the budget and across the forward estimates.

That is just an outline of the infrastructure and capital spend included within this budget. A massive almost \$1.5 billion infrastructure and capital spend over and above existing programs incorporated in the budget papers, from funds carried forward, as well as the additional \$1.5 billion, plus capital projects to be delivered by ACT government statutory authorities such as Actew, take the spend currently anticipated, allocated for or budgeted by the government and its agencies to in excess of \$2 billion.

That includes, of course, in excess of \$300 million which the government has agreed that Actew should pursue to secure our water future. They are real policies, real projects, real money and a real commitment to meeting the needs of this community. That includes a brand new dam at the Cotter; planning for an additional pipe from the Murrumbidgee to Googong; significant additional works to secure and strengthen Googong; additional capacity at Mount Stromlo to treat our water; additional works to secure a continued future and quality for our water treatment plant at lower Molonglo. Those are some of the capital projects.

There is some interest and discussion about the nature of the program and some criticism of this government in relation to the level of expenditure of the capital

program. It is no different than for any government since self-government. It is sobering, in fact interesting, to look at the capital budgets pre-2002 when this government came to power and look at the level of expenditure and the level of delivery of capital works in those years prior to this government coming to office seven years ago.

I think the highest level of capital expenditure in a single year by the previous government was \$89 million. That was the highest level of commitment, \$89 million. In the last financial year, we delivered \$314 million of capital on the ground. The Liberal Party, in its previous time in government, only ever budgeted for \$89 million and of course it delivered only two-thirds of that. The Liberal Party's capacity to deliver capital in government was to the tune of somewhere around \$60 million. This government last year delivered \$314 million of capital on the ground. The Liberals' capacity, the Liberals' record, in relation to the management and construction of projects in this town, is that its big year, its big spend, was of the order of \$80 million, and it managed to deliver \$60 million of it.

Let us go to the capacity and the way in which it delivered this capital program. Let us think back, let us cast back: which capital projects from this mythical Liberal capacity to deliver major projects or capital springs to mind when we think of the Liberal years in government? Come on, stretch your imagination.

**Mr Gentleman:** Bruce Stadium.

**MR STANHOPE:** Bruce Stadium? Yes. Is not that interesting? The Liberal Party's capacity to deliver major capital projects? Think back. Come on; let us have a little brainstorm here. Bruce Stadium. Let us think a bit more deeply. The demolition of the Canberra Hospital. Yes, that is right. Think more. Come on; think expansively. The Liberal Party's capacity to deliver capital projects? Highest ever allocation, \$80 million; highest spend, about \$60 million.

Last year, in delivering over \$300 million of capital, this government delivered more capital on the ground than the Liberal Party did in five years. In one year, we delivered more than the Liberal Party delivered in five years in government. Its biggest ever delivery was \$60 million. Come on, keep thinking back. Which capital projects, when you think about the Liberal Party in government, in power, spring to your mind?

**Mr Gentleman:** I'm struggling.

**MR STANHOPE:** You struggle, don't you? The thing that comes to mind immediately is Bruce Stadium, and we know what a roaring success that was. The second thing that comes to mind is the demolition of the Canberra Hospital. That was a roaring success in relation to the management of capital. Impulse Airlines. Yes, it is still there; it is still there to see, a beautiful hangar out at the Canberra airport. It is a pity that Impulse Airlines went broke before the hangar was constructed.

So there you have it. Just think about the Liberal Party's capacity to deliver capital; think back to their years in government; think of the level of their expenditure; think of the proportion of the expenditures they delivered; and then think of the projects that represent the Liberal Party's legacy.

**Mr Gentleman:** I can feel the power now.

**MR STANHOPE:** Feel the power; Impulse Airlines went broke before the hangar was built; Bruce Stadium, the biggest disaster in capital works management in the history of self-government; Canberra Hospital—these are the Liberal Party's capital project successes. This is what they hang their reputation for success as managers of the capital program on. What a joke!

In this last year, we delivered over \$300 million of capital on the ground, more than the Liberal Party managed to deliver in five years. And in that five years, the only projects that spring to the mind of anybody in this room are Bruce Stadium, the demolition of the Canberra Hospital, the construction of the hangar for Impulse Airlines, which then quickly went broke—actually, before they ever got to take possession of the hangar—and Mr Gentleman can think of “feel the power”. I am sure that, if we continue to think along these veins of Liberal Party capital legacies, we can probably dredge up a few more.

So let us scotch this nonsense of the mythical Liberal Party capacity to deliver capital. They never funded it; they never delivered it. And the stuff that they did deliver, in their own inimitable way, can be summarised as Bruce Stadium, the demolition or blowing up of the Canberra Hospital, the construction of a hangar for an airline that went broke before the construction was completed and, of course, some interesting little developments like the futsal slab and “feel the power”. I knew that, if we thought a bit longer, we would come up with the other Liberal Party success stories in relation to the delivery of capital works. There they are. The futsal slab tops it off.

There is a delay. There is always a delay. There is always a rollover and there is always a good reason for a rollover in relation to delivery of capital works. We see it in relation to the granting of development approvals and appeals that are made.

We see it in relation to the GDE and in relation to court action. There was a delay of a year because the matter was taken to court. What would the Liberal Party have done? Simply ignore the court action and the orders of the courts? It is quite simple. The GDE was delayed because the government was directed by the courts not to proceed.

There are a whole range of issues. Sometimes it is as simple as the weather. Other times it is as simple as the need for payments to be made and payments not to be made in June as opposed to July et cetera. There have always been delays and rollovers. There always will be. The explanations are as simple, often as not, as the weather.

But this bunkum and nonsense about the Liberal Party's record and the Liberal Party's capacity are actually destroyed by any mere glance at the record in relation to the capital that was delivered by the Liberal Party in government. They have no record of delivery of capital works, because they did not fund any. And when they did get around to their miserly program, in every single case that you can dredge up, that you can think about—and we have done it just now—there was an appalling mess for the people of Canberra to have to deal with.



Those are the facts. Look at the record. Look at the Liberal Party's budgets. Look at their capital budgets. Look at the rollovers. Look at the achievements. And look at the outcomes and the results of the Liberal Party's capacity to actually run any sort of project at all.

This is a very good budget. It is a very strong budget. It is a very strong balance sheet. It is the envy of the nation. All the fundamentals are right. There are sustainable surpluses and, of course, in the environment that we are in, we are very pleased that we have sustainable surpluses. As a result of some of the volatility and the insecurity of some events around the world, including of course the eight interest rate rises that the nation suffered as a result of Liberal Party fiscal incompetence, the nation now is reaping the whirlwind of the incompetence of John Howard, Peter Costello and the Liberal Party in relation to the management of the economy, the extent to which they fuelled inflation, let inflation get away.

You see the Liberal Party here crying crocodile tears about the plight of first homebuyers. The plight of first homebuyers comes down to the fact that the Liberal Party, more concerned about re-election, allowed the genie of inflation out of the bag, and the consequence of that was eight interest rate rises in two years. A standard mortgage now in Canberra for a young Canberra family is, as we know, thousands of dollars higher than it was two years ago, as a result of the management by the Liberal Party of the national economy, its refusal to rein in its spending and its refusal to recognise the stress that inflation would cause. We know that is what it is about. An extra—what is it?—just on \$400 a month now on a standard mortgage is the price that young Canberra families pay as a result of the Liberal Party's refusal to grasp or to deal with the genie that inflation is.

Proposed expenditure agreed to.

Proposed expenditure—part 1.6—Territory Banking Account—\$214,000 (capital injection), \$12,860,000 (payments on behalf of the territory) totalling \$13,074,000

**DR FOSKEY** (Molonglo) (9.16): Another year of majority government, another year in which the government failed to use its majority to correct what is probably the biggest challenge or the biggest achievement that this generation can claim in the area of climate change, social justice and environmental sustainability. Unfortunately, the achievement is predominantly negative, and that bit which is positive is unintentional.

Sir Nicolas Stern and now Ross Garnaut have realised that a tsunami of climate change problems is heading our way and they have tried to convey the urgency with which we should be reacting to these problems with which we are encumbering future generations. These economists have joined many environmental experts in trying to warn us that business as usual is contributing to the largest example of market failure in human history. Even while we sleep, funds are spent in our name which are depleting native forests, producing and marketing tobacco and other addictive drugs, supporting the worst greenhouse-emitting industries and building and marketing weapons which remain dangerous for years and are specifically designed to be used in urban civilian areas.

Another year later, the fund managers who control our investments have still not received firm guidelines as to how our investments are filtered or our shareholder votes are to be exercised. While the ACT acting alone would be quite ineffectual in most instances, it would not damage our rates of return and it would at least demonstrate some evidence of an awareness of the ethical dimension of economic decisions. Given that that is the excuse Treasury and the commissioned report handed the Treasurer for not doing anything of any consequence for years, it is the least we could have expected.

At a briefing I called for a month or two ago, I learned that nothing has happened which has had any effect whatsoever on the disposition of our investments. All that has happened, it seems, is talk—talk, talk, report and more talk. And this talk is not cheap. The people involved in this report and this talk are highly paid individuals.

I understand that a number of government superannuation fund managers are getting together to agree on what they should say in annual general meetings and someone is considering giving fund managers some vague directions at some vague date in the future as to what they should consider when making their investment decisions. From what I have heard, the directions being drafted will be that, if the ethical downside of an investment decision should threaten in the slightest bit the return which might be had from tobacco or cluster bombs, do not even think about selling Raytheon or British-American tobacco shares.

It is clear that the climate change sceptics and economic free-market ideologues still hold the strings over this government, which apparently lacks the financial expertise or ethical conviction to take responsibility for the consequences of its actions. This timidity or selective blindness is a bit baffling. It is out of character. This Chief Minister has not been backward in standing up to bullies, in standing up for his values in other areas, so why is he so ineffectual in this one? Just because other treasurers and the overwhelming preponderance of free-market ideologues do not see this situation as a scandal does not mean that future generations will not condemn us for stealing their natural capital to maintain our plush lifestyles by continuing to invest dumbly in businesses and activities which severely compromise their quality of life. This is what the Treasurer said of Kate Carnell in 1999:

What more damning indictment of a government can there be than for it simply to walk away from its fundamental obligation to ensure the safety of its citizens?

A one-eyed fixation on short-term profit margins is not ensuring the long-term safety of ACT citizens or their short-term safety. Our investments in Imperial Tobacco and Japan Tobacco both support and endorse their activities in pushing dangerous drugs which end up costing the ACT taxpayer far more in health and other costs than we recoup by sharing in their dividends and share price increases.

Does it strike anyone else as strange that we have the health minister urging people to give up smoking, presenting statistics to show that almost a third of all ACT students surveyed reported having smoked, while, on the other hand, the Treasurer takes credit for the profits made from convincing them to poison themselves? Many people who smoke die from smoking-related causes. I personally believe that adults should have

the right to do pretty much anything which does not hurt other people. While smoking does hurt other people, I still believe that adults should have the right to choose to smoke if they want.

But tobacco companies target tweens and teenagers. They spend huge amounts of money, partly raised by share floats, on extremely successful product placements and other marketing campaigns to make ACT people think they are uncool if they do not smoke. And remember a lot of their advisers are also advising the very large greenhouse gas producers. There is a connection, Mr Treasurer. Money might make the world go around, but money also makes it go pear shaped.

Just because they are not on the blue chip indexes, there is no reason why the ACT should not be investing in renewable energy technologies like geothermal, wave, tidal and solar energy generators. These would be far more sensible, provident and productive of social wellbeing and quality of life than brown coal or tobacco investments. Micro credit schemes for women in developing countries have a better rate of return and a lower rate of bad debts than most indexed investment funds. What about spending in the ACT to take advantage of the multiplier effect actually in the territory, in which the real owners of these funds live? And I have suggested a number of times investment in social housing.

The Treasurer no doubt gets analyses from his Treasury advisers that contain present dollar values of benefits that are predicted to occur in the future. This is mainstream accounting practice but it is based on an appalling disregard for the wellbeing of our own children and future generations. Their wellbeing should be valued as equal to our own.

The future dollar value of desirable social and environmental outcomes should not be automatically undervalued. Spending the natural capital of future generations, using the justification that value saved for the future has dramatically less value for present generations and therefore it would be economically irrational not to realise that value today, is just one example of the disgraceful assumptions and the moral confusion of mainstream economics.

Before I finish, I would like to discuss another dimension of the government's hands-off approach to investment guidelines for its fund managers. Apparently, entities like massive hedge funds buy up, either explicitly or through unwritten agreements, voting shareholder rights in order to force companies to take actions which artificially raise or lower either their share value or their company value. Hedge funds often specialise in making profits from downturns in companies and markets. If we give no direction to our fund managers we should not be surprised if we learn some of them are subletting our shareholder rights for personal gain of one form or another to capital entities that do not have the interests of workers, public health or the environment at heart.

It was obvious at the briefing that I had on investment funds that this practice was unknown to the department or the minister's advisers. I urge them to investigate the practice and to issue directions to fund managers accordingly. Such directions would not involve any overt ethical dimensions that Treasury is apparently so allergic to. The fact is that we should not be unwitting parties to the machinations of often antisocial private capital entities.

As has been mentioned by others this evening, this budget is a blatant election-spending budget. Pretty much anyone who looks like they could have represented an electoral threat has had money thrown at them in this budget. The huge write-down in the cash and cash equivalents accounts is testimony to the dimensions of this vote-buying exercise.

**MR SMYTH** (Brindabella) (9.25): Perhaps one of the more esoteric areas of government and the budget papers, albeit dealing with the very important issue of managing and accounting for our finances, is the way in which the territory banking accounts, along with other accounts, are actually operated. This raises issues of things like transparency, particularly with respect to assisting in the comprehension of this and other accounts.

It was pleasing perhaps to have, in the estimates committee, discussion of, for instance, the concept of what is unencumbered cash, as it used to appear in the papers, and what is now called the territory banking account in the line that appears in the chart in table 5.1.1. The issue that I have is to ensure that we actually know what in this instance table 5.1.1 means. Some of the comments made during the estimates committee hearings were most useful in assisting in the understanding of these issues.

In particular, I would like to thank the Under Treasurer for her comments on this matter. In that regard, the intention here was to relate the territory banking account line to—and I quote—“individual financial statements sitting in budget paper 4”. What would help, however, I think, is some explanation in the budget papers of the way in which these items in table 5.1.1 are derived or are built up and, in fact, how they relate to other financial information elsewhere in the budget papers.

Proposed expenditure agreed to.

Proposed expenditure—part 1.7—Home Loan Portfolio—nil

**MR SMYTH** (Brindabella) (9.28): In regard to the home loan portfolio, KPMG conducted a review as part of the regular review process, but no decisions have been made by the government regarding the portfolio since the review was done. The review stated that capital adequacy was not based around the whole home loan portfolio. What we operate here is a closed scheme and it has 275 loans left in the 2007-08 year. It will have 215 loans to run left in the 2008-09 year.

The portfolio contains this time \$17 million in cash and cash equivalents, as well as large amounts invested in both long and short-term assets. In 2007-08 there was a distribution to the government of \$4.3 million and because of the commonwealth-state housing agreement there are some restrictions on what that money can be used for. Some years ago \$30 million was invested in public housing and, as I said, these funds have to be utilised in accordance with the commonwealth-state housing agreement.

Of particular interest are the administration costs in the 2006-07 financial year. The cost was \$1,162 per loan. In 2007-08 it was \$1,400 per loan. In the coming year it will be \$1,700 per loan, but this trend is expected given the changing nature of the portfolio and the diminishing number of loans; the work still has to be done even

though the number of clients is smaller. What we were told in the estimates was that at this point 44 per cent of the loans in the portfolio either are in arrears or take advantage of the deferred assistance program and we were assured that the majority of them were deferred assistance rather than arrears.

Currently managing the portfolio given the extent of impairment across the portfolio makes the portfolio commercially unattractive and we were given assurances that the government has no intention of selling the home loan portfolio. The committee was finally told that the portfolio had possibly 14 years left until all the loans are repaid. I would judge that the portfolio continues to be managed satisfactorily even though the cost of administering each of the remaining loans will increase as there are fewer loans in the portfolio, but that of course is unavoidable.

Proposed expenditure agreed to.

Proposed expenditure—part 1.8—Shared Services Centre—\$5,666,000 (net cost of outputs), \$6,437,000 (capital injection), totalling \$12,103,000

**MR SMYTH** (Brindabella) (9.30): The Shared Services Centre was announced as part of the slash and burn of the Stanhope Labor budget in the 2006-07 year. It was envisaged as a means of bringing together a number of the back office services into a common platform across the ACT government.

I think it is worth recalling that this initiative of centralising back office services onto a common platform was, of course, started by the former Liberal government, first with the provision of IT services through establishing InTACT and then through the centralising of procurement services. These initiatives meant that the Stanhope government had a very sound platform on which to extend this provision of common services.

There are claims that the implementation process has proceeded satisfactorily to this point. We are well aware of the issues, however, with the provision of the full suite of services set out in the initial tender process, such as the management of the long service leave matters. I am aware of continuing concerns in Western Australia, for example, with the project to implement a shared services model in that state. The Western Australian Auditor-General reported in June 2007 on the progress with that project—and what a concerning report that was. The project had been delayed such that it was two years behind schedule. The commencement of the full harvesting of annual savings was pushed back from July 2007 until July 2009 and, while the initial cost of this project was \$122 million, the estimate had been revised to \$198 million.

I mention this information not to suggest that the project in the ACT has experienced or is experiencing similar issues; rather, I want the people of the ACT to be aware of what is happening elsewhere and to learn from it so that we avoid similar problems in the ACT. In this context I note that the issue of unanticipated costs of going down the shared services route has been an issue in Western Australia, such that the auditor drew attention to this impost on using departments and agencies, and—surprise, surprise—this issue has now arisen in the ACT. We know that the implementation cost in the ACT has exceeded the initial estimate by nearly \$2 million or 20 per cent and clearly these additional costs will reduce the returns to the community from the project.

On pages 29 and 30 there is a discussion by the committee on the Shared Services Centre and it was pleasing to see that the committee recommends in recommendation 16 that the ACT government provide an update of the budget improvements that have been achieved to date following the introduction of the Shared Services Centre and the consequential changes that resulted. It is interesting that in the Chief Minister's response to the budget all he simply does is note the recommendation and restate his claim; he does not actually outline where the savings have come from and how they have been achieved. It would be interesting to have that information. If they have been achieved, it should surely be quite easy to provide.

There are further capabilities to be incorporated into the shared services operation and I anticipate examining these processes in due course. I am also aware that the ACT Auditor-General has an interest in having a look at the Shared Services Centre in due course. We will await that review with considerable interest.

**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) (9.34): I will respond in relation to this allocation for shared services—in fact to commend the Shared Services Centre staff for the enormous success that they have made in its establishment. It has not been an easy process.

It is always difficult to single out any individual in relation to any particular government enterprise or exercise, but I must say that Michael Vanderheide, the chief executive of the Shared Services Centre, has done a remarkable job in quite a difficult environment to bring together shared services and essentially to show, through the success that he has created of the organisation and the extent to which he has met his budget and achieved the savings that were always anticipated, that the naysayers were wrong.

Of course the naysayers were there thick and fast on the ground, most particularly those opposite, at the time that the Shared Services Centre was announced and created. If one goes back and looks at the *Hansard*, at the media and the commentary, particularly from the Liberal Party, on the Shared Services Centre and its creation, it was decried from the outset. It was said that it would fail, that it could not succeed, that the history of shared services throughout Australia was one of abject failure and that that would be replicated here. But that has not come to pass. It is an outstanding success and it has achieved its savings. Mr Vanderheide repeated that the government had asked for savings in the order of \$20 million a year. They are built into the bottom line and they are being achieved.

One of the things that has not been commented on in any discussion of this budget, of the economic circumstances or the strength of our budgetary position, is the fact that embedded in the budget is just over \$100 million a year in efficiencies, and the Shared Services Centre, with its creation and its operation, is a significant and central part of those efficiencies that were created and are being delivered year on year. I take the opportunity to acknowledge that publicly. It is difficult to single out any particular agency, but in the context of the history of the Shared Services Centre—the virulent opposition that it received at the outset from the Liberal Party, and the extent of the

error of judgement and understanding exhibited by the Liberal Party's opposition to the Shared Services Centre at the outset—it is worth reflecting on that as we agree to this continuing appropriation for shared services.

**MR MULCAHY** (Molonglo) (9.37): I did touch on the issue of the Shared Services Centre in my speech on the Assembly Secretariat and their transfer of financial functions to the centre, but I will take this opportunity to speak in a little bit more detail about the ongoing progress of the Shared Services Centre and the initiative in the current budget to increase its funding.

I have voiced my scepticism about the government's Shared Services Centre since it was introduced in the 2006-07 budget and this is in large part because the empirical record of these things is not terribly good. Other states that have established shared services centres have had poor experiences, with large cost blow-outs and serious administrative problems, and we certainly should try and learn from the experiences of other jurisdictions rather than be quick to dismiss them and assume that they can never happen here.

There is certainly some prospect that the ACT may be able to avoid some of these problems. We have quite a few natural advantages compared with other states. In particular, the ACT benefits from being a small jurisdiction comprised of a single city. This means that there is greater scope for centralising facilities of this kind without long travelling times to the various other government agencies in which they are needed. However, the natural administrative advantages enjoyed by the ACT do not mean that we can dismiss the problems experienced by other jurisdictions. We must remain on guard for blow-outs in costs and any administrative problems which arise.

There are signs in this budget that the government is experiencing problems of its own with the Shared Services Centre and that cost blow-outs are indeed occurring. Despite the government's repeated assurances of the savings that will allegedly be made by the Shared Services Centre, it has now been forced to allocate \$10.4 million in new expenditure initiatives to establish new operational teams and new staffing positions and to attract new recruits. This is not a good sign and such a large increase in expenditure may not bode well for the savings to be made from the centre.

In relation to one other area, three years after the implementation date for the Chris21 system on 1 July 2005, issues surrounding problems with this system have still not been resolved. In fact, the Auditor-General recently reported her findings on the system, including identifying several outstanding problems. These problems were identified despite the Auditor-General's finding that the record management for the project was inadequate and did not support ready access to material for the audit. In summarising her findings in a media release on the report the Auditor-General stated:

... some aspects of the system did not function as intended, and to date, some core functionalities are not yet operational and other contracted deliverables have not been fully implemented.

The Auditor-General also stated:

In addition to some core functionalities not yet operational, the project has not delivered the intended benefits of a new generation HR system to support

recruitment, workforce planning, learning and development, organisational development, industrial reforms and health and safety initiatives.

This statement was not made shortly after the initial failures of the system; it was made just months ago. The Auditor-General found that the project board for the Chris21 system had regularly discussed risk abatement measures, that the action that they took on these risks was not sufficient to reduce the risks and that many of the identified risks in fact occurred during the project. In other words, some of the problems occurred even though they had been identified as potential risks by the project board.

The Auditor-General also found that poor communication between agencies and even within single agencies meant that agencies were not ready for the implementation date for the system. The Auditor-General also identified a cost of \$1.9 million to work around the problems with the system by using manual calculation of leave, superannuation and termination entitlements that the system was supposed to provide. The future prospects of this system do not look good. In her media release on the report, the Auditor-General stated:

Implementation of some purchased Chris21 modules will be subject to further business case analysis and funding. Audit has not seen evidence of any planning or scheduled implementation of Phase 2 functionality to achieve the transformation of human resource management to a more strategic function, as intended.

These findings are a damning indictment of the new HR system and the efficiencies that were supposed to have been achieved. They are a small part of the ongoing saga of cost blow-outs and administrative problems that have plagued the shared service functions. I have spoken on numerous occasions in this place and the committee about my ongoing concern about the overpayment and underpayment of superannuation affecting thousands of people who have been employed by the territory, and still going on at some horrendous cost, without resolution—a matter that had some airing in the estimates process but about which we have heard nothing more since.

I do have concerns. It may be a pessimistic outlook that I am bringing to this discussion, but you cannot ignore what has happened in South Australia and Western Australia in terms of these shared services facilities. So you do have to have some measure of concern and I hope that the concerns are not borne out in the long term. When I raised concerns in relation to Rhodium in 2004, they were dismissed, and that turned into a disaster for this territory. I hope that the shared services experiment is rather more successful than has occurred in other states.

Two other matters have come up in the context of the debate. I may have been somewhat harsh when I referred to our forecasting as hopeless or hopeless but not as hopeless as other states. That is somewhat harsh on the officials. I am sure they do their best. My real concern is the methodology that seems to be applied in the forecasting; it just does not seem to be able to get it right. I am anxious that I not reflect on those many officials, a number of whom are sitting there burning the midnight oil in the lobbies of this place.



On an unrelated matter, I made some observations early in this debate over the circumstances or demeanour of Mrs Burke in relation to the estimates committee. Matters have been brought to my attention since then that make it very clearly evident that there were other factors in play, not just the dispute about the line of questioning, and for that I apologise. I will leave my comments at that point.

Proposed expenditure agreed to.

Proposed expenditure—part 1.9—Superannuation Provision Account—\$133,763,000 (capital injection), \$7,736,000 (payments on behalf of the territory), totalling \$141,499,000

**DR FOSKEY** (Molonglo) (9.45): A great deal of what I said on part 1.6, territory banking account, also applies to part 1.9, superannuation provision account, so I just say on this one: ditto.

**MR SMYTH** (Brindabella) (9.45): Funds in the superannuation provision account provide superannuation benefits to retired employees of the ACT government. A critical issue with this account is the point at which the estimated liabilities for superannuation begin to fall. It is now estimated that the peak in superannuation liabilities will be reached in June 2037. The liabilities that are funded from these funds are superannuation entitlements in a defined benefit arrangement. For many years these liabilities when paid as superannuation benefits were simply funded from normal government funds.

The ACT government has put in place a program to achieve the full funding of this liability by 2030 and, while the budget papers estimate that this funding proportion will fall from 65 per cent to 63 per cent next financial year, it is also estimated that, by June 2012, 67 per cent of this liability will be funded.

A significant issue facing the ACT government with respect to the investment of these funds in the superannuation provision account is the way in which these funds are invested. There is increasing interest in seeing superannuation funds, amongst other financial organisations, investing funds according to the principles of responsible investment as set out by the United Nations. Adherence to these principles has considerable merit, although the implementation of such an investment strategy will have to be carefully assessed and evaluated.

I draw members' attention to pages 32 and 33 of the estimates committee report. It discusses the SPA and part of the discussion centred on the strategic allocations strategy which we were told was nearly completed. Recommendation 18 says:

The committee recommends that the government report to the Legislative Assembly on the outcomes of the Superannuation Strategic Investment Review.

The most interesting of answers was the one-word answer from the government: they simply agree. We look forward to seeing the strategy, what it means and the implications that it will have for the SPA.

**MR MULCAHY** (Molonglo) (9.47): I have spoken previously about the ongoing issue of whether expected long-term gains on superannuation assets should be included in the budget bottom line. This has been an ongoing issue which I have continually pressed the government on and it is an issue on which I have found a great deal of support, particularly from specialists in the field, and an issue on which there has been academic commentary published in the *Canberra Times* in support of my views. I also note that my concerns are shared by Standard and Poor's who, according to the Under Treasurer, are "not particularly enamoured" with the government's approach.

I will not repeat the details of this issue here since I believe I have already made my views fairly clear. Instead, I would like to turn my attention to the issue of full funding of defined benefit superannuation liabilities. This is an important issue and one where the government is far behind private business. Whereas private businesses are required to set aside assets to fund their superannuation liabilities, the government does not currently have its superannuation liabilities fully funded and will rely on future revenue from taxpayers and elsewhere to meet these liabilities. This is, once again, an area in which governments operate in such a way that certainly would not be acceptable in the private sector.

The government has set a target for fully funding all of its defined benefit superannuation liabilities by 2030. I am glad that a target is in place, though, as I have said in previous years, there have been opportunities where this target could have been brought forward due to revenue windfalls. According to figures in the budget, by the end of the current financial year the government projects that it will have a shortfall of \$1.111 billion in unfunded superannuation liability. In the past year, the goal of fully funding all superannuation liabilities by 2030 has proceeded behind the schedule budgeted in the 2007-08 budget.

Budgeted projections in the 2007-08 budget stated that the government budgeted that by the end of this financial year it would be at 67 per cent funding. In fact, the government is now only at 65 per cent funding. With the revised estimates based on the current performance of superannuation assets, the government now does not anticipate reaching the 67 per cent funding level until the end of the 2011-12 financial year. This is four years later than projected in the previous budget.

The fact that the government has now fallen behind its previous schedule may or may not be cause for serious long-term concern, and in large part this will depend on investment returns in future years. This is, of course, dependent on the state of investment markets in Australia and anywhere else where money has been invested. There is some risk in the future that if investment conditions do not meet the government's expectations they may fall further and further behind schedule or else have to make larger and larger payments into the asset base to keep up with the schedule. This of course shows us the dangers of failure to fund defined benefit schemes in the first place and it should be a lesson to governments the world over, many of which operate superannuation on the basis of what are essentially taxpayer pyramid schemes.

I certainly do not want to be alarmist on this issue, since the long-term prospects of funding these liabilities depend on investment returns and market conditions for at

least the next decade or so. I do not claim to have any special expertise in forecasting in this area and so I am not in a position to forecast how much it will cost to attain the 2030 funding goal. Nevertheless, this is yet another consideration that I would urge the government to have when it receives windfall revenue. At the moment we see a lot of revenue being squandered on wasteful projects when we still do not have assets backing up existing liabilities to ACT public servants.

I acknowledge the fact that claims to these matters are not going to happen tomorrow, most likely, but we need to be mindful of meeting the targets that we set and become attuned to the impact of the deteriorating markets from time to time that may put us behind those targets. Both current public servants and former public servants, and taxpayers, deserve a strict level of adherence to these budget targets.

This government has had countless opportunities to reform its financial management due to the large windfall revenues it has received in the past couple of years. The government has repeatedly received substantially more revenue than forecast, both from its own taxes and from the GST. It has had the opportunity also to repeal or reduce taxes and it has had the opportunity to put more money towards the superannuation shortfall that presently exists. It is a matter of concern—and that is probably as far as I would go at this stage—in relation to meeting that funding goal. Officials said that they believed they would get back on track in due course, and I hope they are right, but it is something that I wanted to flag in the context of this section of the budget.

Proposed expenditure agreed to.

Proposed expenditure—part 1.10—ACT Health—\$693,502,000 (net cost of outputs), \$91,183,000 (capital injection), \$5,395,000 (payments on behalf of the territory), totalling \$790,080,000

**MR SMYTH** (Brindabella) (9.53): One of the cornerstones of the government's expenditure on infrastructure is, of course, the health portfolio. It is interesting to note, when you look at page 31 of budget paper No 5, that it is perhaps one of the few sections of the whole program where all the money is actually allocated and there are not the future provisions which are littered through the climate change area, improving urban amenity and so on. The health minister has done very well; she has managed to get the numbers to add up to \$300 million. But it is interesting that in the outyears there are more gaps in what will appear.

The interest for me is particularly in the mental health area. This year, 2008, we should see the opening of the new mental health facilities, which should include a young persons unit. Unfortunately, there is only \$775,000 set aside for the provision of the mental health young persons unit, which represents the planning for that unit. There is no money in the outyear. It would be very pleasing to hear the minister outline exactly when this unit will come into being. There is a lot of concern in the community that young people would inappropriately end up in the adult mental health inpatient facility unless we have a firm commitment. Given that Mr Corbell promised this back in 2005, it is now 2008 and we have not turned a single sod or laid a single brick in relation to providing this very important feature.

That is why we have doubts about this government's ability to deliver the \$1 billion in infrastructure; with \$300 million of it in health. You have only to look at what occurred with the step-down facility: Michael Moore announced it in March 2001, it was funded in the budget in May 2001 and it was only opened last year. The fact that that took six years to complete does not give me a great deal of faith that a \$300 million swag of projects in the health portfolio can be delivered in the time frame that is set out.

We asked these questions of the minister in the estimates committee hearing. I am sure she will jump up and tell me the exact date when the young persons unit in particular will start. But given that this project is now running three years behind, I think it is a shame that such an important issue has lagged in this regard. I think it is a shame that, specifically for young people in the ACT and their families and carers, we do not have a clear outline of when that will occur and where that money will come from. The minister might like to take that on notice and bring it to the attention of the Assembly.

**MRS BURKE** (Molonglo) (9:56): If I had to sum up the manifest failings of the Stanhope Labor government over the past seven years, and as shown yet again in this budget, it is that they are spending more taxpayers' money but actually delivering fewer services. Certainly, the biggest issue for people who contact my office is the fact that they have heard all about the huge amounts of money but do not see the waiting lists reducing in any significant way.

If there is one area of government services which really concentrates the minds of the community it is health. Health affects our quality of life and, unlike some other portfolios, it affects absolutely everyone. The Stanhope government has generated a great deal of fear and anxiety in the community about the provision of health services and their inability to properly target funding and deliver services in a timely manner. People have every reason to worry about what treatment they will receive in our public health system, both now and in the future, under the Stanhope government and this health minister, who is, as we know, the third health minister in the Stanhope government.

Despite all the extra money that has flowed into the health system, nearly \$900 million in this financial year alone, and the largest amount of funding for health since self-government, we are told, waiting lists in our emergency departments and for elective surgery are actually getting longer, not shorter, in real terms. This is supported by recent information received by the opposition under freedom of information.

I have become well acquainted with the human face of this misery, with patients reporting long waits of up to 30 hours between waiting in emergency and receiving treatment or surgery. I have been told of rescheduled elective surgery, sometimes after the patient has been anaesthetised. To add insult to injury, these people's representations to the minister often get duckshoved or, worse still, ignored altogether.

This budget does not address the vexing issue of waiting times. The people of the ACT are not getting value for money from the Stanhope government. Waiting times

in the ACT's emergency departments increased for all but category 1, concerning immediate resuscitation required, according to the figures released last week by ACT Health for the third quarter of 2007-08. Of course, the government spin was that there had been an improvement in waiting times compared to the same time last year. In fact, in reality and in truth, all the trend lines are down from the preceding quarter for the percentage of patients seen within the required time. So much for record funding in health: pay more, get less.

It is disturbing to learn that only 55 per cent of patients rated as urgent and 54 per cent of those rated as semi-urgent were seen and treated within the stipulated times—30 minutes and 60 minutes respectively. Even category 2, the emergency cases, that need to be seen within 10 minutes, have gone down a couple of percentage points to 78 per cent seen within the required time. The number of category 5, or non-urgent cases, who should be seen in two hours, had also slipped, to 78 per cent.

Even on the government's own figures, access block from the emergency department has deteriorated so that 28.2 per cent of patients were not admitted within eight hours of the commencement of treatment in emergency for the third quarter of 2006-07. The figure for those aged 75 and over was 35 per cent. So much for record funding in health: pay more, wait longer.

According to data collated by the Australian Institute of Health and Welfare, the ACT has the lowest proportion of patients seen in emergency departments within the recommended time and the longest median waiting times. The ACT also has the lowest number of hospital beds per capita and the longest median waiting times for elective surgery. So much for record funding in health: pay more, get less.

There is also a question regarding how the figures are calculated. For example, one patient, who I referred to earlier, and who I recently spoke with in relation to the opposition's health feedback hotline which, for the public record, people can call on 62054874, said she waited 30 hours between attending at the emergency department on a Friday evening and her eventual surgery on the following Sunday at the Canberra Hospital. But she was informed by hospital staff this was in reality only 17 hours waiting because the wait is actually calculated from the time of diagnosis and not treatment. This was despite being given a GP referral. So even when people are waiting, they are really not, according to this health minister's logic.

Last week, the Minister for Health admitted that, as alleged by the opposition last December, patients are being parked inappropriately in emergency department beds while waiting for admission to a ward. The inclusion of these patients in data for patients admitted to a ward bed for treatment is likely to be skewing the hospital performance figures to suggest improvements in emergency services throughput that only exist on paper. The minister stated on ABC radio on 16 June this year:

Often access block—and that impacts on people's timely access to care—occurs when there are no beds in the hospital free to be admitted to. So people stay in the emergency department and they use emergency department beds inappropriately.

That was said on Triple 6 on 16 June. Here we have the minister for contradiction because last December Ms Gallagher said:

I do not have a problem at all, at times of pressure and based on appropriate clinical decisions, with the beds that are provided in the emergency management unit being used if required.

That is from the *Hansard* of 4 December 2007. In the terminology of the public health system, a bed is much more than a physical bed; it is understood as having staff attached to provide treatment. When a patient is admitted to a hospital for an emergency, that denotes being admitted to a ward with the appropriate specialist care. Of course, in the television series *Yes, Minister*, which we are all aware of, the joke was about a government that provided a hospital full of beds but no-one to staff it.

Despite all the fanfare of this massive health budget, we continue to see failure after failure in regard to the appropriate management of patients. As revealed by the opposition last December, the ACT government has indeed been shuffling patients from one section of the emergency department to another meant for 24-hour care and observation only. This had the effect of making it seem as if these patients were actually admitted to ward beds, as I have just said. This Stanhope government has form in revising down targets in an attempt to meet them.

In the area of elective surgery, there continues to be considerable distress and inconvenience to patients. Only 37 per cent of patients for elective surgery rated category 2, or semi-urgent, needing admission within 90 days, were receiving surgery within that time, which represented a deterioration of around 13 per cent on the preceding quarter. Of those deemed non-urgent, 71.6 per cent were being admitted to surgery inside a year. So nearly 30 per cent of elective surgery category 3 patients are waiting more than a year—the longest wait in Australia. So much for record funding in health.

The recent Australian Institute of Health and Welfare report showed that half of the people taken off the ACT's waiting list—and this is really important and worthy of note—had either died or become otherwise uncontactable. The government never comes clean on this fact. The government's typical approach is nicely—or should I say horribly—exemplified by the provision in this budget of a paediatric emergency department waiting area at a cost of \$500,000, to be completed in June 2009, with a spend of \$250,000 in this financial year. Instead of finding solutions to the steadily worsening waiting lists, this government elects to make waiting more comfortable for one group of patients. No-one is disputing that children and their parents are not deserving, but it follows that waiting areas should therefore be improved for all patients, particularly given that this government's mismanagement is causing people to wait extremely long periods.

If it were not so serious, it would be amusing. This is not even a bandaid solution. It is no solution at all to the long waiting times of eight hours or more which are now standard in the ACT's emergency departments. It is just another papering over of the deep-seated problems and constitutes an admission that the government has no plan to reduce excessive waiting times.

What about looking at improving the way we manage our triage system in our emergency department? These are thoughts and ideas that have been passed on to me, and I am sure they have been passed on to the government. What about the ever-present poor workplace culture that is deterring nurses from returning to the workforce, as confirmed to me by the ANF? I note and very much welcome recommendation 33 on page 64 of the estimates committee report, where the committee recommended that ACT Health further investigate the causes of aggression towards staff in hospitals. I think that needs to be extended further. I would have extended that further to say that we need to look at the whole culture of bullying in the workplace and make sure that staff are given every opportunity to be able to speak out and not be afraid of things like being sacked.

We need to see a more efficient use of the operating theatres. That has been brought to my attention by surgeons and specialists. We need to bring the management of the hospital into the 21st century by better use of system-dynamic technology, or improving poor management practices that do not encourage the retention of front-line professionals in hospitals.

Another alarming admission to arise out of the estimates hearings was that the minister is yet to be briefed on the health impact of the gas-fired power station proposed for Tuggeranong, although she says she has received “correspondence” around the issue. We have heard about the on again, off again possible relocation of a respite facility, which was refurbished at a not inconsiderable cost to taxpayers of \$1.6 million, and situated probably too close to the proposed power station for comfort. (*Second speaking period taken.*)

The health minister was, and still is, all over the place in relation to what advice she was given, when she was given that advice and by whom. There is no plan to deal with the Medicare surcharge levy which is expected to bring a flood, even perhaps a parallel tsunami to that Ms Gallagher keeps referring to, of disaffected patients from the private health sector.

The minister is just relying on the federal government to bail her out and is simply practising her lobbying skills in order to get more financial compensation from Ms Roxon. Unfortunately, this ignores the basic problem that, with high levels of immigration and notwithstanding the incentives of the Howard government which have translated into a 15 per cent increase in doctors in regional Australia, there remains a lack of skilled healthcare professionals.

I also welcome recommendations 34 and 35, at page 65 of the estimates committee report. In recommendation 34, the committee recommends that the ACT government work with the commonwealth government to ensure that the ACT is not disadvantaged by changes to the commonwealth Medicare levy threshold. In recommendation 35, the committee recommends that the ACT government work with the commonwealth government to develop strategies that will eliminate the disincentives for people to use their private insurance in the public health system.

In closing, the budget and the government’s response to the estimates hearings show that it is clueless and has no real, long-term solutions in health, only “plans to plan” that see people continue to pay more in taxes and yet receive less in services.

**MR SESELJA** (Molonglo—Leader of the Opposition) (10.08): Mr Speaker, there are a number of initiatives in the health budget for this coming year that we certainly agree with. In particular, I mentioned at the budget breakfast that I see the Gungahlin health centre as being an important initiative for my electorate and certainly something that I am sure will be welcomed by many in the community. Gungahlin, in particular, is an area which is underserved in a number of areas. We know that Gungahlin lags behind other parts of Canberra, and unfortunately it has been a long time catching up. Certainly that initiative is one thing that we see as positive.

We are certainly supportive of the principle behind the \$90 million for the women's and children's hospital. We certainly will be watching closely to see what actual difference it makes in terms of extra facilities and improved outcomes for patients. The principle behind that is a good one.

Mr Speaker, I back up what Mrs Burke was saying—that is, we see more and more spending every year in health, but, on a number of key indicators, we still see the ACT health system unfortunately lagging behind. We see waiting lists that are simply too long and continue to be so. We hear from the government consistently about how much it is spending on the health budget. Of course, that grows significantly every year, as it does around the country, in fact.

Health is taking up a larger and larger proportion of the ACT budget as the population ages, but we do need to find ways of spending that in better ways. We do expect as a community that we would not be at the bottom end of indicators on a national basis on some of these key indicators. Waiting lists for elective surgery are the most obvious example of where the ACT health system is unfortunately still lagging behind. I look forward to the health minister getting up and telling us a bit about that.

It is a fact that we continue to lag behind on key indicators. It is not all bad; there are plenty of good aspects in the ACT health system, and there are plenty of good aspects to service delivery in our hospitals. I have spoken before about the first-class care that we have received when each of our children was born in the ACT, most recently last year, when my wife gave birth to our fourth child. The maternity services are top notch. We have always experienced great care and great facilities, so I certainly do not make a case that it is all bad in the health system or the hospital system. However, we certainly have concerns in a number of areas, and I do not think it is acceptable that in the national capital, in a city that is as healthy as general indicators show that Canberra is and in a city where we would expect service delivery at the top level in the country, we have key indicators lagging behind most other states and territories. That continues to be a concern to Canberrans.

The government always says how much it is spending, and it is, of course, welcomed that we are spending a significant amount on health, but we would expect that a large proportion of the ACT budget would be devoted to health. But it is not acceptable that that money is not being targeted well enough so that we are still lagging behind on key indicators. You do need to question some of the priorities in terms of how, over the past few years, we have seen health managed.

We saw the debacle of hospital pay parking—the idea of that short-term cash grab, which in fact ended up losing money. No doubt, that would be the only pay parking



system in the world that actually lost money for the taxpayers. But it is a demonstration of where the priorities of this government are when they are focusing on gouging money out of patients and visitors on a Sunday afternoon. I think pay parking arrangements applied until 8 o'clock on a Sunday.

It is extraordinary that someone in the department—and obviously the minister at some stage agreed with it because she would have signed off on it—thought that it was a reasonable thing that, for traffic management purposes, patients and visitors should be required to pay for parking at a hospital in Canberra on a Sunday evening when they would not be required to do so anywhere else. We know there are no traffic management issues on a Sunday afternoon or a Sunday evening. It is extraordinary that this government, in a short-term grab for cash, actually charged people to park at that time. It says a bit about the judgement of this minister that she thought that that was a reasonable approach. In the end, that short-term cash grab, that mean-spirited approach to managing the hospital, actually backfired; it was not a short-term cash grab but was actually a short-term loss. More was spent on implementing the pay parking system than was ever gathered in revenue.

That provides a little snapshot of where the government's focus has been. Instead of improving patient outcomes, instead of seeing waiting lists go from the bottom of the pile, or the worst in the country to the best in the country, we have seen a focus on actually punishing visitors to the hospital and punishing patients. Perhaps when the minister gets up to talk on this item she can explain to us—because she has not done so yet—why, if the argument was that pay parking was needed for traffic management in and around the hospital, was it needed on Saturday and Sunday, when, in the vast majority of places in Canberra, you would not pay for parking at that time.

I cannot think of anywhere in Canberra where, on a Sunday afternoon, you would actually have to pay for parking. I cannot ever recall going to the hospital on the weekend and there being overflowing car parks. It simply is not the case. It was a cash grab; it was short-sighted, and it demonstrates where some of the priorities of this government have been. We see that, despite all of the extra spending, despite all of the extra money that has been spent over the past few years, some of our indicators are still amongst the worst in the country, particularly elective surgery waiting times and waiting lists.

These are the issues that need to be addressed; these are some of the key indicators that need to be addressed. We do acknowledge there are some positive measures in the health budget; there is no doubt about that. There is much in this that we would support. As I said before, we certainly do not claim that there are not absolutely top-notch parts to the ACT health system and that parts of our performance in our hospitals are excellent. But we have to hold this government to account, and it is clear that on some of the key indicators we are still lagging behind. That should not be the case for the national capital. We should be at the forefront in all of those key indicators; Canberrans expect that.

This is a time of amazing revenue; this government has been swimming in revenue from a number of sources, not just from property sales but from conveyancing, from GST and from a whole host of increased taxes and charges. Given that, we would expect to have the best health system in the country. That, unfortunately, is still not

the case. It would certainly be our aim in government to give Canberrans the best hospital system in the country, not just one that is good in some areas but the best in all areas. It is not good enough that we lag at the bottom of the pile in all those key indicators and that we are the bottom of the pile in this country. We expect that Canberrans would have the best health system in the country by far, and that would be our goal. That is something that this government has simply not delivered for all of the extra spending, and we know that is because sometimes their priorities have simply been in the wrong place.

**DR FOSKEY** (Molonglo) (10.17): Before I begin on my health budget speech, I just want to say that the health system is a lot more than a hospital system. I just heard the Leader of the Opposition say that the Liberals would provide the best possible hospital system, but the hospital system is only one bit of the health system. I would like to hear them speaking a little more broadly, because there is a lot more that we need to do for people's health to avert their journey to the hospital.

We are very lucky in Canberra in that we have one of the healthiest populations in Australia. We certainly have every amenity for maintaining personal health. But we are also a regional centre in our health services, and I know that we service people from as far away as East Gippsland in Victoria, where I come from, and probably way down the coast. It is a very broad region; therefore our hospitals actually have to cater for more than our own healthy population.

It looks very much as though this year's budget is more about infrastructure and less about primary health care, as I mentioned earlier. The minister said in the estimates hearing that the ACT government is not a big provider of primary health care because it is mostly GPs. It seems any moves taken in this area have to be carefully managed, because GPs can be very tricky. To quote Ms Gallagher discussing primary health care walk-in centres:

So the work this year will be just to consult, discuss, liaise with existing primary health care providers about the best model to get up and running, because, look, if I get the support of the health care providers for this then the chances are they will be a lot more successful than if there are disagreements ...

The infrastructure is necessary and expensive. I understand the requirement to spend on it, and I realise that it probably does not leave a lot of money for the other less pointy areas. But the pointy areas are going to keep growing unless we do more preventative and primary work.

There is also one area of infrastructure which seems to have been missed. As the Health Care Consumers Association expressed during their attendance at the estimates hearings, there needs to be a commitment to network IT amongst health care agencies to allow for better service delivery. This is an area which warrants greater investigation.

In terms of mental health, I welcome the spending on the new PSU and the employment initiatives. Not all expenditure is good expenditure, but this is very likely to be. As ACTCOSS asked and as was discussed in the estimates process, is the money enough? Are the community services that handle much of the mental health

work in the ACT sufficiently resourced to cope with increasing demand? I asked about dual diagnosis in the estimates hearing, and I am pleased to see that there is some movement on that front. I will look forward to seeing the implementation of the training being undertaken. The mental health community has expressed some concerns to me, and not all are about funding. The big one is the status of the mental health act review.

In regard to health services in the prison system, there is a commitment in the ACT health budget for the provision of health services to the Alexander Maconochie Centre and Bimberi. The minister has advised that the government will continue to work with Winnunga Nimmityjah, and there are a number of other community health agencies which are being accredited at the AMC. These are steps in the right direction. It concerns me, though, as raised in the estimates committee report, that Lifeline was not funded to provide the program developed by them for suicide intervention skills training for staff. This is a human rights prison, and, as the minister has advised in response to a question on notice, apparently 25 to 30 per cent of detainees who are remanded at the Belconnen Remand Centre and Symonston Temporary Remand Centre exhibit moderate to severe mental health problems.

Mr Speaker, I was at a forum last week where it was revealed that across Australia something like 75 per cent of prisoners actually presented for mental health issues in the year before they were incarcerated and that 90 per cent—a staggering 90 per cent—of women incarcerated in Australia's jails presented for mental health problems within the year before they were incarcerated. So, in a way, our prisons are de facto mental health institutions. That means that there has to be an awful lot of effort going into them to deal with those issues.

Many aspects of the budget debate were unfortunately—it was probably unavoidable—eclipsed by the gas-fired power plant. Indeed, even with the health minister's attendance at the estimates hearing quite a considerable amount of time was taken up over issues about the gas-fired power plant. I am pleased that the government has announced that there will be a health analysis, and I certainly thank the minister for belatedly taking up this part of my main motion. I wish her every success in finding the appropriate people for the group that she is putting together. One of the objectives ACT Health mentioned in the budget is managing public health risks. I am sure that the opposition, the Greens and many residents would agree that the power plant development could present a public health risk and as such should be investigated by ACT Health.

One recommendation of the committee was about addressing the causes of aggression towards health staff. This is a key part of successful recruitment and retention, which are ongoing problems for the health sector and for many other sectors. I trust the ACT government is doing what it can to improve staff recruitment and retention, and we will certainly be keeping this on the Assembly's agenda.

The Minister for Health has a lot to juggle: strong GP and visiting medical officer advocates, allied health professionals, nurses, administrators, public concerns and having to work with the commonwealth and other states. Many of the recommendations of the estimates committee call for work with New South Wales and the commonwealth, particularly around funding, chronic disease management and the commonwealth's Medicare and private health insurance changes.

Health problems do not stop at state borders, just as they do not stop in hospitals or GPs' offices. It is important that the ACT work with other jurisdictions, and it is important that we do so in a transparent and accountable way. I am pleased to see that the government agrees or notes—not that I think that “noting” means that any action will ensue—the majority of the committee's recommendations with regard to health. A lot of the same issues were raised in my speech last year. Generally we have been good at spending money on health infrastructure and on the pointy end of health care. No matter how much we spend, we are always going to have waiting lists, and the opposition, no matter which party it is, is always going to complain that the government is not doing enough.

I think we can do more to work with people, community organisations and the health community to get a more integrated and holistic health system to keep people out of hospitals. The moves to greater fitness in ACT schools, the child and family centres, the community health centre in Gungahlin and perhaps the early childhood education centres—if they do what they are supposed to do—are steps in the right direction for improving the health of our residents, and I hope to see more.

Mr Speaker, I have remarked before that I appreciate that health does have a forward strategy. I believe that is evidenced by the ministerial statement that was produced today, “your health, our priority”, and I have commended the minister on that. Perhaps there are even the rudiments of a vision. I am afraid, though, that this is more than can be said for many other sectors, and I commend them to look at the approach of the health minister and the department and get involved in more forward planning so that each budget looks less ad hoc than it does this year.

**MRS DUNNE** (Ginninderra) (10.27): As a parent as well as a representative of people in the ACT, I think that the health lines in the budget represent one of the areas of major interest. As a parent and as a consumer of health services in the ACT, I think that there is a lot that is good as well as a lot that needs improvement.

As a fairly regular consumer of paediatric services I think that the work done, say, through the paediatric outpatient services and the excellent clinics that are provided for children with chronic diseases are a huge step forward. Over the 27 years that I have been a consumer of, say, cystic fibrosis services in the ACT, I have seen huge advances and I think that the health staff and the doctors who have taken on a very innovative approach should be highly congratulated for the work that they do.

I would just like to draw members' attention to a really simple innovation which is an extraordinarily liberating thing. I carry around in my handbag a USB drive about half the size of a ballpoint pen and it contains on it all my son's medical records. Every time I go to the hospital or to an outpatient service, it is plugged in and it is uploaded. So, if I am ever interstate and I do not have access to his medical records, I can pull out a USB and they can stick it in the computer and know everything, and more than I know, about his medical condition. It is a huge innovation and it is a testament to the way that the hospital service is embracing ICT for the management of patient records. Although there are still problems with some of the patient records stuff, it is moving along and people should be congratulated for the good work that they are doing.

A lot has been said in relation to the budget about the women's and children's hospital and I think on balance it looks like a good proposal. But I want to be able to see that we are actually getting new services and that it is not just a case of building a new building and putting the old services in it without any necessary expansion. The impression I got during the estimates hearing was that it was the same amount of services just being relocated into a new building. If that turns out to be the case, it may be that it is somewhat of an extravagance. So I will be watching the issue evolving of the women's and children's hospital to ensure that we do see a proper expansion of services.

Some of those expansions of services might be gynaecological services for women as they age. One of the things that we hear about the large investment over the next 10 years in health, which is highlighted in the budget papers, is a health service to serve the needs of the next decade, and there is a rollout of capital initiatives of \$300 million as the first tranche of that. The minister kept telling us that we had to do this because of the health tsunami—I shudder when I hear the words “health tsunami”—that we will face in the next 10 to 16 years because of the ageing population. But it is interesting to see that there is very little in the first \$300 million rollout that addresses aged care services. I hope that in the next tranche of rollouts we will see much more for aged care services than we have seen in the first.

Going back to the government's response to the estimates report, Dr Foskey noted in passing that many of the recommendations in this report and most of those in relation to the health portfolio are simply noted. The government have said, “Good, yes, we've heard that, thank you very much,” and people will just move on. One of the things not agreed to by the government is to do anything about tackling the difficulty waiting lists for residential services for the aged as a means of addressing long stayers in the hospital and elsewhere. I have been in this place for coming up to seven years and I have been involved in inquiries into aged care, and this is one of the hardy perennials. We really must try and get a handle on what are the waiting requirements for people waiting for aged care facilities.

Seven years have gone by and the government is still saying, “Well, it's actually a commonwealth responsibility and we won't do anything about it.” Quite frankly, as a service to our ageing population, that really is not good enough. Our ageing population deserve better treatment from the Stanhope government that just a clear dismissal: “No, we won't do anything, yet again, about the aged care waiting list because, really, it's not our responsibility.” It is another one on which I think Mr Pratt could possibly break into a chorus of “not responsible” because that is the standard thing.

When we look at a health system to serve the needs of the next decade, the government is allocating \$300 million from the building the future program—that is more jargon in an election year—as the first tranche of a 10-year program to set up the new health system. While most of what is there is laudable and is probably necessary, although, as I have said, there is very little provision for aged care services, the thing that I am principally concerned about is that \$63 million, almost \$64 million, of that \$300 million—more than 20 per cent of that money—is dedicated to forward planning, provisioning projects, defining the projects and capital asset plans. Of the

\$63 million, one-fifth of the money allocated to building up the health system over the next 10 years, the first tranche of that, is in fact dead money.

We have to be very careful of the rate at which this government spends money on feasibility and planning studies that do not necessarily translate into beds, facilities, pieces of equipment, machines that go “ping”; it goes into thinking about how we might facilitate machines that go “ping”. The government needs to be very careful, and as an Assembly we need to be very watchful, of how that nearly \$64 million is being spent.

As a member for Ginninderra, I cannot close my comments on the health system without mentioning the provision of GP services in my electorate. The minister spends a lot of time saying, yet again, that she is not responsible for primary health care—that GP services are primary health care and that is a commonwealth responsibility—and we have heard the arguments; but we have also seen what the community can do. It was interesting to hear the Minister for Health in question time today attempting to denigrate one of the health commitments that the Canberra Liberals have made in the run-up to this election in relation to the health cooperative and wellness centre in west Belconnen.

It seems that, far from being a supporter of this program, which from time to time she wants to portray herself as, the minister tries to do an awful lot to talk it down. During the estimates hearing I asked questions of the minister about this project and whether she could see her way clear to fund it. She went into a long exposition about how it was not her job to subsidise private general practitioners. There was a fair amount of finger wagging and woe betide any incoming government—which means she has given up the ghost; she knows what the results of the election will be and that she will not be the health minister after the next election—and woe betide anyone who replaces her who would have the audacity to, dare I say it, fund a private GP, because the whole world will come to an end.

Let us get it straight, minister: what the west Belconnen health cooperative and wellness centre has asked this government for is seed money for capital expenditure. (*Second speaking period taken*) They need seed money, capital money, the capital outlay, to set up their building—that is, to buy the beds, to do the partitioning, to buy the sterilising equipment and the computer equipment, all of those things that go to set up a GP clinic. None of that money, for the information of the minister, goes to subsidising private GPs.

Yes, it is subsidising; I do not make any bones about that. This is a community organisation which has raised money itself and has done all the work on the ground itself. And it is splendid work; I am proud to work for people like this who see a problem and do not go and whinge and carp and throw ashes on their head and say, “Oh, woe is me.” Instead, they went out and found a solution. They found a model, they did the work, they created a cooperative.

It would be a first for the ACT, it would be unique in the ACT; but it may be a model that could be emulated to help address the chronic shortage of GPs in our suburbs—and in our most disadvantaged suburbs, where people cannot afford to pay \$60 or \$70 or \$75 out of their pocket and then go and get \$32 back from Medicare. What this

community organisation wants to do and is asking the people that it elects to help it do is to provide the capital, the seed money, for a project that should be given a chance to succeed so that the people in my electorate, the poorest people in my electorate, can have an opportunity to go to a doctor when they need to go to a doctor rather than go to Calvary when they are sick.

I had an instance in my family recently where one of my children had to be taken to Calvary hospital because she broke a toe. It is painful and it is a pain in the neck and there is only one thing you can do: you have to go and have it X-rayed, you have to have it reset and you have to sit around—and you just suck it in and you deal with it. But I turned up with my daughter at half past seven at night and we went home at half past 11 or 12 o'clock, and all the time that we were there there was another family with a very young child. It seemed to me that these young parents had come home from work and picked their young child up from after-school care, because he still had his school uniform on, and he was obviously unwell. I know where they lived: they lived in Charnwood, and there are no doctors out there. So on a Monday night, after the parents had spent all day at work and they were tired and the child was tired, they had a sick child, and there was only place that they could take him and that was Calvary hospital.

Perhaps they could have gone to the CALMS centre but that would have cost \$110 and I suspect they did not have \$110. The family eventually went in and saw someone and then went home very quickly. My 13-year-old daughter watched this child for most of the night and she said to me, "Mum, they waited an awfully long time and they didn't take up very much time when they were there. Why did they wait so long?" And I said, "Really, I suspect that they had nowhere else to go." Those people should not have had to wait until half past 11 to have their small child seen by a doctor.

If there had been a health cooperative and wellness centre in Charnwood—if this minister would loosen the grips on the coffers to the tune of \$200,000 out of a \$700 million budget—children like that would not have to sit at Calvary hospital and take up space at Calvary hospital when they could see a GP and be attended to. The family could have gone home, had dinner and gone to bed at a reasonable hour so that the parents were ready to get up and do it all the next day: go to work, get that child to school, pick him up from after-school care and hope that he is well the next day. That is what the west Belconnen health cooperative would do if this government would allow itself to put another \$200,000 towards that program.

My constituents and your constituents, Mr Speaker, have worked long and hard in a completely bipartisan way and have come to both parties and said, "What can you do for us?" We have said what we will do for them. But the minister sits there and says, "I'm not going to put any more money to it because I will not fund private doctors." But it is not about funding private doctors; it is about funding your constituents, the people who voted you into this job to look after their health services, to ensure that they have health services. They have given you the solution. They have done the work. They need you to write the cheque.

**MR MULCAHY** (Molonglo) (10.43): I will take a little time to discuss this line of the budget. I understand that, after this, there is going to be an adjournment till

tomorrow to consider the rest of the budget. Just for the record, I would have been happy to go on for endless hours to get this matter cleaned up tonight—and I understand some other members have the same view—but I gather it is work to rules tonight so that we do not go on too late.

I do not think any of us would dispute that the health system is one of the most important responsibilities of the ACT government, not to mention the significant percentage of the ACT budget that is provided to health. It is vitally important to everyone in the community, from children and adolescents through to young adults, parents and the elderly, that they have confidence in the health system. People need to feel confident that, if they present to the hospital, particularly our public hospitals, for example, for treatment, they will receive timely and quality care. Unfortunately, this is not always the case.

What is even more worrying than the current performance is the fact that the demands on the health system are only going to get heavier and heavier as Canberra's population gets older. That is a statistical fact of life.

It is not my intention to focus solely on the deficiencies within the health system. There have been some very welcome announcements and initiatives announced in this Appropriation Bill, and I will come to these shortly. I do believe that some of these initiatives are welcomed and will improve the standard of the ACT health system. However, it must be acknowledged that improvements are desperately needed.

There is plenty of anecdotal evidence to back this statement up. I am quite sure that the Minister for Health is becoming rather tired of the large number of concerns that I receive from constituents and pass on to her, although, to her credit, she never complains and has said that she is more than happy to continue to deal with them. I do acknowledge her not inconsiderable efforts to provide detailed answers to me to pass on to my constituents. The volume of this correspondence, however, is testimony to the fact that there is legitimate community concern about the health system and our hospitals in particular. It is not only anecdotal evidence that demonstrates the concerning areas within the health system.

**MR SPEAKER:** Order, in the gallery! I will have it cleared.

**MR MULCAHY:** I will go on for 20 minutes if it keeps going.

**MR SPEAKER:** I sense there are some people in the gallery trying to test me, just to see whether I will carry through with my threat.

**MR MULCAHY:** You should eject them, Mr Speaker.

One only has to look at the latest figures from the Australian Institute of Health and Welfare released at the end of May this year. As in previous years, the ACT still lags behind the rest of the country in two critical healthcare areas. In relation to elective surgery, the time taken for people at the 50th percentile to receive their surgery is 63 days, compared to the national average. Similarly, just 54 per cent of people presenting to emergency are seen on time in the ACT. Nationally, the average is 70 per cent.



I know that the government does not like these figures, but they are figures compiled by a national body and I believe that they are beyond reproach in terms of their accuracy and applicability. I have previously raised these figures and those that are featured in earlier AIHW reports, since the year I first took up my role in the Assembly, and each time I have made the same point. The solution to fixing problems in the health system is not simply to throw more money at the problem. The health system is already the biggest single line item in the budget, and appropriately so. We desperately need improvements to the health system, but this does not necessarily equate to the need for constantly increasing funding without addressing efficiency issues.

I have said before and will say again: we need a well-run, efficient health system. Quick fixes are not the answer and I am pleased that this budget contains some well-thought-through initiatives. We need to explore state-of-the-art, world-leading systems and consider departing from traditional approaches in favour of more efficient processes. The government have made noises about doing this and I would urge them to continue their efforts and to report to the Assembly on progress as soon as possible.

It is worth noting that, although I do not believe over the last six or seven years the government has handled the health portfolio particularly brilliantly, I am still not sure that the ACT Liberal Party would do any better. I was interested to hear Ms Gallagher criticising the Liberal Party in question time today over their lack of action on health. She forgot, I think, that the Liberals do have one policy on the table, created by Mrs Burke and Mr Smyth and costed by the latter. The Liberal Party are committed to providing 100 acute care hospital beds immediately upon election. They made this undertaking last year.

I was shadow Treasurer at the time and it was only regard for party solidarity that prevented me from speaking out about this initiative, but it was costed outside of my office and it was costed very poorly. I checked Mr Smyth's costings with the then federal Liberal government and they were wrong. After my departure from the party, I checked them with the ACT government. The minister made available the senior officials to meet with me and discuss these and what was going on in the territory government. Again, the figures the opposition had come up with were proven to be wrong.

It is interesting that we have not heard the Liberal Party spruiking this policy of late. There has been a resounding silence. But if this is the approach of the Liberal team—

**Mrs Burke:** We are not like the government, going over it over and over again.

**MR MULCAHY:** Mrs Burke, if you are going to stick to that policy I am more than happy to share with you some of the information that came from Mr Tony Abbott, who was the Liberal federal health minister, who actually went to the federal health department and ran those costings through. Unfortunately, I have to tell you that the costings presented by Mr Stanhope—

**Mrs Burke:** They are from the government, so that is okay.

**MR MULCAHY:** Mr Stanhope's figures were in fact verified by the Australian commonwealth department of health officials, who said that the territory government was right, that they reconciled very closely, within a fraction, and that the costings provided by you and Mr Smyth were off the money. All I am telling you is that it was an awful mistake, a very expensive mistake, and I am not at all surprised that we have not heard it spruiked of late. But it does tell me that, if this is the approach of the Liberal team, both in terms of ad hoc, on-the-run policy formation and poor costing, then I have little doubt that they would struggle to run a complex public health system.

The people of Canberra deserve better. We deserve better than the longest waiting times in the country and we deserve better opposition than Mrs Burke is able to produce in the area of public health.

I said at the outset that there are some welcome initiatives in this year's budget. I would also like to take this opportunity to recognise the considerable efforts of front-line medical staff, particularly in the ACT health system. Like Mrs Dunne, there have been occasions—thank God, not so often, as the children have grown up—particularly when my children were younger, when we needed to take advantage of the health system, particularly in emergency situations. The staff clearly are dedicated people, because they simply would not take on that level of pressure and responsibility just for remunerative reasons. But I am also very sensitive and conscious of the fact that many of the staff there do express their frustration about the circumstances under which they are operating, the shortages and various other related matters.

I have to say that initiatives like the women and children's hospital and the new community healthcare centre at Gungahlin are particularly welcome. Similarly, other investment is also welcome. As I said earlier, we are facing challenges, most particularly an ageing population and ageing infrastructure, and the best way to respond to these is not simply to throw money at these problems; it is to determine the areas that need improvement and then identify state-of-the-art systems in those areas where they can be implemented and state-of-the-art management.

I acknowledge that some improvements have been made. However, I also again refer to figures from the AIHW report, as well as the vast weight of anecdotal evidence reflected in constituency correspondence, that show that the people of Canberra are a long way yet to reaching a point where they are comfortable with the standard of our public health system. We are taking some steps in the right direction—I acknowledge that—but I am not sure that we are progressing either rapidly enough or consistently enough to warrant fulsome praise for the government's performance at this point in the cycle.

Health, as I said at the beginning of my remarks, is one of the most important responsibilities of the ACT government. I am happy to acknowledge some progress in this particular Appropriation Bill. I would, in fairness, say that the volume of complaints that I have received in health areas has gone up overall; but in the area of health—I have not done a statistical analysis—I suspect it has come down in the last 24 months. I am certainly happy to acknowledge some progress in this particular Appropriation Bill. The system we have, though, is not yet at a level that I think is

acceptable by the national statistics that have been presented to us by the Australian Institute of Health and Welfare, and that strengthens and supports the case that further changes and a number of improvements are still needed.

**MS MacDONALD** (Brindabella) (10.53): I promise, minister, that I will not take up my full 10 minutes.

**Mrs Dunne**: Take up your full 20, Karin. Show your interest.

**MS MacDONALD**: Through you, Mr Speaker, I am interested in the subject of health expenditure. It is one of the most important things that we do in this territory—there are no two ways about it. It is one of the most significant things we do for the people of the ACT. While there is a great deal of expenditure and capital initiatives in this year's budget for health spending, as well as for a great deal of planning in the area of health, I wanted to focus on a particular area of mental health funding.

This is an area that was sadly neglected by the previous Carnell-Humphries Liberal government. Sadly, we lagged behind the rest of the nation, so we have had a long way go to catch up. It has been covered many times before, but I particularly want to talk about the mental health assessment unit. From a personal perspective I believe that the mental health assessment unit deserves particular commendation. It is a difficult thing to go into an emergency department with somebody who suffers from mental illness who is undergoing a particular episode at the time and try to get the people in triage to understand what is happening to the person who suffers from the mental illness.

Several years ago I had this unfortunate experience. It has happened to me on more than one occasion, but several years ago I had a particularly bad experience with my mother. I had to pretty much go and rescue her from the Blue Mountains and take her down to Royal Prince Alfred Hospital, where we sat in the emergency department for eight hours because the people in emergency did not actually understand the nature of my mother's illness. At that time there was a physical element to her being unwell, but it was complicated by the amount of medication she had taken, the fact that she was unwell and the fact that people who work in emergency departments are generally not trained in how to deal with mental health issues.

In spite of the undertone that is going on on the other side, I think this is a particularly important issue. I know that Mrs Dunne has spoken about assisting people with mental illness in the ACT. I think this initiative will be of great assistance to people in the ACT and I commend it to the house.

**MR SESELJA** (Molonglo—Leader of the Opposition) (10.56): To back up what Mrs Dunne said earlier, I want to speak briefly about the west Belconnen health initiative. Today we heard from the minister the implication that it would not be a good plan to support this great initiative, this cooperative arrangement. We certainly believe it is worth the \$400,000 of government funding that is needed. We believe it is a very good use of public money. For \$400,000 we will be getting significant benefit for a part of our community that is underserved in a significant way. This initiative will provide doctors, in particular bulk-billing doctors that the people of west Belconnen are sadly lacking. We stand proudly behind that policy, and we stand

proudly with the community of west Belconnen who have been driving this process. We take our hats off to them. All they need is a bit of government support. We certainly pledge that, and we stand very proudly behind that policy.

We note that members for Ginninderra, in particular Ms Porter, have not spoken. Ms Porter will be facing the people of Belconnen at the election in October and she might want to tell us what she thinks about it—whether she thinks \$400,000 is too much to pay to ensure an availability of bulk-billing doctors for west Belconnen. It is a key part of her electorate and a part of her electorate that at the moment is severely underserved by bulk-billing doctors.

We think it is an excellent initiative. It is a very small price to pay in the context of a very large health budget. In terms of bang for your buck we believe there are few better initiatives. An outlay of \$400,000 will get this project over the line. Parts of west Belconnen are amongst the most disadvantaged in our community, and it will provide them with some of the services which they are sadly lacking. It is a good initiative. We call on Ms Porter to tell us what she thinks about it and whether she believes that \$400,000 is too big a price to pay.

**MS GALLAGHER** (Molonglo—Minister for Health, Minister for Children and Young People, Minister for Disability and Community Services, Minister for Women) (10.59): I thank members for their contributions on this very important line item in the budget.

Not many speakers have addressed the actual content of the budget, other than the infrastructure program and brief mention of the women's and children's hospital, But there is significant new recurrent spending in this budget for health, including on demand for acute care capacity, mental health growth and promotion of recovery. I believe the Deputy Leader of the Opposition made the shortest speech on record in any budget debate on mental health. It did not quite make the two to three-minute mark.

I think that is probably because of his shame, when he was responsible for mental health, at being in charge of the lowest per capita spending on mental health in the country. I note that as the shadow minister responsible for mental health he was a little uncomfortable to talk for any length of time, and that is because of the proud record of this government, which has changed the ACT from being the lowest per capita spender on mental health in Australia to actually the second highest.

The budget also includes extra money for older persons services and cancer services—we will see increases in every budget from now into the near future—extra money to meet the demands for elective surgery, chronic disease management, critical care capacity for a second cardiac catheter lab, expansion of palliative care services and a scoping study for walk-in centres—the primary health walk-in centres that Dr Foskey talks about.

There is extra money for workforce initiatives, sleep studies laboratories, a new program for integrated Aboriginal and Torres Strait Islander family support services, primary care services at Companion House, acute activity, health services for the Alexander Maconochie Centre and a general practice work in Canberra campaign.

Some of these initiatives were in the second appropriation, in particular the general practice campaign. It focused on trying to attract GPs to work in the ACT. It recognised that the ACT has the lowest number of GPs in Australia, as well as the lowest bulk-billing rates.

I have an issue with the Liberals' pledge on the west Belconnen health cooperative, and that is that they are pledging it out of the health budget. The money we have pledged for the west Belconnen collective is from the community services budget. It is precisely because of the concerns that have been raised with me—

**Mr Seselja:** They have only been given half the money they need.

**MS GALLAGHER:** Quite valid concerns have been raised with me by doctors groups about the government subsidising, essentially, a private practice.

**Mr Seselja:** Why are you giving them \$200,000 then?

**MS GALLAGHER:** The doctors said to me, "If we have mortgaged our houses to pay for our practices, why should the government then go through the health budget and fund it?" The government took note of that representation, but we still made the money available. We are the ones that have kept the west Belconnen project alive. We are the ones that have funded the feasibility. We are the ones that met with them and gave them the money. Every cent that they have requested from me, they have got, as well as a commitment from me, in writing, to fund the cooperative. That money is on the table; the cheque is signed and ready to go.

But it will be funded out of the community services budget, rather than the health budget, to avoid those concerns that the opposition are dismissing—concerns that have been raised with me by those doctors that have paid and are paying quite substantial costs to keep their practices going at a time like this. So those opposite cannot say that we are not supportive of the project. In fact, you have copied our commitment. You are just potentially paying for it out of a different part of the appropriation.

We committed to this in May last year, I believe, in a letter to the cooperative, and I agreed to every cent of the money they requested of me at that time. They were awaiting an outcome from the commonwealth under the regional partnerships fund. They wrote to me in the last week or so to say that they would like me to facilitate a meeting between us and the commonwealth government to see where that project and that analysis is up to, and I have agreed to do that.

So those opposite cannot sit there and say we are not supporting the cooperative. We are. I am just alerting you to the issues about funding your promises. Maybe it is a bit kind of me because it will cause enormous problems in general practitioner land. You can dismiss those as not valid, but this government is responsible for broad health issues and working with the existing primary health care sector and that actually is a legitimate issue. I accept Mr Seselja's comments—

*Opposition members interjecting—*

**MS GALLAGHER:** Mr Speaker, I cannot actually hear. I have listened to every single speaker tonight.

**Mrs Dunne:** No. You were not listening when I was speaking.

**MS GALLAGHER:** Yes, I was listening to you, Mrs Dunne.

**MR SPEAKER:** Order!

**MS GALLAGHER:** Thank you, Mr Speaker. I welcome positive comments by Mrs Dunne, Mr Seselja, Dr Foskey and Mr Mulcahy around elements of the healthcare system. It is nice to see that recognition. It does not come very often, but it was here tonight. I am very pleased that there is recognition of some of those areas where the health system is working, and working hard, to improve on areas of performance.

No health system in the world would be able to say that there is no pressure or that there are no areas where they would like to see continued improvement, and the ACT is no different. But I was heartened by the recent Australian hospital statistics released on 30 May. That report, whilst, of course, identifying areas for continued improvement, has really shown quite significant improvements in a number of areas. It shows that our hospitals are busier than ever before, with six per cent growth in activity. It shows that the rate of utilisation of the ACT public hospital system is 11 per cent higher than the rest of the nation—again showing that the public have confidence in their public health system.

It shows that the relative stay index, which is a very important indicator of how a hospital system is performing, is better than the national average. There are improvements in emergency department waiting times. The treatment people receive once they are in the emergency department and then admitted to the hospital is very efficient. Our costs are coming down, even though our salary costs are increasing. At times when our doctors' and nurses' salaries are increasing, our overall costs are continuing to decline. That is something that we committed to improving two budgets ago, and it is pleasing to see that that work is still going.

The report shows that there is increased access to elective surgery. It also shows that 9.9 per cent of admissions have waited longer than one year for surgery against the national figure of 3.1. The project that Mr Corbell started, and which I continued, to ensure that people who were experiencing long waits got improved access to surgery, according to this data, is clearly showing an improvement.

In the elective surgery debate it is important to note that one of the issues that impacts significantly on our ability to continue to grow our throughput—I have looked very closely at this issue—is our heavy delivery of emergency surgery. On any given day of the week 50 per cent of the work done in our theatres is emergency work. We have seen big increases in the demand for emergency surgery over the past 12 months and what that means, effectively, is that five of our 10 theatres at Canberra hospital are quarantined for emergency use, and that does have an impact on the amount of elective surgery that can be done.

We are looking at ways to improve that. I have tossed out the idea of having an elective surgery centre, like other jurisdictions have, where elective surgery could be quarantined off the Canberra hospital site to reduce cancellations but also to free up those purpose-built theatres at the Canberra hospital. In that way elective surgery could be done without being hindered by emergency surgery.

But the word that came back was that with a community of our size and with the numbers of doctors that we have we just would not be able to support a stand-alone facility. Patient care could potentially be compromised because the centre would have to be staffed with an anaesthetist. It would have to have links to an ICU and a high dependency unit, which we currently have at our public hospitals. That would have an enormous impact.

In New South Wales they have been able to quarantine hospitals just to do elective surgery, and that has helped enormously in bringing down their waiting times. That is something that we just are not able to do here in a city of our size. But one thing we are able to do is increase our theatre numbers and increase our bed base on our existing campuses. That is part of the big plan—which I think Deb almost said was visionary, but not quite—and about which Mr Mulcahy spoke positively. To give him credit, Mr Seselja spoke positively about some aspects of it as well.

That is why this plan for the future is so important. It is the only way that we will meet demand. It is about changing the whole health system, though. It is not just about focusing on the public hospital per se. It is about looking at the role of our community health centres and walk-in centres and broadening the scope and increasing the work that is done in our community health centres, even aligning them better with the hospitals so that they are seen as outreach centres from the hospital. We need to talk with the doctors about how we could do that. The centres at Belconnen and Phillip are quite close to existing public hospitals, and there is—and must be—increased scope for those centres to pick up some work that is currently being done at the hospital. That work could be done at an appropriate location, but out of the hospital, thereby freeing the hospital up to do the things that it needs to do.

I am very excited about the walk-in centres. I know that there has been criticism around access to primary health care, and this is one of the government's responses to that criticism. They do work in other jurisdictions around the world. I know that some of the other states are looking at these. We will shortly be sending a team to the UK to have a look at the walk-in centres and how they operate there with the idea of getting one up and running. The initial advice to me is in Tuggeranong, but certainly once the Gungahlin health centre is built we will look at putting one out there.

The idea is to have nurse-led centres—an outpost of emergency departments with the appropriate medical support where people with children with minor illnesses and ailments can go out of hours and have access to free health care. I think this would be a tremendous achievement if we managed to pull it off. Mrs Dunne scoffed at my comments tonight when Dr Foskey read them. These things need to be done with the support and cooperation of the health profession, most particularly the doctors. This is a new area for us, and I think the chances of them being successful will be much greater if I have the support of groups such as the AMA and the Division of General Practice.

This is an exciting budget for health. I spoke to over 100 people today in the auditorium at TCH. There is enormous excitement about this plan. There is enormous buy-in for the plan. This plan has been developed over the past year by the doctors, allied health workers and nurses. Ten workshops were held. This is their wish list of what they need to deliver good quality public health care into the future. I think they are heartened by the \$300 million dollar commitment that we have made to kick this project off.

I note Mrs Dunne's concern about the provision of clinical services, redevelopment and project definition planning. It is a bit part of the first \$300 million, but when seen in the context of the overall 10-year plan—and that is the money for those elements of the entire 10-year plan—it does fit, I think, into a more reasonable allocation of the bigger project. I accept that it looks like a very large element of the first \$300 million, but we have to do the clinical services redevelopment right. We have to get the project definition planning right up front, and that is around the staging, decanting and moving people around the hospital. It is around running a hospital.

**Mrs Burke:** The buzz word of the week.

**MS GALLAGHER:** “Decanting” is the word they use. It is not a buzz word. It is just the word that is used when you are moving and changing the configuration of a hospital.

**Mrs Burke:** I did not know that.

**MS GALLAGHER:** Well, you do not know a lot of things, Mrs Burke, but we do not have to spend time worrying about what you do not know. Perhaps if you did not interject with stupid interjections, we would not have to respond to them. I know I should not. I have almost made it without doing it.

The clinical service redevelopment is important. That is to start moving those early stages of the project forward in a timely fashion. That is about bringing forward the work in the new emergency department. It is about getting those early stages of the project moving along in a timely fashion that will allow us to deliver this project over the next eight to 10 years.

So, yes, it looks like a big lot of that first money, but it is vitally important. Many of the doctors that I have spoken to since the budget was announced have been very keen on having their say about how that is allocated to make sure that they can still deliver the services they need to deliver while working in a large construction site.

This is the single biggest investment any government has made in the public hospital system. It is the biggest plan anyone has had around a vision for how to tackle the challenges of the health system. It is not just about infrastructure. It is about recurrent expenditure that supports that. It is about e-health; it is about e-technology, as Mrs Dunne alluded to. There will be an e-revolution in health in the next 10 years. We need to build a system that is able to cope with that and respond to new and emerging technologies, including a new worker in the health system—a technical e-health worker—who will be a very important part of any multidisciplinary team.



That is what this budget is about. I look forward to the opposition supporting this expenditure. I think it is important that the health workforce and those that deliver the health services understand that this project will be delivered regardless of what government is in power over the next 10 years. As I said to them today, this is not the Rolls-Royce version. This is what the people of Canberra have been asking for. The data shows that this is where we need to be by 2016 to 2022. I thank members for their support for the bill.

**MR SMYTH** (Brindabella) (11:17): The minister thinks that because you talk accurately and talk only for a small amount of time that somehow you are embarrassed. We need to go back to this notion that because we had the lowest per capita spending on mental health when we left office that somehow we were not providing an adequate health service. We certainly were. The minister needs to go back and look at the effectiveness measures of that expenditure before she comes in here and rolls out the rhetoric that always comes so glibly off her tongue. She needs to consult with her colleague the former health minister, who got into serious trouble with this Assembly for misrepresenting the numbers in the first term of the Stanhope government. Indeed, it almost cost him a job. He used to come in here and say, "We've increased expenditure by this." The bulk of that increase was administration costs because they changed the arrangements. There were no extra workers on the ground, initially; there was not significant extra expenditure on service; it was an accountant treatment.

This has gone pretty smoothly today; people have kept their speeches short because of agreements that were reached. To then criticise people for speaking for just a short time is most unfortunate.

**Ms Gallagher:** I just said it was unusual for you.

**MR SMYTH:** The implied criticism was there. I am happy to take an extra 10 minutes; I am happy to correct the record; I am happy to ask the minister to go back and actually compare whose system was more effective. I think you will find this is the problem with your budget. Just because you are throwing more money at the problems—money in the health system is always welcome—does not mean that you are guaranteed of delivering better services. I will go back to the numbers. When we left office in 2001, the elective surgery waiting list was 3,488 people. It is now closer to 5000, a 40 per cent increase. We were doing an awful lot of operations; we were doing an enormous number of operations. Comparing the system seven years apart is the most lazy approach to validating your budget.

**Ms Gallagher:** You're just doing that.

**MR SMYTH:** No, I am pointing out the fallacy of what you are doing. If you want to do it the simple way, you can do that. But what you have to do is look at what you are getting for your budget. What you are not getting from the budget is the satisfaction levels from the people in Canberra, who know that you are failing them. You are failing the nurses and the staff in the emergency departments who are sick of the sham reforms and the fact that they are not listened to. You are failing the patients of Canberra on the elective surgery waiting list who are bumped constantly. We have

record levels under your government of the hospital system going on bypass. You only need to talk to the ambulance drivers to know that the turnaround times are not working. If you want to really know what is going on, go out and talk to the real people who are sick of the system that you preside over.

You can say that we have the biggest health spend. The health spend goes up every year. Of course you have got the biggest health spend—it is seven years on since we left office—but have you got a more effective health system? The answer is no, you have not. Indeed, on your own latest figures, the waiting times in Canberra's emergency departments increased for all but category 1. The government says there has been improvement in waiting times as compared to the same time last year. In fact, the reality is that all the trend lines are down for the preceding quarter.

It is disturbing to know that up to 55 per cent of the patients rated as urgent and 54 per cent of those rated as semi-urgent were seen and treated within the stipulated times, 30 minutes and 60 minutes respectively. Again, what you have in this budget is a typical, big spending budget. They throw money at problems because they think people are fooled by this. They are not fooled by this. What you are doing is spending more and you are delivering less, and you are delivering it less effectively.

Some of the projects that we started back in 2000 still have not been finalised or finished. The single patient identifier number program has not been finished. If you want real efficiency in the system, you have got to go back to the front line and ask them what works. The minister was so proud of her health plan that she waved the little document around. Nobody in the opposition was aware of that document until it appeared suddenly, halfway through the estimates process. That is how proud the government is of the plan. It was not in any of the budget boxes; it was not delivered with any of the documents that came to the opposition.

Maybe it was just a mistake that the only people who did not get documents were members of the opposition, and that was an accident. They accidentally forgot! They failed to honour their commitment to deliver the budget boxes at an appropriate time—getting documents from the government at 4.57 on a Friday afternoon. That is the problem—people are sick of the sad, cynical attitude. What they want is a little bit more honesty, openness and accountability. Instead, what we have got is an additional bureaucracy that is stifling what the staff want to deliver.

We then get problems in the hospital where there are worksites where patients who have had operations are lying under a layer of dust, where naked flames are used in a hospital corridor, where nurses are stepping over extension cords in a worksite in an acute care ward. The minister says that it really was not that bad. That is the hospital system you are presiding over. That is the hospital system that people know; it is the hospital system that people talk about.

The care provided by the staff—the nurses, the doctors, the other allied health workers—deserves recognition. The staff deserve congratulations on the care that they deliver in the most arduous of circumstances. They have no faith in the leadership, either through the department or in the minister, because all they hear about is how much money they have been thrown and how beds are shuffled from one area to the next area; where we create and re-create; where we paint and repaint. The sad reality

is that patients still end up on hospital gurneys in corridors outside the emergency departments because you have mismanaged the system. No amount of money, no amount of glossy plans, no amount of statistics and no amount of spin will change the views on that of the nurses in the emergency departments, the doctors and the ambulance drivers who sit there with patients until they have to go on another callout.

I was speaking to an ambulance driver the other night who said that last weekend there were three ambulances sitting on the apron at the hospital with patients on gurneys in corridors because they could not get beds. The majority of the fleet at that time was off the road. That is the hospital system you preside over. You can stand here and you can say, "Mr Smyth wasn't interested because he didn't speak for a long time." I can speak on this for as long as you like; I can go on all night if you want me to. But you need to go out and talk to the people in the shopping centres. You need to go out and listen to those people. You need to go out and find out what the people of Canberra really want instead of coming in here with your glossy brochures and saying, "This is what they want, because they told us so." Well, that is not what they are telling us at the shopping centre stalls on the weekends.

**MS GALLAGHER** (Molonglo—Minister for Health) (11:25): I need to respond to that, because Mr Smyth made some quite serious allegations that I am mismanaging the health system, that the morale of staff at the hospital is very low, that doctors and nurses in the emergency departments believe that I am unable to manage the health system, that nurses are tripping over electrical cords and that I said that that was not a big problem. That is not correct.

**Mr Smyth:** I didn't say "tripping;" I said "stepping."

**MS GALLAGHER:** Okay, but you said that I said that that was not a problem, and I did not say that. I need to put on the record that that is not the case. I am at the hospital on a weekly basis walking around the hospital in the emergency department, in the intensive care unit, in MAPU and in many of the other wards, meeting with staff and meeting with nurses all the time. It is simply not true for you to stand here and say that morale is at the point you are alleging. It is not the case. I am not only saying that from witnessing what I do when I go on my visits to the hospital, but it is actually not even supported by the statistics, which Mr Smyth said not to worry about. Separation rates for nursing staff are low; they are as low as they have been for some time. We are attracting doctors to work in the ACT, and that flies in the face of the allegations that Mr Smyth has just raised. I am sorry that my initial speech to Mr Smyth knocked him around so much that he felt compelled to stand up and make a vitriolic attack like that. We can see the glass jaw; it has been smashed today. Mr Smyth has had to stand up and launch an attack that he cannot substantiate.

If you can, move a substantive motion to support the points that you raised tonight, Mr Smyth. Move a substantive motion that I am mismanaging the health system, and let all of us in this place have the debate. Mr Smyth should try to provide evidence to support those claims, because they are simply not correct.

Proposed expenditure agreed to.

Proposed expenditure—part 1.11—Department of Territory and Municipal Services—\$306,295,000 (net cost of outputs), \$172,297,000 (capital injection), \$1,762,000 (payments on behalf of the territory), totalling \$480,354,000

Debate (on motion by **Mr Corbell**) adjourned to the next sitting.

## **Adjournment**

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

That the Assembly do now adjourn.

## **Legislative Assembly—pairs**

**MR SESELJA** (Molonglo—Leader of the Opposition) (11:28): I will just speak briefly to put on the record my concern over the comments made by Ms MacDonald in this place last night where she seemed to be telling us—this is certainly our understanding of what happened—that the Labor Party last night deliberately reneged on a pair arrangement so that they could get the sufficient numbers to suspend standing orders.

And that is exactly what happened. We were told that there was a pair in operation, yet the government had all its members in the chamber for the vote to suspend standing orders. Ms MacDonald actually said in this place, “Well, you know, we needed the numbers.” So what we have is a situation where a pair has been agreed to by the government and it has not been honoured.

That takes us to new territory. Certainly in my time in this place we have not had that happen. We have had times when we have had argy-bargy over whether pairs would be granted, but certainly—

**Mr Corbell**: And it is such a lengthy period of time that you have been in this place.

**MR SESELJA**: However long I have been here—this sets a dangerous precedent, a very dangerous precedent.

**Mr Corbell**: Yes, the last 10 years.

**MR SESELJA**: Mr Corbell interjects. This piece of brilliant strategy by Ms MacDonald and Mr Corbell of reneging on a pair really leaves them very vulnerable. We now have a situation where we cannot trust the pair arrangements at all. We will have to sit down and work out whether or not pairs, other than those for very serious reasons—

**Ms MacDonald**: You had better send somebody with more intelligence to the negotiations then.

**MR SESELJA**: You reneged on a pair. That is what happened.

**Mr Corbell:** Your whip has no idea what she is doing.

**MR SESELJA:** There was a pair, and Ms MacDonald did not deny that when she got up to speak. There was a pair which was reneged upon.

**Mr Corbell:** The problem is that your whip has no idea what she's doing.

**MR SPEAKER:** Order, please!

**MR SESELJA:** Let us just put in context what happened. There was a pair and the government needed nine votes to get it up, so they reneged on the pair. If we turn that around, there will be many cases when we have granted a pair and we might want to—

*Members interjecting—*

**MR SPEAKER:** Order!

**MR SESELJA:** So Ms MacDonald, through a brilliant piece of strategy, has thrown the arrangements for pairs into disarray. We can no longer trust the government in relation to its granting of pairs and that will now mean that we will have to take a very serious look at all pairs and all bets are off in terms of which will be granted.

**Ms MacDonald:** You haven't had an arrangement for months.

**MR SESELJA:** We have stood by it when we have granted a pair. The government have changed the game now and it is quite a stupid strategic move on their part. I just put it on the record that that is what happened. Ms MacDonald has not denied that that happened. For her own benefit, the short-term benefit of winning one vote, she went back on an agreement—and we treat that matter very seriously and we will be considering our options now.

### **Solar farm—site allocation**

**MRS DUNNE** (Ginninderra) (11:32): I would like to take the time allotted to me, firstly, to correct the record, as it is the right thing to do. I was speaking earlier in the budget debate about site allocation for the solar farm and I referred to block 183 Tennant. When I was rechecking the maps after I spoke, I realised that I was suffering from a bit of dyslexia. I said that block 183 Tennant appeared to be behind the wall of the Tennant dam, but that was block 138. I do apologise to members. Block 183 Tennant is in fact a burnt-out forest plantation at the end of Smiths Road.

I will take the opportunity to review in more detail some of the sites that the Chief Minister's Department have determined are worth looking at as possible sites for solar farms. They have allocated seven separate sites. There are actually eight blocks but two of them are side by side. It seems that the essential criterion is, as they all are, blocks bigger than 200 hectares. Some of them are quite interesting.

I have talked before about block 498 Stromlo, which is on the western slope below the water treatment works at Mount Stromlo, which seems to me a spectacularly

unsuitable site. Since then my staff have taught me ACTmapi this evening, so I have got a new toy to play with on late sitting nights. It is quite instructive to look at block 498 because from the aerial photograph you can tell that it is not flat land at all—it is quite undulating, but there may be some north-facing slopes there. I do not actually give up on it entirely. There is another site in the Stromlo area, on the other side of the Cotter Road, which is, generally speaking, fairly flat and unencumbered by trees and it also may be quite good.

I am very pleased that the government seems to have in mind a fairly large solar array when we are looking at an area of at least 200 hectares in each of these blocks. Block 183 in Tennant does seem to be a bit of a problem. It is cleared land because it was all burnt out during the fires, and the most recent satellite imagery shows all the windrows of the burnt pines, which is also very good at showing the topography of the land. It is classified as mountains and bush with a plantation overlay, although the plantations have blown over after the fire. But it does seem to be rather steep country.

One of the most interesting is block 624 Gungahlin, which is the very end of Gungahlin, adjoining Mulligans Flat. The great thing about that is that it happens to be the most treed block in Gungahlin. It is 318 hectares and it is almost entirely bushland. Staff and others around the place have been looking at it and thinking that there are very few opportunities in that 300-odd hectares to look at a solar array.

There are a couple of promising blocks. One is block 35 Tuggeranong, and I am sure Mr Smyth could probably tell me this. It is that little bit of Tuggeranong that sticks out opposite Calwell; I think that is Melrose station?

**Mr Smyth:** Yes.

**MRS DUNNE:** I think that is a private lease so that may be already encumbered. The other one, which also looks pretty promising, is block 1653 Tuggeranong, which is 208 hectares. It sneaks into the border at the very bottom of the ACT and I suspect it is the block of land that ActewAGL were on the radio touting about how they had bought it for a great deal the other day from TransGrid so they could build their gas-fired power station. I suppose if Actew want to really become a multi-utility there is possibly some scope to build a gas-fired power station on that block and a solar farm as well. However, while the country seems to be fairly flat, it also seems to be fairly treed.

As I said before in the earlier debate, this is an extraordinarily important matter and I think that the process of site identification should be much more carefully handled than it appears to be so far.

### **Chief Minister**

**MR SMYTH** (Brindabella) (11:37): After such a heavy week I thought for the *Hansard* readers in years to come that it might be useful to have a little bit of social commentary on the record. This is from an article called “The week that almost was” and headed “Hocus pocus, dear diary, why must people be so unkind?” It reads:

Monday

“Dear diary, how I’ve missed you. Too many weeks away selling this ungrateful territory to the United States. Trade mission? I’d like to trade the lot of them. Plus Katy breathing down my neck. I get back to the office and she’s changed all the preferences on the laptop!

One lousy power station and you’d think the world was ending. Anyone who can’t tell the difference between site facilitation and site selection needs their head read. Sometimes I don’t think they deserve me.

Anyway, I showed those Libs at that silly estimates hearing today. Left them speechless. Zed isn’t even sure where he lives any more.

“More tomorrow, dear diary. Jon.”

Tuesday

Paul Keating is mentioned as a possible “face” to market Australia to the British as a tourism destination, but Belinda Neal reckons she’s really the one putting the place on the map.

“I want to promote the Central Coast especially,” she says, “the wining, dining and dancing opportunities are superb, although I’d rather not comment further because of the ongoing police investigation, other than to say the Poms would be right at home on the soccer fields around here as well.”

It’s reported that George W. Bush is considering writing a memoir. Patriotically, bookshops across the United States start ordering more remainder bins.

Wednesday

“Dearest diary, my only truly trusted confidant.

“They are such, such ungrateful swine!!

“Now it’s a vote of no confidence in MY leadership! How dare they. Katy offered me a ‘sympathetic’ pat on the back today. I could almost feel the daggers.

“The only comfort, apart from you dear diary, has been Belinda. We’ve struck up a funny, unlikely correspondence, sharing our woes. I feel she is a much misunderstood person, like myself.

“Until tomorrow, dependable D.

“J.”

Thursday

Ten of Australia’s favourite sounds are entered into the national registry at the National Film and Sound Archive.

Various advertising jingles feature, but some of the more obscure, and particularly Canberra noises, include: the sound of a penny dropping when an unpopular political leader realises the Newspoll results aren't going to get any better; the sound collective ambition makes when political rivals realise the leadership prize might finally be within their reach; the mad scrambling sound as said rivals fight for the prize, including the squawking noises the rivals make as they phone around canvassing support; and the final noise of irrelevance a former leader makes as he sinks into oblivion.

One from the "It Made Sense at the Time" basket: residents in Canberra's inner south were left in the dark by the Great Street Lamp Swap, which is ACT Planning's latest bright idea to move heritage light poles from Narrabundah to Kingston's Kennedy Street. Weird.

Friday

"Dear diary, nothing works any more!

"I consulted my magic book for a spell to cast a plague of boils onto the Opposition and *The Canberra Times*. I went to enormous trouble—had to find where Zed lived so I could pinch a lock of his hair.

"But during the incantation 'Canberra wankers' must have come out sounding like 'Canberra Raiders', and look what's happened!

"Had to then grovel to Katy for help reversing the spell. All very embarrassing. Will face vote of no confidence next Wednesday. Sharpening up wand in preparation.

"Belinda has been a great help, using the down time she's been having this week researching new and unusual spells that we're sure Zed and his lot won't have an answer for."

### **Gas-fired power station**

**MR PRATT** (Brindabella) (11:41): I stand here today to congratulate the community group that rallied outside the Assembly yesterday—the residents of the northern Tuggeranong valley and the southern Woden valley together. They commenced that rally at about 12 o'clock. That rally consisted of residents from Gilmore to Isaacs and Farrer, a cross-section of that particular organisation, and their residential associate; of course the majority were from Macarthur. The opposition congratulates them on being so well organised and turning out to effectively voice their concerns.

The depth of their feelings as demonstrated at the rally yesterday really reflects the righteousness of their cause. Of course, what is mainly driving that concern is that they feel well and truly duded by a lack of transparency and a lack of prior community consultation. As we have seen, the government, its agencies and its associates have been working quietly on this particular plan—initially the 210-megawatt power station plan—and God knows how big that was ever going to grow to, now that we know that the operational user requirement for that project or that series of projects amounts to about 500 megawatts.



Whilst the government and its agencies were quietly working away, the residents of the northern Tuggeranong and southern Woden valleys did not have a bloody clue; they had no idea whatsoever, and of course these were the views that were expressed and re-expressed again yesterday during that rally. We congratulate the CPSR, as they call themselves—the residents for no power station.

What the government now have to really have a good look at and a really good hard think about is this: with the scaled down project, the 28 megawatts—and do not forget the 14-megawatt No 3 turbine sitting there in reserve—how far can you go now with this 18-hectare data centre proposal, part of the scaled down project, with the same vacant footprint where initially it was planned to put the other 170-odd megawatts of peaking power station?

Having bruised the community so deeply by not taking them into their confidence, how well can the government continue to sell the current scaled down proposal? As we have said here on this side of the house, we now look at the impending health assessment into the data centre. We will have a good look at how that evolves. We will have a good think about the viability of that project sitting, still, 600 metres from Macarthur, and then we will see what we see. But we have to be extremely sceptical about the viability of this project given the lack of trust demonstrated by the government.

Ms Gallagher is over there, laughing away. She pretends that she had little knowledge about this project or what its likely impacts might have been on that community, not just the Tharwa community. Let the record show that the Minister for Health is chortling away here. She thinks that this is a great joke. She has not bothered to take the community into her confidence with this. Majority government for the health minister and the cockatoo Mr Corbell over there means that you can thumb your nose—

**MR SPEAKER:** Order! Address the member by his proper title, please.

**MR PRATT:** Okay, for Mr Corbell, the manager of government business, aiding and abetting the covering up of a \$2 billion project is all a great joke. You do not have to take the community into your confidence, do you? You just ram these things through, because you do not care about the community. (*Time expired.*)

### **Health Care Consumers Association**

**MRS BURKE** (Molonglo) (11:46): Something I wanted to mention in my speech earlier today, which I did not get around to or have a chance to do, was to congratulate the Health Care Consumers Association. They just chip away and chip away and they never really seem to be listened to. That is a real pity because what Russell McGowan said during the estimates committee hearing was that he welcomed planned expenditure on health infrastructure, which is what we have said on this side of the house too. I quote from the estimates committee report:

At the hearing, the Health Care Consumers' Association welcomed planned expenditure on health infrastructure but reiterated their previously expressed

view that this investment must be met with planning and investment into information management technologies to 'network current health facilities to better share diagnostic images and medication records electronically and integrate these services better across the range of health facilities.'

It is interesting that I was approached last year by somebody about the fact that he had written to the Chief Minister about this very thing. I might bring it down tomorrow, because the response that this gentleman got for suggesting a really credible system-dynamic approach to managing the hospitals, managing our health system, was that, apparently, we are doing it already. I do not know whether the health minister knew that, but I should show you the letter because it is so *Yes, Minister*. It is a real shame, because e-health and the technology within our hospitals and our health system are really being put back.

If the Chief Minister had not been so arrogant; if he had perhaps shared with the health minister—I am sorry that you perhaps were not approached on this, because you might have listened—

**Ms Gallagher:** I have been approached; I get approached by people selling products all the time.

**MRS BURKE:** It is not about a particular product; it is about system dynamics. Do you know that? It has been used in business for 50 years. Do you know how far behind we are? We have wasted nearly seven years, and probably more, in not getting a system that would have perhaps helped to cut down waiting times. We could have then made better use of the investment, around \$900 million over the last seven years as it has gone upwards—and more since self-government that we keep being told about. So you have wasted opportunities. Again, you are too arrogant to listen to people who perhaps know a bit better than you, or you allow officials to push these people to one side.

I go back to Mr McGowan. How much do we listen to consumers? Not a lot, it would seem, because he has been saying these things for a long time and we are just now hearing the health minister—only just now—saying, "Oh, we think we're going to do that," because it sounds good: e-health. The buzz words of the day are decanting, e-health: "We're all with the program now." But it is a dead pity because we have missed an opportunity; for the last seven years when we could have been incrementally implementing these things, working through them and keeping up with technology. As it happens, we are so far behind that these people now are going to have to start from the bottom and work up. We are getting behind. In terms of equipment, we are so far in advance, which is excellent. In terms of the technology that is used—

*Government members interjecting—*

**MR SPEAKER:** Order!

**MRS BURKE:** What the new technology would do, which is what you people do not want, is provide absolute accountability. They do not want to be held accountable—but the doctors and nurses do—which is a real shame. The government could

implement a proper system that would show them how hospitals can be really managed—but they do not want to know. No, no, no. As we have seen with the FOI stuff, it is a month late; the data is a month behind time, so Ms Gallagher can massage and use those figures however she wants. But, if we get into real time with managing our hospitals, into real time with managing our health system, the government will then be held properly accountable. Furthermore, bureaucrats and those in authority will be held to account. That is what this government do not want.

The Chief Minister said he wanted to be held up as an open and accountable government: “We’re not ashamed.” Well, we have seen a really good display of that, haven’t we, this week? I think there was a really good picture in the *Canberra Times* this morning, with some pages blacked out. That was a good advert for the Chief Minister. This system would allow this government to be held to account. They simply do not want it and it is a pity because, again, it is another missed opportunity—“F” for fail.

Question resolved in the affirmative.

**The Assembly adjourned at 11:52 pm.**

## Schedule of amendments

### Schedule 1

#### Duties Amendment Bill 2008

##### Amendment moved by the Treasurer

**1**

**Clause 2**

**Page 2, line 3—**

*omit clause 2, substitute*

**2**

**Commencement**

- (1) This Act (other than section 4) commences, or is taken to have commenced, on 30 June 2008.
  - (2) Section 4 commences, or is taken to have commenced, on 1 July 2008.
-