



Debates

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Wednesday, 6 April 2016

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Wednesday, 6 April 2016

MADAM SPEAKER (Mrs Dunne) took the chair at 10 am and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

Government procurement

MR HANSON (Molonglo—Leader of the Opposition) (10.01): I move:

That this Assembly:

(1) notes that:

- (a) on 28 March 2015, the Chief Minister and UnionsACT signed an Agreed Memorandum of Understanding on Procurement of Works and Services by the ACT Government (MOU);
- (b) previous versions of this MOU are reported to have been signed but have not been made public;
- (c) that the MOU states in its definitions section that consultation means “providing relevant information to UnionsACT and/or the relevant unions as identified by UnionsACT. It is more than a mere exchange of information”;
- (d) the MOU further stipulates that:
 - (i) only providers/performers of works and services who meet the set criteria will be pre-qualified;
 - (ii) ACT Government agencies must decline to award a tender proposal for ACT Government works or services where a tenderer does not provide an undertaking in their submission that it will comply with the relevant obligations as set out in 3.3 of this MOU;
 - (iii) the list of tenderers for each contract will be provided to UnionsACT and/or relevant unions as identified by UnionsACT;
 - (iv) providers or performers of work must afford access by union delegates and/or officials to enter a workplace;
 - (v) providers or performers of work must afford access to an inspection of the relevant employer records by the union, including the name and address of the employee and the hours worked; and
 - (vi) the Territory Directorate responsible for procurement will provide an annual report to UnionsACT on the progress made in implementing this agreement and on instances of compliance activities undertaken by the Territory and of proven non-compliance by tenderers. This is in addition to any ordinary reporting of non-compliance that may occur between the Territory and unions;

- (e) the Federal Workplace Minister Senator Michaelia Cash stated on 16 March 2016 that “the ACT Government has effectively outsourced core business to UnionsACT”;
 - (f) the ACT Master Builders Association (MBA) stated that they are “deeply concerned about the integrity of the ACT Government’s tendering processes following revelations of an MOU signed by the Chief Minister”;
 - (g) the Canberra Business Chamber said the MOU would lead to additional costs;
 - (h) the Property Council stated that “commercial-in-confidence tender details can be undermined”;
 - (i) the MBA stated that the MOU established “a three way process that also involves a union tip off and pay off” and that “their huge wealth and power has been built on forcing Canberra’s construction industry into the woefully anti-competitive pattern agreements that delivered \$1.2 million in direct profits to the CFMEU ACT in 2013-2014 alone”;
 - (j) UnionsACT and the CFMEU have been and continue to use money raised from their activities to conduct paid campaign advertising and other activity on behalf of the Labor Party and its policies to influence elections and maintain mutual power;
 - (k) worker safety is vitally important, but this MOU does not serve that purpose. Various other local and national legislative protections are in place, as they are in other jurisdictions; and
 - (l) as *The Canberra Times* editorial of 17 March 2016 stated “there are reports some organisers have brandished it to force people to sign enterprise bargaining agreements. If true, the allegations are telling evidence of the MOU’s real purpose: entrenchment of union power over employers by state writ. Long-standing it may be, but no amount of deflection or redirection will change that unsavoury fact”; and
- (2) calls on the Chief Minister to:
- (a) provide copies of all previous versions of this MOU to the Assembly by close of business 7 April 2016;
 - (b) provide a full copy of all reports or other documentation provided to UnionsACT under this or any previous version of the MOU to the Assembly by close of business 7 April 2016;
 - (c) provide a copy of all correspondence relating to the drafting, enforcement or operation of the MOU between the ACT Government and UnionsACT to the Assembly by close of business 7 April 2016; and
 - (d) immediately terminate the operation of this MOU.

I put this motion to the Assembly as a matter of utmost importance. It may perhaps be the most important issue we deal with this year, if not this term, because matters at the real heart of this motion—it is not simply about a piece of paper; these are not mere words on a page—are about the very nature of this government and how it does business.

It is not about worker safety. It is not about saving lives. It is not about value for money for the taxpayer or sound business. Purely and simply, it is about power and financial gain: gaining power, keeping power and abusing power. That pursuit of power is codified with the force of law to favour the militant arm of the union movement. I think this is an important distinction. It is not all unions who are aware of or support this relationship; it is the factional power players. Those factional heavies have taken over the Labor Party and have now been given similar power over the entire government.

It is not just the Canberra Liberals who are saying this. Even former Labor leaders, giants for their cause, have been driven to despair by the depths to which this Labor government has sunk. In an article entitled “Former chief minister Jon Stanhope slams party corruption and factionalism” in the *Canberra Times* of 22 August 2015, Mr Stanhope said publicly that the unions and factions have “corrupted the party”. He called for an end to what he described as the “rotting” in the party that “has seen it become the plaything for a handful of union-based factional leaders”.

Although Jon Stanhope and I have disagreed on various issues of policy over the years, I acknowledge his relentless efforts to clean up ACT Labor. This Chief Minister and this Labor Party have shown no such commitment. Even without the MOU, the merging of the CFMEU and ACT Labor has reached a point where it is difficult to see the actions of either as separate.

The centralisation of power between this government and the unions finds no better expression than the MOU that is at the centre of today’s motion. It really is one of the most extraordinary documents ever to come to light in the history of government in any state or jurisdiction. It is not a business-as-usual document. It is not a simple understanding to share knowledge. It is certainly not, as I said previously, about safety, and it is not a document that has been widely publicised.

A look at the terms of this MOU shows the extraordinary grip that the unions wield not just over the Labor government but over every aspect of government business in this territory. These are just some of the provisions in the document. The MOU states in its definitions section:

Consultation means providing relevant information to UnionsACT and/or the relevant unions as identified by Unions ACT.

It then states:

It means more than a mere exchange of information.

I will say that again:

It means more than a mere exchange of information.

Right there in the definitions, this document sets out that it is an agreement intended to be used with force if necessary. The MOU further stipulates:

Only providers/performers of works and services who meet the set criteria will be pre-qualified.

These “set criteria” are a set of demands from the unions; it is as simple as that. This section means that the organisation that sets the appropriate standards for doing business in the ACT is not the duly elected government of the day but the heavies in the unions. The next relevant section demands:

ACT Government agencies must—

I say that again: must—

decline to award a tender proposal for ACT Government Works or Services where a tenderer does not provide an undertaking in their Submission that it will comply with the relevant obligations set out in ... this MOU.

That is an important section, Madam Speaker. It does not simply say “should”; it categorically says that the ACT government must decline to award a tender proposal if it does not meet the union demands set out in the MOU. That is an extraordinary abrogation of responsibility of the government, and it hands independence and integrity away from the government and to the unions.

It gets worse. This is particularly evident in clauses that give unions access not just to workplaces but to workers as well. I quote from the provisions:

The list of tenderers for each contract will be provided to UnionsACT and/or relevant Unions as identified by UnionsACT ...

That would include the CFMEU. It says that providers/performers of work must—I repeat: must—and I quote:

Afford access by Union delegates and/or officials to enter a workplace ...

Disturbingly, it goes on to say:

Afford access to an inspection of the relevant employer records by the union, including the name and address of the employee and the hours worked ...

Every bit of information goes to the unions. If you do not get it, the unions do not qualify you. It is unbelievable. Under this MOU the name and address of any employee and hours that they have worked is to be provided to the union. The last section puts the government at the beck and call of the unions. It states:

The Territory Directorate responsible for procurement will provide an annual report to UnionsACT on the progress made in implementing this agreement and on instances of compliance activities undertaken by the Territory and of proven non-compliance by tenderers.

This is in addition to any ordinary reporting of non-compliance that may occur ...

So, workers' names, addresses and work hours are provided to the unions, as well as the names of tenderers and access to work documents. If they do not get that, if they do not agree, they do not get accepted. In fact, the government must decline to work with that tenderer. The breaches of privacy, democratic governance, common decency and ethical government in this MOU are staggering.

It is no wonder that we have seen such an outcry. It has created shock and outrage not just around the ACT but around the country, and the criticism has been consistent. The federal workplace minister, Michaelia Cash, stated on 16 March:

The ACT Government has effectively outsourced core business to UnionsACT.

Mr Corbell: A strong source, Jeremy.

MR HANSON: I will give you another source then: the ACT Master Builders Association.

Mr Corbell: Oh, right, yes.

MR HANSON: I note for the *Hansard* that Mr Corbell is interjecting in order to deride the MBA. I will note what they have said:

... deeply concerned about the integrity of the ACT Government's tendering processes following revelations of an MoU ...

"The integrity," Madam Speaker. The Canberra Business Chamber raised concerns about costs. The Property Council raised concerns that "commercial-in-confidence tender details can be undermined". The MBA stated that the MOU established "a three-way process that also involves a union tip off and pay off". The MBA puts real issues at play here very clearly when they state this about certain unions:

Their huge wealth and power has been built on forcing Canberra's construction industry into the woefully anti-competitive pattern agreements that delivered \$1.2 million in direct profits to the CFMEU ACT ...

That is at the core of this issue—a mutually beneficial document to serve the vested personal interests of two parties. For the unions, it grants the power to control the industry, which generates money which can be funnelled into campaigns or direct donations which directly benefit the Labor Party so that it can stay in power. If the MOU is re-signed the unions continue to control industry and generate more money. It is absolutely outrageous. The MOU gives the CFMEU the backing to conduct this sort of activity in the construction industry.

I have called several times in this Assembly for ACT Labor to distance themselves from the CFMEU. That call has been repeatedly ignored, even when union members are admitting to blackmail or members face questions and charges over their behaviour. Now we know why. This government has become so intertwined with the unions that there is simply no distance between them. This document has been central to that pact and alliance.

This Labor government cannot say that they are separate from the CFMEU. Let me quote Jon Stanhope. He recognised the self-evident truth of this when he said:

The ALP will insist that it was “them” that were at fault, not “us”, when, in fact, they are in reality “us”.

It is this agreement that codifies an endless cycle of the misuse of power. This agreement surrenders the independence and integrity of this government. We are not the only ones to see this. I quote from a *Canberra Times* editorial. I do not know whether Mr Corbell would deride that source as not independent. Let me quote from the editorial of 17 March:

... there are reports some organisers have brandished it to force people to sign enterprise bargaining agreements. If true, the allegations are telling evidence of the MOU’s real purpose: entrenchment of union power over employers by state writ.

It goes on to say:

Long-standing it may be, but no amount of deflection or redirection will change that unsavoury fact.

The headline of the editorial was right to say, “The deal between the state government”—meaning this Labor government—“and UnionsACT just doesn’t smell right.” It does not smell right, Madam Speaker; in fact, it stinks.

Mr Stanhope sees the malaise in his old party. In an article entitled, “The witch-hunt Labor has to have?” he said he was hoping to encourage members of the Labor Party to “at least admit that the centralisation of power has corrupted the party”. If former Labor Chief Minister Jon Stanhope can see that the centralisation of power has corrupted the party then equally we should be able to see it.

Today we are calling for a number of actions that are reasonable and proper if we are to restore ethical government to the ACT. We want the government to provide copies of previous versions of the MOU to the Assembly and to the public. Mr Barr has said this agreement has been in place for many years. If that is the case then let us see it. My understanding is that both Jon Stanhope and Amanda Bresnan, a committee member looking at procurement, have no recollection of such a document. In any case, if what Mr Barr claims is true, there should be no problem presenting those documents to the Assembly now. The unions have them; why can’t we?

I would ask him to provide a full copy of all documentation provided to UnionsACT under the terms of this MOU and under any previous versions of the MOU. Who is

Mr Barr representing? He has given a whole bunch of information to UnionsACT. I think it is reasonable that that information be provided to the Assembly. If it is claimed that that information is commercial in confidence, why on earth was it being provided to the unions? Why would they get access to information that could not be provided to elected members of the Assembly? It can be provided to people who are facing charges but it cannot be provided to Assembly members: if that were to be provided as a defence, it would be outrageous. If he does refuse to provide that information to the Assembly, essentially Mr Barr is freely admitting that the true loyalties of this government lie with the CFMEU and their allies and not with the people of this city.

I have asked the Chief Minister to provide a copy of all correspondence relating to the drafting, enforcement or operation of the MOU between the ACT government and UnionsACT. That information should be freely available. If it is as innocuous as Mr Barr says then all of that information in the correspondence and email traffic can be provided to this Assembly.

Finally, I have said that this MOU should be terminated. I have called on Mr Barr to terminate this MOU. Given the extraordinary nature of this document, the charges that have been laid against CFMEU members, the fact that the CFMEU has been donating so much money to the Labor Party over the years and the fact that this document can be used by the union movement to coerce industry, this document should no longer be in effect in this government.

I have heard Andrew Barr and others insist that this is about worker safety. I debunk that. My colleagues will debunk that. It is not about worker safety; it is anything but. It is insulting, in fact, for it to be cloaked behind worker safety. It is disingenuous, and those opposite know it. To use the safety or deaths of workers in construction or any other industry as a smokescreen to try to cover up this unethical, corrupted power-sharing agreement is contemptible. It is about power. It is about power that has rotted the integrity of this government, and at the heart of that is this corrupt MOU.

MR BARR (Molonglo—Chief Minister, Treasurer, Minister for Economic Development, Minister for Tourism and Events and Minister for Urban Renewal) (10.16): I move the amendment circulated in my name:

Omit all words after “That this Assembly”, substitute:

“(1) notes that:

- (a) the ACT Government is committed to ensuring fair wages, sound industrial relations practices and safe working environments for all ACT Government works;
- (b) the ACT community rightfully expects the ACT Government to procure the use of labour in an ethical manner, and from contractors who meet industrial relations and workplace safety obligations;
- (c) on 28 March 2015, the Chief Minister signed an Agreed Memorandum of Understanding on Procurement of Works and Shared Services by the ACT Government (MOU);

- (d) this MOU:
 - (i) is an update to a document that has been in place since 2005, and has been subject to general circulation for the past 11 years; and
 - (ii) provides that the ACT Government has a mechanism to receive information on the industrial relations track record of potential services, and to take that information into account when making procurement decisions;
 - (e) all procurement decisions are made consistent with the requirements of the *Government Procurement Act 2001*;
 - (f) no union or any other stakeholder:
 - (i) has right of veto or undue influence upon the procurement decisions of the ACT Government; and
 - (ii) no union or any other stakeholder has the ability to access commercial-in-confidence tender documents under the terms of the MOU;
 - (g) the Federal Liberal Government maintains its aggressive attempts to undermine the rights of Australian workers, through their attacks on penalty rates and attempts to reintroduce WorkChoices-style laws; and
 - (h) the Canberra Liberals have failed to condemn their federal counterparts' anti-worker agenda; and
- (2) calls on the ACT Government to:
- (a) reaffirm its commitment to workers' rights and the ethical sourcing of labour for ACT Government works;
 - (b) reconfirm the operation of the MOU as being beneficial to workers in a safe and ethical work environment; and
 - (c) during the next sitting period of the Assembly, provide to the Assembly a copy of the current and the previous version of the MOU, ACT Government policy documents relating to the MOU, and a document outlining how the MOU is given effect."

I thank Mr Hanson for moving this motion this morning as it gives me the chance to put to bed some of the misunderstandings floating around in relation to the memorandum of understanding on the procurement of works and services between the government and UnionsACT. The current MOU, which I signed in March last year, is little changed from the first version, which the then Chief Minister Jon Stanhope signed in 2005. After 10 years of operation of the MOU, the government did take the opportunity to review it and, as the government's procurement practices had been working well, we saw no need to make any material changes.

Madam Speaker, the MOU formalises the government's commitment to contracting with companies that treat their workers fairly and in accordance with the law.

Tenderers for contracts where labour will be exerted are required to complete and sign an ethical suppliers declaration to confirm that they comply with the relevant workplace legislation, such as paying the correct wages and making provisions for leave and the correct workers compensation.

Where they have had a finding against them under relevant legislation in the previous two years, tenderers must advise the territory in the ethical suppliers declaration and describe the remedial actions taken to ensure compliance in the future. This does not mean that the tenderer cannot win the contract. It is about transparency and helping to ensure that workers are protected when they are delivering works and services for the territory.

Once in contract with the territory, these companies are required to submit a declaration with their invoices for the services or works to confirm that they are continuing to meet their legal employment obligations. I cannot conceive that these requirements would be offensive to anyone, Madam Speaker. The MOU is simply confirming the government's intention to contract only with companies that conduct their employment practices ethically and in accordance with the law. I cannot believe that this is controversial. The workers that the MOU is designed to protect are often the most vulnerable in the community. These people work hard and their remuneration is often not large.

The MOU seeks to ensure that systems are in place so that these people, often already disadvantaged in the workplace, are not doubly disadvantaged by being underpaid, working in unsafe conditions, or not being covered if they are injured at work. The government is proud to be part of an arrangement that helps to ensure that these people receive their proper legal employment entitlements.

It is completely wrong for anyone to suggest that through the MOU unions have a veto right over the award of contracts or that the territory is in any way outsourcing its procurement to the unions. When tenders are registered, a list of the tenderers for each procurement is provided to a number of organisations: the Long Service Leave Authority, the Environment Protection Agency, and UnionsACT.

This process gives these organisations an opportunity to alert the territory to any alleged—alleged—breaches of relevant legislation so that the territory—the territory—can investigate if necessary any pertinent matters to the evaluation criteria for the particular procurement. The territory is not always aware of instances where companies have not met their obligations and having other sets of eyes, regardless of whose eyes these are, and I might add that they are often industry associations as well, allows for any concerns to be brought to the territory's attention for appropriate action.

The government decision-makers are experienced, professional and impartial in the conduct of their duties. They will listen to concerns raised about tenderers and disregard anything that cannot be supported by evidence. Having said that, it is in fact very rare for the unions to contact the territory with concerns about a particular tenderer.

The fact that so few concerns are raised is excellent news. It suggests that contractors are in fact meeting their employment and safety obligations and the MOU should give those who do the right thing no cause to worry at all. It is worth noting, of course, that the list of tenderers has been published on the ACT government's procurement website for years. The list has also been on the Tenders ACT site since electronic tendering commenced in July 2015.

I would like to touch on the rights-of-access concerns that featured in Mr Hanson's motion and in his speech. The MOU makes it clear that nothing within it is contrary to the law. Leaving aside the work health and safety aspects, where WorkSafe ACT would be immediately involved if there was a cause to enter a site due to safety concerns, access to a work site is covered by the Fair Work Act, which is, as I am sure members are aware, an act of the commonwealth parliament.

Mr Hanson does not appear to understand this, but the Fair Work Act allows for entry to a workplace and for an inspection of employee records. That right is contained within commonwealth legislation, the Fair Work Act. It is a shame that the territory's engaging with its stakeholders is the cause of so much concern, particularly when that engagement is designed to protect employees who are delivering valuable services and works to the territory.

It really speaks volumes about the value that the Canberra Liberals place on workplace rights that a document designed to protect and improve conditions is the source of the sort of outrage that we have seen from the Leader of the Opposition. At a time when the federal Liberal government is attacking the rights of Australians, whether it is through trying to strip penalty rates or reintroduce Work Choices style IR legislation, it is more important than ever for the ACT government to confirm and reaffirm our commitment to providing workers on ACT government projects with a safe environment.

The government is supportive of allowing reasonable consultation to ensure that workers' rights are protected. The government should be dealing with responsible contractors. I would not want to be part of, let alone lead, a government that does not have this as a basic starting point. I do not want anyone to die building a school or a hospital in this city. I do not want anyone to be in a position where they are being ripped off in respect of their fair entitlements—wages, workers compensation, long service leave—by a company employed by the ACT government. Companies should not be competing by seeking to exploit their workers' health and safety entitlements.

The background is worth reflecting on in the context of why this matters in this city. It goes to the *Getting home safely* report that resulted from the inquiry into compliance with work health and safety requirements in the ACT's construction industry. It noted that prior to the reforms the government introduced, the ACT's serious injury rate for the construction industry was 31 per cent higher than the national average and that the industry's long-term injury performance was 50 per cent worse than most other jurisdictions and double the national average.

This report made a series of recommendations. It said that the direction proposed:

... should be reinforced by a new approach to purchasing and regulation within the Government to give stronger emphasis on work health and safety. This won't involve more regulation because the Inquiry Panel considers that the current laws and regulatory framework are sufficiently strong and comprehensive for the task.

The inquiry panel went on to say

... the ACT Government should use its strength as a purchaser of construction services to bring the industry along. The Government should in future require a high standard of work health and safety on its sites and ensure that such high standards are in place and maintained. Government sites should be a leader, setting the standard for others to match or aspire to. The ACT Government should use its purchasing power to ensure through its tendering process that only contractors with good health and safety records and the capacity to complete a project as safely as possible are allocated government work. It should ensure that contractors working on its projects are fulfilling their health and safety responsibilities to the best of their ability throughout the project. It might also consider withholding a portion of final payment, pending health and safety outcomes on a site.

It also stated:

The Panel has also identified increased scope for more co-operation between government agencies to weed out the cowboys from the industry ... The Inquiry Panel would be particularly happy to see the ACT community, alongside the unions, reporting more to Government about bad health and safety practice in the industry. It is only with a concerted effort on all fronts that the climate will be sufficiently robust to weed out bad companies and individuals that should not be operating in it.

Madam Speaker, the ACT government demonstrates its commitment to work health and safety by proactively changing its purchasing arrangements; providing a credible regulatory framework that facilitates industry initiatives and penalises poor performance effectively; and initiating a strategic framework for work health and safety training with clear priorities and evaluations.

The series of recommendations contained in this report were agreed by the government but I would like to highlight three. Recommendation 25 states:

The ACT Government should proceed with development and implementation of Shared Services Procurements' proposed 'active certification' approach following consultation with stakeholders.

We have done that. That is in place. Recommendation 26:

The ACT Government should encourage excellence in health and safety performance by introducing comparative assessment of contractors' safety record and capacity as part of the tender selection process for Government construction projects.

Recommendation 28:

The ACT Government should conduct a stocktake of the construction industry's work health and safety performance as at 30 June 2016 to identify what has been achieved, what is yet to be achieved, and what new targets or strategies should be put in place

This report was brought down in November 2012. The government responded with a series of initiatives in order to ensure that workplace health and safety were at the forefront of our procurement processes. The suggestions and the observations by the Leader of the Opposition are that these commitments should be walked away from. This is what he is suggesting. It is nothing short of an outrage. It certainly reflects his values and the lack of importance that he places on workplace health and safety, on collaborative and cooperative arrangements around ACT government projects.

Let me repeat a very simple proposition: I do not want anyone, any worker, dying on an ACT government worksite. We have put in place, through the changes that we have made to our procurement, a process that minimises that risk as much as we possibly can. That is something important. That is something worth standing up for. The distressing thing from today's debate is that there is no inch of political capital or political gain that the opposition leader will not seek to achieve in order to put all of that at risk. He may think that the politics of saying "CFMEU" loudly a few times works in his favour.

But at the heart of this is ensuring that the ACT government does business with companies that will not put their employees' health and safety at risk. The ACT government will not do business with companies that rip off their employees, do not pay subcontractors and do dodgy things. We do not want to do business with those companies.

The good news in the ACT is that the overwhelming majority—nearly all—of the companies we do business with do not want any part of that either, and that is a good thing. We have seen significant cultural improvement, particularly in the construction sector, around work health and safety since this report and since the government's response. That the Leader of the Opposition wants to go down a path of winding this back speaks very strongly to his values and his complete disregard for the safety of workers, for workers' conditions and for workers' rights.

MR WALL (Brindabella) (10.31): I firstly commend Mr Hanson for bringing this comprehensive motion into the Assembly on what is a very concerning issue for so many in our community. I have spoken on a number of occasions over the past year and a bit about questions of union corruption and the influence the union movement has over this ACT government. However, the revelations that a formal agreement between UnionsACT, their affiliates and the ACT government exists substantially increases the concerns many have when it comes to who is running this city, who is in charge of government and who ultimately makes the decisions.

Senator Michaelia Cash, the federal employment minister, hit the nail on the head when she stated in question time on the day that this story broke in the *Australian*:

I have to say in the ACT, it appears has now four levels of government. You have the legislature, the executive, the judiciary and then of course there is the unions. Labor want to put the unions at the very top of the structure. There is no doubt that, based on this document, the ACT government runs a closed shop. In the ACT, it is determined by the unions and at a cost to the taxpayer.

Madam Speaker, as I have raised in this place before, you simply need to follow the money. Unions in the ACT, and specifically the CFMEU and the CFMEU-owned Tradies Club, are major financial contributors to the members of this parliament that form government—that is, the members of the Labor and Greens parties in this place. Everyone on the opposite side of this chamber, including the crossbench, are here in part because of the political and financial support offered by the union movement to their organisations.

What we have here detailed in the eight pages that form the memorandum of understanding between UnionsACT and the ACT government, signed by the Chief Minister, is the kickback that the unions get in exchange for this support. The MOU is extremely explicit in the roles and responsibilities for both the government and the union movement in relation to procurement. In fact, it outlines it in so much detail it even provides definitions of terms as simple as what “consultation” means in regard to the agreement. The agreement says:

Consultation means providing relevant information to UnionsACT and/or the relevant union as identified by Unions ACT. It means more than a mere exchange of information.

It is fairly explicit in what it seeks to say. Point 5 of the agreement states:

The Territory Directorate responsible for procurement will make an annual report to UnionsACT on the progress made of implementing this agreement and on instances of compliance activities undertaken by the Territory ...

So this is not a mere agreement, as the Chief Minister tries to spin it today, about ensuring work health and safety outcomes; this is the ACT government reporting to the union movement, as government directorates do to this place, on their performance annually. That in itself is absolutely appalling. It seems that this government manages to genuinely consult with its union masters, but time and time again it fails to provide genuine consultation with the community, the ratepayers and those who are ultimately responsible for electing the government—the citizens of the ACT.

Time and time again we have had ministers in this place stand up and provide steadfast assurances to this Assembly that procurement is done at arm’s length from cabinet. It is fair to say now that the MOU clearly shows just how arm’s length these decisions are being made not just from cabinet but from the entire ACT public service. It is clear that the union movement is responsible for procurement decisions in this territory. We are told that all decisions are done at arm’s length, but at the end of that arm is the right hand of the unions.

Part 4.2 of the MOU covers prequalification and clearly states that prior to any decision being made by the government on a prequalification certain conditions need to be met. The agreement states at 4.2(b):

Prior to any decisions on pre-qualification being made:

- (i) A list of applicants for prequalification will be provided to UnionsACT and/or the relevant union as identified by UnionsACT;
- (ii) Each relevant union has no more than 10 working days from the receipt of a list ... to advise government of its views as to whether or not the applicant meets its employee and industrial relations obligations

If the union requests a copy of the ethical suppliers declaration and other documents, it is privy to it. The agreement continues in part 4.3 on contract execution. It again raises the issue that before any contract is issued, UnionsACT or the relevant union are given 10 days to offer feedback and respond. Ten days, and it is done by the union movement. It is not done by procurement ACT, whose ultimate job is to check, double-check and ensure that the people we are giving work to are fair and honest. Instead that is delegated out to the union movement.

Those two sections of the agreement alone highlight that the union movement has an ultimate veto power over any government procurement decision or prequalification application whenever a business makes a bid to do work for this territory. This is ultimately a clearly premeditated corruption of process designed to benefit the union movement and, through that, prop up what is seemingly a dishonest government.

The Chief Minister stood here just moments ago stating that this is about worker safety, but it goes far beyond pure work health and safety issues. He said we do not want people dying on our construction sites. I come from the construction industry; I have a proud history in that space. I can say that any death in any workplace is a tragedy, but to hold up the tragic losses we have had in the ACT in past years as a reason to stand by this agreement, which is a complete corruption of process, is dishonest to yourselves, it is dishonest to the families of the victims and it is dishonest to the entire ACT community.

I can stand here proudly having worked in my family's business that had 20 years operating in the construction industry in this city with over 2,000 jobs completed in this city and not a single death on our worksites and not a single signature on a union enterprise agreement. Union agreements do not make safe workplaces; they are merely a guise for influence and corruption to prevail in our construction industry.

As concerning and damning as the revelations of the MOU are, what people are grappling with is: in practice, what does this agreement mean between the unions and the government when it comes to the procurement of goods and services in this city? It is two-pronged. On the procurement side, the government call for a tender. They invite everyone in a competitive marketplace to put their best foot forward. That is assessed and whoever might be the frontrunner is then referred to the unions. If they are friendly with the unions or the unions have a good relationship with that business,

good on them, they are probably going to get the job. But if they do not, we would suggest that they will not.

In my time in the Assembly I have been doing my research and looking at a couple of issues that have seemingly on the surface stunk. I brought a motion to this place relating to lawn mowing of arterial roads in the ACT because there was significant concern that the ACT government saw it as appropriate to contract out the mowing of lawns in the ACT to the Melbourne City Council, that is, Citywide. The contractors that previously held those contracts in the ACT were scratching their heads trying to understand how they could possibly have lost this job. There is no great efficiency when it comes to mowing lawns: it requires a man on a machine to drive it down the street and mow the lawns. But with the revelation of this MOU, it is not surprising to learn that Citywide is the signatory to a union EBA. So you have work going to an out-of-town operator who is a signatory to a union EBA at the expense of small local enterprises.

Those sorts of issues leave people awake at night wondering how on earth they can fairly bid for work in this city when such a disastrous and despicable agreement is in place. To state that it is simply about workers' rights and workers' safety is abhorrent. Read the agreement you signed, Chief Minister, because it is much broader than simply talking about workers' health and safety. It goes much deeper. It goes to who wins contracts at the behest of the unions. It is clearly and simply a veto by the unions above all the elected officials of this government over who has the right to work in the closed shop that is the ACT.

MR RATTENBURY (Molonglo) (10.41): There is certainly plenty of politics about this item that is being discussed today and the way this MOU has played out through the press and in the way people have made a range of assertions about it and I think, in that context, we need to look very clearly at the reality and ensure that we are basing our views on the facts and the context of the agreement. There has been plenty of excitement about this since it came to light publicly. The way it was reported certainly got my attention, and the concerns and claims that have been made by industry groups of course ensured that I did take a close look at it, because people certainly raised some points that on the face of it I think most people in the community would be concerned about. I did have to go and read it because, although it is referred to as a government MOU, it has of course not been to cabinet in the time that I have been with cabinet.

I think it is interesting to reflect on the history. We have heard Mr Hanson extensively quoting from Mr Stanhope on this issue this morning. I was ironically amused by the fact that it was, of course, Mr Stanhope that signed the original agreement in 2005. It is always interesting to reflect on the history of these things. I think it is fair to say that it is effectively an MOU between the Labor Party and the unions, given its status.

That said, I do support the intent of the MOU. I think it is fairly plain that its intent is to ensure that government procurement appropriately emphasises workers' rights and workers' safety. This is an outcome with which the Greens strongly agree. I also agree that unions in the ACT are a key representative of workers, and they play an

important role in promoting and protecting workers' rights and health and safety. I will talk further about the actual content of the MOU in just a moment.

I point out that, as an agreement between the Labor Party and the unions, the text of the agreement is seasoned with a little political flavour. It is more than just a straight factual MOU that lays out clear obligations. It repeats existing obligations that it does not really need to repeat. It is probably not how I would have drafted such a document. As an example, clause 1.7 of the MOU, which I will call the no escape clause, says that the MOU remains in force unless both parties agree to withdraw, which does to me seem a little strange. Say the government wants to exit the arrangement, apparently it cannot without union agreement. I certainly would not have signed up to such a clause. Having said that, this is a memorandum of understanding only. It is not a binding legal agreement. So the MOU is not really a clear or clinical document.

It is these vagaries that have made it easy for opponents to criticise the MOU. They have also fuelled concerns of other bodies such as the business and construction community, causing them to worry exactly what this MOU is doing. Naturally they wonder what might be happening out of sight. The vagaries in the MOU have also made it easier for the Liberal Party to attack it in a political way. In fact, this whole issue of unions is infused with politics.

It would be helpful, I think, to look at the text of this MOU, look at how it operates and ask, "Is there really any problem here?" I think that when we do that analysis it is clear that this is in fact a benign document, and most likely it is useful to the government's procurement agency as it goes about its duties.

But let me start by getting the politics out of the way. The Liberal Party, we know, are almost obsessed with unions. It is a clear political tactic to push the claim that the Labor Party and the unions are too close, to constantly talk about union mates and of course to intimate that unions are corrupt or thugs. Their federal Liberal colleagues oversaw a royal commission into unions which, if we are honest, the Liberals have milked as much as they can to aid their political attack on unions and the Labor Party. Of course, the findings in the one that was infamously released between Christmas and New Year were so thin that it literally got taken out with the trash when most people were on holidays.

Of course, the local Liberals always try to squeeze the Greens into their critique as well, because if they are mounting a political attack they may as well hit as many opponents as possible. That is a stretch of reality that really has no basis. Yes, the Greens support the good work of the unions and many policies of unions, but there is not any special affiliation.

The Liberal Party says that the local CFMEU has provided a donation to the Greens. Yes, it is true; it is a matter of public record. And that is because the CFMEU supports our strong policies on work health and safety. Beyond that, the Labor Party and the Greens work in different ways. Remember that the Greens have a donations reference group and every donation is scrutinised against our framework of principles and ethics before we will accept it. The CFMEU does not influence our policies, sway our decisions or have any special access beyond, of course, the fact that we, as we do with

all sorts of other industry groups, look at their policy positions, we look at what they are saying and we look at whether those are good policies for the Canberra community.

People who sit down and think about this will realise that the CFMEU is the Construction, Forestry, Mining and Energy Union, representing forestry and mining workers. And these are industries where there are sometimes clashes with Greens policies. I think everybody knows that pretty clearly. Yet no-one can say that the Greens have not remained steadfast on our policies around mining and forestry.

We do, however, support many policies of unions, support the right of workers to organise and be part of unions, and we appreciate and support much of the work that unions do and have done in the ACT and elsewhere which have been highly beneficial for workers. They have driven some great improvements that make a real difference in people's lives, be it in terms of fair conditions or safety in the workplace.

On one side of the debate we have the Liberals who want to use unions as a campaign tool, as an attack point for political gain. They see this MOU as a great way to rehash all the same old lines, get some mud to stick and score a few political points. On the other side we have the Labor Party, whose party structure is interwoven with unions. They have worded their MOU in a way that is not entirely clear because in part it is a political and policy statement designed to reiterate the importance of unions, of policies supported by unions and to reaffirm unions as a key stakeholder. It is all punctuated by the ongoing background battles over the royal commission into unions and the building code issues at the federal level to which Mr Barr has already referred.

Let us try to put all of this aside for one moment and look at what the MOU actually says and what it actually means. I have read the document. I have sought out and received briefings from officials in procurement and asked how the MOU works and what it means for them in practice as they go about their actual job.

Firstly, I would say that 90 per cent of this MOU reiterates the existing laws and procurement requirements operating in the ACT. And that is an important thing to reflect on. As an example, Mr Hanson's motion says that the MOU stipulates that contracts cannot be awarded to companies who do not give an undertaking to comply with the relevant obligations set out in section 3.3 of the MOU. Section 3.3 of the MOU merely sets out obligations that already exist, such as the requirement to comply with awards and collective enterprise agreements, compliance with legislation relating to equal opportunity and discrimination and compliance with all ACT legislation and government policy concerning procurement.

I will be happy for Mr Hanson, when he speaks later, to say whether he has any concerns with that. I do not find any of that remarkable. I would expect people who want to get a government contract, who want to be awarded a contract that spends taxpayer money, to actually comply with legislation. I do not find that a remarkable component of this MOU. There is nothing sinister here, nothing inappropriate and no special veto powers available to unions.

Other parts of the MOU contain similar statements reiterating existing laws, obligations or statements of existing policy. Rather than questioning whether there is some inappropriate ceding of power to unions, the more appropriate question is really: what real effect do these parts of the MOU even have? What they do is reinforce the government's commitment and remind the public service that those pieces of legislation exist and should be implemented. They are a recommitment by government to policies that unions strongly support, simply in a different format.

Secondly, I would point out clause 1.3 of the MOU which says:

Nothing in this MOU is intended to oblige the ACT Government to act in any way in breach of any law or trade agreement.

That is there in black and white. Mr Hanson, of course, did not read that bit of it out because that context did not suit the political case he is trying to make. What clause 1.3 does is emphasise that the government still must act appropriately and legally. The MOU does not obligate any inappropriate activity.

Clause 1.4 says the agreement applies subject to the Government Procurement Act 2001. I would like to remind those who are sceptical that officials in government procurement take their job very seriously. They are professionals and they are subject to legal and ethical obligations. They do not just go around saying, "Oh, some union official said we have to award a tender to a particular company, so we will just go and do that." No. They follow proper processes as our public servants seek to do every single day that they turn up to their jobs.

In any case, there are other clauses reiterating that the MOU does not usurp any laws or obligations of government officials. Clause 6, for example, repeats the right that unions have in terms of organising and in terms of right of entry. Specifically subsection (e) says that a union has access to records and specifies "where permitted by law or industrial agreement". Again, there are no extra or unusual rights here, just a restatement of those that exist.

Let me turn to the most interesting and relevant clauses of this agreement, clauses 4.2 and 4.3. Clause 4.2 requires the government to provide a list of applicants for pre-qualification to Unions ACT prior to approval. The union has 10 days to provide its view on whether or not the applicant meets its employee or industrial relations obligations. Under 4.3, the same obligation exists to provide Unions ACT with the list of tenderers for contracts.

I can see how these requirements look strange on the face of it. In fact, to the suspicious or mistrustful they might look like government is giving the unions some veto power or a power to make decisions on contracts. The suspicious part of my mind worried about that as well when I first read the reports of this MOU. But I investigated, and those worries are unfounded.

I acknowledge the concerns raised by some groups, such as the Master Builders, the Property Council and the Canberra Business Council. I can say that what they fear

might happen through this MOU is not happening. It is important to note that decisions on procurement still rest solely with procurement officials in all the normal and official ways. All these clauses really do is allow unions to provide some feedback to government.

Through their work, unions are intimately involved with companies, their projects, their records and their interactions with the law, such as through Fair Work Australia. Giving unions an easy avenue to provide this information to procurement officials is actually useful. The officials then use it in their decision-making if it is relevant. The information is of course viewed carefully and critically, as the officials view any information that they receive. I am told that private companies also sometimes submit information on other companies. Procurement also reviews that information that is provided by private sector competitors to the companies that are being listed.

Mr Hanson's motion says that the MOU does not help worker health or safety. I think that it can help worker health and safety, if it does not already. As I said, unions are closely connected with work places, workers and issues that affect them. They are likely able to provide relevant information that can be used in the assessments.

When it comes to providing a list of tenderers to Unions ACT, it is important to note that firstly this only occurs in relation to big projects where there is actually a list of tenderers. It is not the case that every single government contract or purchase is being filtered through the union.

Secondly, the list of tenderers is public anyway, and they are published on the ACT tenders website. Other stakeholders can also access them. All the MOU does is set up an extra mechanism to notify unions. I understand they receive an email, which is the same list of tenderers that is made public.

Thirdly, my advice from meeting with procurement officials is that nothing in this process holds up the procurement process or incurs extra costs. The process usually takes two to four weeks in any case. All that occurs is that unions provide any extra information or insights they have, which the procurement unit considers.

Next, Unions ACT does not receive any information that is inappropriate or commercial in confidence. As I said, the list of tenderers is already public. The ethical suppliers declaration is simply a declaration guaranteeing the company will adhere to certain ethical practices, and the government asks suppliers to sign it regardless of this MOU.

I agree that the part of the MOU that suggests the union could access other documents is unnecessarily vague. Upon checking with the government, I understand this has not been used. Sloppy as the wording might be, it is also worth noting that the government has obligations regarding which documents it will hand over. It will not, for example, hand over commercial-in-confidence material, unlike Mr Coe who has just tabled legislation in this place to hand over commercial-in-confidence material as part of the light rail campaign that he is running.

To conclude, despite the politics and the excitement around this MOU, it is not a sinister document. It is not an extraordinary document. It is just an MOU, not written particularly well, that emphasises the importance of worker rights, health and safety and the role that unions play. It essentially offers an easy avenue for unions to provide information on these matters that procurement officials can then use as appropriate.

I do not think it is appropriate for the Assembly to seek to cancel this MOU. I think the MOU is relatively benign and most probably useful. On this point though, I have no problem with Mr Hanson requesting the information he has requested about the MOU. I think Mr Barr's amendment picks this up and assures that the Assembly will be updated fully on how this MOU works in practice. On that basis, I will be supporting Mr Barr's amendment.

MR SMYTH (Brindabella) (10.56): I am not sure if members have seen it yet, but the electronic copy of the *CityNews* arrived this morning while this debate was on and in it there is an article by one Alex White, Secretary of UnionsACT. The headline is "Shamefully scoring political points on workers' safety". It is a fascinating read. It starts with a paragraph that goes:

Just a few years ago, Canberra was the least-safe jurisdiction in Australia. More than 50 people were seriously injured each week.

After a series of catastrophic and fatal workplace accidents, the Getting Home Safely inquiry was established to try to stop the workplace carnage.

That report was tabled in November 2012. Let us refresh members' memories of who was in office federally and locally and what was in place in November 2012 when this supposed industrial carnage was happening. We had a federal Labor government, we had an ACT Labor government, and apparently we had a workplace MOU in place between the unions and the ACT government that was meant to stop it. It was not just in place for that year; it had been in place since 2005—every year from 2005 to 2012 at a time when the "workplace carnage" was occurring.

The first thing you would ask about this MOU is whether it has achieved what it purports to do. The answer is simply no, it did not, because in that time, in the time in which the MOU was in operation, the ACT had the worst record on workplace safety in the country, under both a federal Labor government, who were meant to protect the workers, and a local Labor government who also claim to protect the workers.

It is interesting to go back. Let me go back to the report, members, and read it again. On page 23, it says:

The ACT's number of serious construction industry claims peaked in 2008-09 at a figure much higher than ... any other jurisdiction ...

That was when the MOU was in place, when we had a federal Labor government, when we had an ACT Labor government. It goes on to say on page 25:

... the ACT's serious injury rate is almost a third higher than the national average ...

A third higher when we had an MOU in place, an ACT Labor government and a federal Labor government! It goes on:

The ACT's performance in respect of long-term injuries in the construction industry ... paints an even worse picture, with the ACT's result deteriorating, currently more than 50% worse than any other jurisdiction and approaching double the Australian average.

All at a time when the MOU with the unions was in place, with an ACT Labor government and a federal Labor government. It goes on:

Taken as a whole, the performance of the ACT's construction sector in terms of incidents resulting in serious injury claims is a sorry one that must be improved.

If the purpose of the MOU was to improve workplace safety, it is a dismal failure. You have to ask the question: why is it there? What purpose does it have? And why is information given to a non-elected body, a body with no mandate to have this information? It is beyond me.

Mr Rattenbury, as always, gives a bit. He says, "Yes, you can have some information." But he does not concede that it is not working. Indeed, Mr Rattenbury's assessment from reading the document—I wonder whether he read the document—is that it would almost appear to be an ALP-unions agreement. The top of the document says "ACT government" and it is signed by the Chief Minister of the ACT government. Let us have no doubt about this. The ALP as such does not have access to these documents—or it should not have access to these documents. An agreement between the ALP and the unions in this regard would be somewhat useless. It is, without any doubt, an agreement with the ACT government where the ACT government hands over information that it should not.

Let us go back to Mr White from the *CityNews* this morning.

Every worker has the right to go to work and get home safely at the end of the day. The appalling injuries and tragic workplace deaths were preventable and working to prevent them is what union organisers do every day.

If that is the case, how come the report says this:

Taken as a whole, the performance of the ACT's construction sector in terms of incidents resulting in serious injury claims is a sorry one that must be improved.

It says it is:

... currently ... 50% worse than any other jurisdiction and approaching double the Australian average.

It would appear that union organisers are not perhaps doing such a good job. So you would ask the question: what are they doing? If in this period from 2005 until November 2012 we actually saw a deterioration in workplace safety, what were the

union organisers doing? Members might read another commissioned report that will outline clearly what they were doing.

Mr White goes on to say:

Unions worked closely with the ACT government, WorkSafe and business groups at the time to improve safety processes and procedures involved with procurement. This has ensured that ACT ratepayers' money is awarded to reputable companies with a strong track record in safety.

If that is the case, why did we have this amazing decline that culminated in four deaths between December and the following September? That is why UnionsACT has a memorandum of understanding on procurement with the ACT government. Again, I say that it is not working. Mr White's headline is "Shamefully scoring political points on workers' safety", but of course Mr White cannot avoid scoring a few points.

The second-last paragraph is particularly disturbing if it is this man's mindset. He has written this article in response to an article by Michael Moore. He says:

It is disappointing that Mr Moore, Canberra Liberal leader Jeremy Hanson or Master Builders' boss Kirk Cunningham (whose members injure 42 Canberran construction workers each month in the ACT) have sought to score political points on this issue.

Let me read that again:

It is disappointing that ... Master Builders' boss Kirk Cunningham (whose members injure 42 Canberran construction workers each month in the ACT) have sought to score political points on this issue.

To assert that members of the MBA go out of their way to injure workers in the ACT is disgraceful, and all members in this place should disavow what Alex White has said here in this article. I will read the paragraph again:

It is disappointing that Mr Moore, Canberra Liberal leader Jeremy Hanson or Master Builders' boss Kirk Cunningham (whose members injure 42 Canberran construction workers each month in the ACT) have sought to score political points on this issue.

This man is a disgrace. The government and the ALP should consider their relationship with anyone who would assert that employers go out to injure workers every month in the ACT.

The last paragraph says:

Safety at work, the principle that everyone who goes to work should get home ... is our core priority. We are proud that the MOU we have has helped so many tens of thousands of employees working for ACT government contractors.

According to the report, and I am not even sure Alex White is talking about the same report I am reading from, that is not the case. The MOU existed in a period of time

that culminated in the need for a Labor government to have an inquiry into the building industry because they were not delivering workplace safety, particularly in the construction industry in the ACT.

It did not just happen one year. It built up, and it was there for a long period of time. I urge members to go back to chapter 2, starting on page 21, and just read the charts and look at the detail. The ACT really does not perform very well over a long period of time from 2003-04 to 2009-10. Oh, and who was in charge for all that time? ACT Labor. Who had the MOU with the unions for most of that time? Oh, that would be ACT Labor.

So don't come in here and lecture us, saying we are not concerned about workplace safety. We are intensely concerned about workers and their rights. We are intensely concerned about safety in the workplace. Everybody deserves the right, the knowledge, that they will go to work and come home safely. It is you on that side of the house who have politicised this. And when we point out the failings of your MOU, the unions that support you and you support, and your failings in government over this period of time, your only comeback is, "Oh, you are against workers' rights and you are against unions." If the unions are not delivering, we will be against them, just as, if employer groups or employers are not delivering, we will take them to task. What this report says is that your MOU does not work.

What is its purpose then? What is the need of giving this information to the unions? Why do you ask the unions for their opinion when it would appear that the unions themselves were not doing what was their number one mandate, workplace safety? If this was going on, if we had disreputable firms working in the ACT in that period, surely, under the MOU, the unions, particularly the CFMEU, would have reported that to government. But, obviously they did not because these firms kept getting contracts and accidents apparently kept happening.

The MOU does not work. It is a farce. It is a sop to the unions. It has provided them with a power they do not deserve, they have no mandate for and they have no reason for, and we have a union boss who has absolutely no understanding of the common decency that is desired in the ACT. (*Time expired.*)

MR HANSON (Molonglo—Leader of the Opposition) (11.06): Madam Assistant Speaker, I want to speak to the amendment and close. I thank members for their contributions. I would like to particularly thank Mr Smyth and Mr Wall for their contributions. Through both of their speeches they debunked the great myth that is being put forward by this Labor government and by the union movement that this is anything to do with safety. It is not. Categorically it is not. In fact, it has been the reverse under this MOU, as members have pointed out.

Workplace safety has been the worst in the country under this MOU and under this government. It cannot have been about safety, and claiming that is false. It is false. This MOU is about corrupting the process. It is about power, and it is about making money through EBAs and other deals into the union movement that then gets funnelled back into the Labor Party. That is what this is about. It is revolting—revolting—that those opposite and unions would try and claim anything but, when the

evidence, as has just been written out, points to the fact that it is the opposite. Hiding behind workplace deaths is disgusting. Just as Mr Jon Stanhope said, it is the unions and these factions that have corrupted the party. He has called for an end to the rotting in the party that has seen it become the plaything of a handful of union-based factional leaders.

Mr Rattenbury tried to claim that this was nothing to do with him, that it has not been through cabinet. How on earth did the Chief Minister sign it as an ACT government document, sign it as the Chief Minister, if, as Mr Rattenbury says, it is a Labor Party document? We now have members of this government denying that this is an ACT government document, saying that it is a Labor Party document even though it is labelled “ACT government” and signed by Mr Barr as Chief Minister. What the hell is going on, Madam Assistant Speaker?

Mr Rattenbury, I remind members—I did not talk too much about the Greens in my tabling speech—is bankrolled by the CFMEU. His party is bankrolled by the CFMEU to the tune of tens of thousands of dollars. When you are looking for a motive for Mr Rattenbury to try to excuse what is happening, to deny that this had anything to do with him or that it was an ACT government document when clearly it is, I remind members that this is a document that bankrolls Mr Rattenbury’s party. It is an MOU that benefits the militant unions financially; then those militant unions donate to the Labor Party and the Greens; then the Labor Party and the Greens in this place support the MOU. It is a money-go-round. And who pays? Who pays, Madam Assistant Speaker? I will tell you who pays. It is the ratepayers, who see more being paid for contracts than should be paid, and it is businesses out there who are trying to do ethical business and cannot possibly operate in an environment that is so corrupted by this government.

What this shows today, by Mr Barr’s words and Mr Rattenbury’s words—and I assume they speak for everybody else in this government—is in essence that Mr Barr has sold his soul to the CFMEU. He has sold his soul to the CFMEU. It is the price for support of the CFMEU for Mr Barr and for Mr Rattenbury: financial support for their parties. The price that they have paid is the integrity of government. That is the price to get the political support of the CFMEU, to get the financial support of the CFMEU, to get the political support of UnionsACT, who, I see in the paper today, are going to be going out and targeting swing voters.

Mr Alex White was very proud to say that his members would be out there knocking on doors. You can wait for your family members to get a knock on the door from a CFMEU organiser, with his militant T-shirt on, saying, “Sign this pledge.” That is the sort of government that we have here now—one that supports that militant unionism.

And through the signing of the MOU, he is enabling coercion of business. He is basically saying to the CFMEU and others, “Here is a document that you can use to wave in front of business to support your coercion, to make money for yourself, to make sure that that money then comes back into the Labor Party in the tens of thousands to support the party.”

Of course, Mr Barr has his hands tied a bit, in that the CFMEU run the Labor Party or the left faction. We know this. Mr Barr knows this. The former Chief Minister Jon Stanhope knows this. We know that some branch presidents in the party are controlled by the CFMEU and then get delegates to conferences and so on. We know that the sub-branch president in the Dickson sub-branch—I think that is where Mr Barr lives—was a CFMEU organiser who pleaded guilty to blackmail. My understanding—please correct me if I am wrong—is that he was replaced with another CFMEU organiser, as a delegate who makes decisions about who gets pre-selected and what policy will be in the Labor Party.

Unfortunately, through what we have seen through this MOU, through what we have seen from the words from those opposite, this is not an ethical government. This is not a government that acts with integrity. This is not a government that is independent. This is a government that is in the pockets of the CFMEU and UnionsACT. It has divested control to those organisations. That then directly benefits those organisations so that those organisations can wield influence and power within the Labor Party and pay an enormous amount of money to the Labor Party to support the Labor Party politically.

The Labor Party have been successful politically. We know that. We know that they run enormous political campaigns. We know that they are supported by the union movement in those campaigns. They have been politically successful. But we have a situation where you have one party that is funded by tens of thousands of dollars that they have got indirectly from workers through the pokies; from businesses through EBAs; and through extra money being paid on government contracts, essentially laundered through the CFMEU to get paid to this government—money that this government can then use for their own political advertising. We will see massive smear campaigns directed at me and my colleagues, from UnionsACT. We will see doorknocking campaigns from the unions out there, pushing the Labor Party. Those organisations know that they stand to benefit financially, and they stand to benefit in terms of power. That is what this is all about.

Let me look at what the *Canberra Times* editorial has said. I think it is an independent paper that has looked at this. This is the conclusion that it has come to:

... the allegations are telling evidence of the MOU's real purpose: entrenchment of union power over employers by state writ. Long-standing it may be, but no amount of deflection or redirection will change that unsavoury fact—

that the deal between the state government and UnionsACT does not smell right.

When we have those sorts of observations, and the observations by many in the community, when we have a former Labor Chief Minister talking about the centralisation of power and the unions having corrupted their party, and then we see this MOU, we see this disgusting attempt to try to pretend this is about workers' safety when my colleagues have clearly demonstrated through evidence that it is anything but, then it is difficult to disagree with Mr Jon Stanhope that this is a corrupted party.

If you have Jon Stanhope saying it is a corrupted party, if you have the evidence that comes out of this MOU, if you have the independent media making the observations that they are, if you have industry groups making the comments that they have about the failure of integrity in this process and this government, then it is difficult for me in this place, whilst this Labor government is receiving tens of thousands of dollars from the CFMEU and then signs secret documents that empower that CFMEU to conduct the practices it does, to say that I would not disagree with Jon Stanhope to say that this is a party that is corrupted.

Question put:

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

The Assembly voted—

Ayes 8		Noes 7	
Mr Barr	Ms Fitzharris	Mr Coe	Mrs Jones
Ms Berry	Mr Gentleman	Mr Doszpot	Ms Lawder
Ms Burch	Mr Hinder	Mrs Dunne	Mr Wall
Mr Corbell	Mr Rattenbury	Mr Hanson	

Question so resolved in the affirmative.

Question put:

That the motion, as amended, be agreed to.

The Assembly voted—

Ayes 8		Noes 7	
Mr Barr	Ms Fitzharris	Mr Coe	Mrs Jones
Ms Berry	Mr Gentleman	Mr Doszpot	Ms Lawder
Ms Burch	Mr Hinder	Mrs Dunne	Mr Wall
Mr Corbell	Mr Rattenbury	Mr Hanson	

Question so resolved in the affirmative.

Motion, as amended, agreed to.

Ministerial office—investigation

MR HANSON (Molonglo—Leader of the Opposition) (11.21): I move:

That this Assembly:

(1) notes that:

- (a) on 15 December 2015, Minister Burch resigned as Police Minister following revelations of the instigation of a police investigation into her office, and her Chief of Staff was asked to resign;

- (b) on 16 December 2015, Mr Barr said the matter went further than the alleged CFMEU briefing stating “I need to stress it relates to matters beyond the specific issue that was aired in the Fairfax media a day or two ago in relation to an information request from the CFMEU”;
 - (c) on 16 December 2015, the Attorney-General described the investigation as relating to matters that were “unprecedented”, and stated “these are serious, serious issues, and they go beyond the issues that have been reported in the media to date. This is not about a member of a Minister’s staff relaying to a stakeholder that their concerns had been raised ... these matters go beyond that. The reporting we’ve seen over the past 48 hours is not telling the full story, and the reason for that is that the police evaluation is ongoing. We need to wait for police to do their job”;
 - (d) on 18 December 2015, in a report entitled “Full explanation on Joy Burch resignation must await police probe” the Attorney-General is quoted as saying “I appreciate that people want to understand exactly what has occurred here, but the matters are still being investigated. They are investigated by an independent and professional police service. Let’s allow them to do their work and let’s see what the results of that are and then we will have a very good idea and clarity around what has occurred here and why it has occurred. And at that time we can have a broader conversation about the circumstances of this most unfortunate matter”;
 - (e) on 9 February 2016, it was reported that “The affair remains largely unexplained, with both Mr Barr and his deputy, Simon Corbell, insisting in December that the allegations against Ms Hawthorne were serious and unprecedented, warranting her departure”;
 - (f) on 23 March 2016, police issued a statement saying that no criminal charges would be pursued in relation to the investigation, however, police were reportedly concerned about the handling of sensitive police information in Ms Burch’s office;
 - (g) Assistant Commissioner Lammers said on 23 March 2016 that “there had been ongoing releases of sensitive information later in the year” and that it was “sensitive police operational information”;
 - (h) also on 23 March this year, it was reported that “The former staffer at the centre of the Joy Burch affair lashed out at police on Tuesday accusing them of ‘taking down’ a government minister and her senior staff”;
 - (i) Attorney-General Simon Corbell promised a “broader conversation about the circumstances” once the police matter was resolved;
 - (j) The Canberra Weekly reported on 31 March that “the community needs answers”; and
 - (k) there is now no longer a police investigation, and the Chief Police Officer has referred the matter to the Chief Minister for action; and
- (2) calls on the Chief Minister to make a full explanation of this matter, including but not limited to:

- (a) what police information was leaked, how and to whom;
- (b) how did the ministerial staffers receive the sensitive police information;
- (c) what happened to the information, how was it used, and by whom;
- (d) when was the information leaked and when did the Chief Minister become aware of the leak;
- (e) was the second ALP staffer who was involved employed in Ms Burch's office or another Minister's office, and is that staffer still working for a Government member;
- (f) why was a staffer reportedly asked to resign;
- (g) are there any other ongoing investigations into other releases of information;
- (h) what action is the Chief Minister now going to take now the issue has been officially referred to him by the AFP; and
- (i) this explanation is to be presented to the Assembly before the end of sitting on 7 April 2016.

This motion today, at its essence, poses a simple but very important question: what has happened? What has happened here? I am not trying to downplay the seriousness of these incidents or the repercussions, but there are a lot of people in the community, people in the Assembly and sections in the media—indeed, Mr Rattenbury, I understand—who are saying, “What happened?” We have a right to know, Madam Assistant Speaker.

I will start by talking about what we do know and then conclude by asking the Chief Minister to outline what we do not know. There needs to be a full statement. I do not want half-truths, bits of the facts or bits that will be hidden because they might be embarrassing and so on. We have a situation where a police minister is called on to stand down and resign. A chief of staff lost her employment. I think we have a situation where something has gone very badly wrong at the heart of this government and people have a right to know, not least of all those people at the heart of this matter.

What we do know is that it involves problems at the heart of a government minister's office. This is not just relating to Ms Burch. This is a government office. This is the Chief Minister's government. It is one of his ministers that he appointed. It has cost the minister and her chief of staff their jobs and, to an extent, their reputations. In the case of the chief of staff, it has potentially cost her her entire career. This is not a light issue.

There have been lots of rumours; there has been lots of innuendo; there have been lots of suggestions. We have not played into that. We have not tried to second-guess what has happened here because we were told that we would be given answers. But unfortunately we have not been given answers.

It started in December 2015 when Ms Burch resigned after the revelation of a police investigation into her office. Her chief of staff was reportedly also asked to resign. My understanding—this can be confirmed—is that it related to a briefing that was provided by the Chief Police Officer to the minister and her staff regarding the CFMEU. Then that information was relayed to the CFMEU. But the uncertainty was then compounded by the Attorney-General. He said:

These are serious, serious issues, and they go beyond the issues that have been reported in the media to date.

This is not about a member of a minister's staff relaying to a stakeholder that their concerns had been raised ... these matters go beyond that.

The reporting we've seen over the past 48 hours is not telling the full story, and the reason for that is that the police evaluation is ongoing.

We need to wait for police to do their job ...

On 16 December Mr Barr said:

... the matter went further than the alleged CFMEU briefing.

He went on to say:

I need to stress it relates to matters beyond the specific issue that was aired in the Fairfax media a day or two ago in relation to an information request from the CFMEU.

What we have been told is that these are matters that went well beyond what went to the police. We were told that we need to wait for the police to do their job. On 18 December in a report entitled "Full explanation on Joy Burch resignation must await police probe," Mr Corbell said:

I appreciate that people want to understand exactly what has occurred here—

Yes, we do. He went on:

but the matters are still being investigated. They are investigated by an independent and professional police service. Let's allow them to do their work and let's see what the results of that are and then we will have a very good idea and clarity around what has occurred here and why it has occurred. And at that time we can have a broader conversation about the circumstances of this most unfortunate matter.

The police investigation has concluded, members. We have been assured that we will be provided with a full and comprehensive explanation. We have been told that there are matters that go well beyond the police investigation. We are still waiting for that explanation. We have been respectful to the members involved. We have called for information. We have asked for explanations. But, ultimately, we, along with the rest of the community and the media, have been waiting. We were told that we would

have a full and comprehensive explanation. But there are still no answers. It was reported in the media in February:

The affair remains largely unexplained, with both Mr Barr and his deputy, Simon Corbell, insisting in December that the allegations against Ms Hawthorne were serious and unprecedented, warranting her departure ...

Still there are no answers. On 23 March 2016 when the police issued their statement saying that no criminal charges would be pursued, they made a statement that did not actually clarify anything but raised other issues. On the day of the statement, the Chief Police Officer said that they were concerned about the handling of sensitive information. He said that there had been “ongoing releases of sensitive information later in the year”.

It is not clear what has happened but a second staffer has apparently passed on information to somebody who was not in the CFMEU. It was different information. But those facts are new to us. We do not know what the information was; we do not know whom it was passed to; we do not know what the intent was, other than that it is someone who should not have been in receipt of that information. My understanding is that that staffer involved is still working in the Assembly somewhere. That is the advice we have been provided with. It was reported in the media that:

The former staffer at the centre of the Joy Burch affair lashed out at police on Tuesday accusing them of “taking down” a government minister and her senior staff.

I notice that that staffer is in the Assembly gallery and is nodding. She believes that. She believes that the police have taken down a government minister and her senior staff. That is an extraordinary statement to make but I think it is one that needs clarification from the government. You have a former chief of staff saying that the police have acted in a way that has taken down a government minister.

Mr Corbell promised a broader conversation about the circumstances once this matter was resolved. He said at the outset:

They are investigated by an independent and professional police service. Let’s allow them to do their work and let’s see what the results of that are and then we will have a very good idea and clarity around what has occurred here and why it has occurred.

He said that at that time we would be told. Everybody, I think, is calling for answers. Everyone in the media, everyone that I speak to, wants to know what has happened. Everybody has a right. Now is the time for that explanation so that the stench around the government on this issue can be resolved. The police investigation has been concluded. These matters have been referred back to the Chief Minister. This is now in the Chief Minister’s hands. He needs to make a full explanation.

As I said, I do not want something that is limited in scope. If there is something in its nature that is operationally sensitive, I understand that. But I do not want to see the Chief Minister hiding behind that. I do not want to see the Chief Minister saying, “I

cannot tell you this; I cannot tell you that.” If there is detail, that is fine, but I think that the outline of the particular instances and issues deserve a full explanation. Ultimately, the Chief Minister obviously knows what has happened. He knows the full extent of what has happened. He needs to provide now what he knows in full to this Assembly so that we can know. The only caveat—the only caveat—should be potentially some specific elements that are subject to operational security but, certainly, the broader context and the full situation should be explained. Ultimately, we have been advised by this government that these are serious issues that are unprecedented.

We know that a minister and her chief of staff have lost their jobs as a result of this. We know that the former chief of staff has said that the police have “taken down” a government minister. We know that there is another leak of information by somebody to someone else that should not have been in receipt of that information, and that that individual, as we understand, still works for the government. We have been promised a full explanation but to date we have not been provided one.

It is pretty cut and dried at the end of it, Madam Assistant Speaker. I think we all understand the circumstances in terms of the minister resigning. We have watched this play out in the media, but we have also watched the Chief Minister and the police minister give one word answers when being asked about this by journalists. That is unacceptable. That is clearly unacceptable.

If this Chief Minister is going to restore some credibility in respect of what has gone on in his government, he needs to stand up now and give a full, clear, unambiguous statement, not withholding anything other than something that might be a sensitive police operational matter. Everything else needs to be on the table. I think that by doing so he will do himself a service. I think it will restore, hopefully, some faith in the police. It might provide some clarity about actions that Ms Hawthorne, the previous chief of staff, has also asked for.

There are a lot of stakeholders in this game. It is only by providing that fulsome explanation that the police, the Chief Minister, the current police minister, the former minister and the former chief of staff can, to an extent, then continue on with their lives and that the community can have an understanding of what on earth has gone wrong at the heart of the Barr government.

MR BARR (Molonglo—Chief Minister, Treasurer, Minister for Economic Development, Minister for Tourism and Events and Minister for Urban Renewal) (11.33): I move the amendment circulated in my name:

Omit all words after “notes”, substitute:

“(a) the ACT Police evaluation into the alleged handing of confidential information to the Construction, Forestry, Mining and Energy Union by the former Chief of Staff to the former Minister for Police and Emergency Services was completed in March 2016;

(b) no charges have been laid by police;

- (c) ACT Police has advised that it considers these matters now finalised;
- (d) the Chief Minister is currently considering the Chief Police Officer's recommendations relating to the security and handling of sensitive information; and
- (e) it would be totally inappropriate for the Chief Minister to disclose sensitive police information or personal information."

I thank the Leader of the Opposition for raising this matter today. I can advise the Assembly that the Chief Police Officer has, indeed, briefed me on the outcomes of ACT Policing's evaluation. No criminal charges will be laid, but the police have expressed concerns about the handling of sensitive information. There is nothing in the police concerns that reflect on any current ministerial staff.

Clearly all persons in the service of the public have an obligation to maintain confidentiality in relation to sensitive information. The Chief Police Officer has made recommendations in relation to additional training and support of staff in relation to information handling, and I will take further advice around their implementation.

The information in question was sensitive operational information relating to ongoing police investigations, and it was passed on. Of course, I cannot publicly release sensitive police information used in an investigation here in the Assembly or in any other manner, but I am happy to table a transcript from the Chief Police Officer's interview he gave to the media at the time of the announcement of the outcome of the evaluation, and I table that now:

Police investigation into leaked information—Press Conference with Chief Police Officer—22 March 2016—Transcript.

The Chief Police Officer highlighted in his presentation that some of the information that was evaluated was passed in the first instance to the CFMEU. Other sensitive police operational material was passed to other people who had no need to know that information. He was questioned on whether this was on subjects related to the CFMEU or unions or anything else and he stated clearly:

There are matters separate to the CFMEU that were related to people who didn't need to know that information.

He was questioned again:

And they weren't union people that the information was being passed to?

And he stated:

They were just other people but not associated with the union.

According to the statement released by the Chief Police Officer, having completed the evaluation, whilst information was passed on, no criminality was found. I repeat: no

criminality was found. ACT Policing have completed an evaluation of the matter, which is now finalised, and they have referred matters of professional indiscretion by staff members of executive MLAs to me as Chief Minister.

Madam Assistant Speaker, I am not going to disclose sensitive police information to the Assembly; it is simply not appropriate. The irony of the alternative Chief Minister asking me about the disclosure of sensitive police information and then in the same breath demanding I disclose that information should not be lost on all who are listening to this debate.

All ministerial staff are employed by me as Chief Minister. What I can say is that both staff members who were employed by the former Minister for Police and Emergency Services are no longer employed by me. It is not appropriate to make any further comment. I repeat: it is not appropriate to make any further comment about any individuals who were the subject of this evaluation. To do so would be inappropriate and unfair.

Whilst the evaluation was being conducted, as was appropriate, the then Minister for Police and Emergency Services stood down from that role. Her former chief of staff, having regard to the public controversy, also chose to resign. For the information of the Assembly, an evaluation is conducted as a prelude to a criminal investigation. The police evaluation determines whether or not there is any criminality worthy of an investigation and, in this case, the evaluation was completed and no criminality was found, so the matter did not pass to investigation.

For the benefit of the Assembly, the Chief Police Officer raised his concerns with me on 15 December 2015 and said that he would be conducting an evaluation. He advised me of the outcome of that evaluation on 17 March 2016. The Chief Police Officer has suggested a number of security measures, which I am currently considering in relation to this matter.

In relation to the issues raised around the handling of sensitive information, the government has developed several initiatives and will develop several others as required. Members would be aware of existing initiatives the government has in place to prevent inappropriate behaviour. This is the key to this matter: how staff behave while undertaking their jobs. It is entirely appropriate for ministers' staff to be involved in sensitive discussions between stakeholders and a minister and it is entirely appropriate for staff to handle sensitive information as part of their everyday roles. It is, however, expected that staff act in a certain way when undertaking their roles.

The community has high expectations of us as their elected representatives, and as members of the Assembly we are rightly held to high standards of accountability and integrity. Accordingly, this should be a behaviour exhibited by staff of MLAs, and I demand the highest standards of professionalism from all ministerial staff and that they abide by the code of conduct. Clearly, all the people in the service of the public have an obligation to maintain confidentiality in relation to sensitive information.

Members would be aware of these requirements as outlined in the code of conduct for members of the Legislative Assembly, which provides a statement of the values that

guide our behaviour. To support the MLAs code of conduct, the Legislative Assembly (Members' Staff) Code of Conduct for Ministerial Staff and Staff of Other Office-holders Determination 2015 was tabled in early 2016 and recognises the additional obligations associated with working in a minister's office.

This code further outlines that ministers' staff should make themselves familiar with and meet their obligations under: the terms of the relevant industrial agreement or employment contract; the continuing resolutions of the Legislative Assembly for the ACT, in particular the members code of conduct in continuing resolution No 5 and the Assembly's endorsement of the commonwealth Latimer House principles on the three branches of government in continuing resolution No 8A; the *Cabinet Handbook*; the MLAs code of conduct; and the code of conduct for ministers' staff.

This code outlines at 2.f) that ministers' staff must not inappropriately use or disclose information acquired in the course of their employment. Madam Assistant Speaker, this document clearly outlines how ministers' staff should undertake their roles and leaves no ambiguity about what is expected of them.

I will develop a number of other initiatives, such as the development of an induction course for incoming MLAs and their staff, which will include awareness training on these codes and other pieces of work that further develop our integrity framework.

It is acknowledged that anyone can act inappropriately in the course of their work, and that is why we have numerous documents which outline the behaviour expected of people in particular roles, including as a member of staff in a minister's office. These initiatives make these expectations clear for all staff and provide the opportunity to identify and rectify issues not aligned to those expectations as soon as possible. Importantly, they also identify the process for dealing with staff in the event that they do not adhere to these respective initiatives. This is why ACT Policing have referred this matter to me.

However, a most important principle is that MLAs and leaders across the ACT government are role models for the values and behaviours outlined in the respective codes, which support the embedding of values such as integrity in the day-to-day work culture exhibited across the government at all times.

Madam Assistant Speaker, I reject the premise of the motion put forward by the Leader of the Opposition. My amendment notes that the ACT Policing evaluation into the alleged handing of confidential information to the CFMEU by the former chief of staff of the former Minister for Police and Emergency Services was completed in March of 2016; that no charges have been laid by police; that ACT Policing has advised that it now considers the matters finalised; that I am currently considering the Chief Police Officer's recommendations relating to the security and handling of sensitive information, including the utilisation of the services of the Australian government's security vetting agency and the series of the education and training induction and other courses that I have outlined in my previous comments; and, finally—and I reiterate this point—it would be totally inappropriate for me to disclose sensitive police information or personal information.

I note that even Mr Hanson concedes this point: that the details of police operational matters need to be handled sensitively and have a high a degree of confidentiality around them, so it would be inappropriate for me to detail those in the Assembly today. But I reiterate: no criminal charges were laid and police expressed concerns about the handling of sensitive information. I am responding to those concerns and putting in place a series of additional measures on top of the long list that I have just outlined to the Assembly. I commend my amendment.

MR RATTENBURY (Molonglo) (11.45): I will speak briefly to this motion. We find ourselves in a very interesting situation. I will be interested to see how Mr Hanson responds to the statement that the Chief Minister has just made because Mr Hanson clearly has a series of questions about this, as others do.

Certainly this can only be described—and I do not think the phrase does it justice—as an unfortunate affair. Mr Hanson has a range of questions and the media has a range of questions, but the police are not willing to provide the answers to those questions. The Chief Police Officer has made very clear how far he is willing to go. The situation today potentially is that Mr Hanson is seeking to have the Chief Minister provide information that the Chief Police Officer has indicated he is unwilling to give.

If Mr Hanson is going to prosecute that approach after the statement that the Chief Minister has just given, in which the Chief Minister sought to outline a series of pieces of information that he was able to give, and if Mr Hanson is to prosecute the argument that the Chief Minister should go further than the Chief Police Officer has been willing to do, I ask him to articulate on what basis the Chief Minister should do that. Is that a precedent that will be the case in all matters or just the ones that have political interest attached to them? If Mr Hanson expects the Chief Minister to go beyond what the Chief Police Officer has said, that is fine, but let us have a serious discussion in this place about that, because I know the police will not be satisfied with that.

We in the Assembly may wish to have that information and, if that is the case, we need to have a serious policy discussion about how the Assembly seeks to access that sort of information. They do this in other parliaments. The federal parliament have national security committees that are briefed confidentially. It applies to a range of parliaments in the Western world. From popular culture, we know that they do these things in the US political system.

If that is the mechanism we want to have, if we want members of the Assembly to be briefed on this sort of information, we need to have a serious discussion about that and work out what the parameters will be. That is an interesting discussion to have because I suspect it would take some very careful negotiation. If we are not prepared to go down that path then I do not think Mr Hanson can come in here and ask the Chief Minister to disclose something that the Chief Police Officer has been unwilling to disclose.

Mr Barr has tabled the transcript of the Chief Police Officer's press conference that he gave on 22 March. I will speak to some elements of that transcript because I think it is

instructive to compare what Mr Hanson is asking for, what the Chief Minister has just been able to provide and what the Chief Police Officer said in that interview. It goes to how much information can be provided. Mr Hanson in his motion has called for answers to questions like, “What police information was leaked, how and to whom?” “How did the ministerial staffers receive the police information?” “What happened to the information, how was it used and by whom?” “When was it leaked?”

The Chief Police Officer answered those questions to some extent in his press conference. Did he go far enough for Mr Hanson? He will reveal that in a moment, I imagine. I will not read out the transcript of the whole press conference; it is a six-page transcript. Now that it has been tabled, members are free to access it as they wish. It was a press conference that journalists went to; it was a public event. I will simply quote from it. The Chief Police Officer talked about the fact that the investigation was now closed. He gave a brief statement and then journalists started to ask questions. The question to the Chief Police Officer was:

What were the suggestions or the allegations against the two staffers or what are the concerns about what they did. What did they do?

The Chief Police Officer answered:

The concerns as were determined by the evaluation was that confidential police operational information was passed to people who had no need to know that information.

The next question was:

What was the nature of that information?

The answer was:

The nature of the information was operationally sensitive police information and the information relates to ongoing investigations, so it is inappropriate for me to comment further about the specifics of the information that was passed.

The next question, from Kirsten Lawson from the *Canberra Times*, was:

Did it go to union activities or issues of right of entry without being specific, did it go to specific union activities or was it beyond that?

The Chief Police Officer replied:

Some of the information that was evaluated was passed in the first instance to the CFMEU. Other sensitive police operational information was passed to other people who had no need to know that information.

The next question was:

On subjects not related to the CFMEU or unions or anything else?

The Chief Police Officer replied:

There are matters separate to the CFMEU that were related to people who didn't need to know that information.

The next question was:

And they weren't union people that the information was being passed to?

The answer was:

They were just other people but not associated with the union.

The next question was:

What kind of people?

The Chief Police Officer said:

Other members of the public.

Kirsten Lawson asked:

Members of the Labor party or ACT staffers or members of the Assembly?

The Chief Police Officer said:

No, I'm not prepared to discuss to whom the information was passed or the nature of the information because as I said it relates to ongoing police investigations.

That is where the Chief Police Officer drew the boundary. In his professional judgement he was not prepared to disclose any greater information. If Mr Hanson expects the Chief Minister to disclose anything beyond that, he needs to explain the basis on which he expects the Chief Minister to do so. Whilst we may be interested in that, the Chief Police Officer has drawn a boundary. If the Assembly wishes to challenge that, we need to hear the policy basis on which it will be done.

I refer to further segments of the transcript. James Fettes from the ABC asked whether there were other elements involved in the evaluation that did not include the sensitive information that was passed. The Chief Police Officer said:

The concern originally was the information that was passed by one particular staff member went beyond a conversation that was allegedly had between that staff member and the CFMEU. The evaluation found that there were other instances where confidential police information was released to people who had no need to know that information.

Fettes asked:

Do you have a particular number of times that happened?

The Chief Police Officer said:

There are a number of instances but I won't be discussing the specifics because they do relate to ongoing police investigations.

Mr Hanson asked how often, and when was the information leaked. The Chief Police Officer gave some information but he drew boundaries around that. Kirsten Lawson asked:

... are there recordings of conversations or how did you get that information?

The Chief Police Officer said:

The specifics of the evaluation and the methodologies used during the evaluation are police operations and I won't be discussing that.

Tom McIlroy asked what the spark was that caused the evaluation. The Chief Police Officer said:

The evaluation was conducted because of an article that was run in the *Financial Review* on the 15th of December last year.

I find that to be an interesting component of this element. Nobody is asking about how the original information got leaked to the *Australian Financial Review*. I would be fascinated to know the answer to that, but nobody seems to be interested in that story, certainly nobody in this place, because nobody has raised that question.

I will turn to the last piece of the transcript which I believe is relevant today. There are a lot of other questions and answers that members can read for themselves. In terms of the question of what standard the Chief Minister can be held to today, Kirsten Lawson asked:

Can you just clarify the timing of the passing on of sensitive information. Was it all in the last year or was it ongoing through the year or into this new year?

The Chief Police Officer said:

The passing of sensitive information goes back to early last year. It came to the attention of investigators in April, who were investigating other matters. Because it was an ongoing police investigation it was not appropriate for anybody to speak about that information until that investigation or parts of that investigation were complete. That investigation was complete towards the end of last year.

Kirsten Lawson asked:

Just the timing—at the end, you said there was other issues uncovered during the evaluation so they started back early last year did they all relate to before April or was there ongoing things during last year and into this year.

The Chief Police Officer replied:

There were ongoing releases of information throughout the latter half of last year that were disclosed during the evaluation.

I return to the questions that Mr Hanson has posed in his motion today. He asks when the information was leaked. I believe the Chief Police Officer has provided that information—as much as he is willing to. The Chief Minister has answered when he became aware of it.

I cite all of those elements of the transcript because the Chief Minister has provided an amendment that covers some of the points in Mr Hanson's questions. I suspect Mr Hanson will focus on the questions in (a) to (d) in particular. I invite him to read the transcript of the Chief Police Officer's press conference. I have highlighted what I consider to be the key excerpts that go to the questions that Mr Hanson has posed.

Did I answer them to the standard that Mr Hanson wants? He will reveal that for us shortly. I come back to the central point: whilst we may be interested in knowing that information, it is a different standard than is currently the practice. If we are going to change the practice, collectively we need to work together on what that will look like. We could leave here today and ask the Chief Police Officer to answer Mr Hanson's questions. I can almost assure you—I cannot speak for the Chief Police Officer but I can almost guarantee—that the answers you would get are contained in this transcript.

Is that satisfactory? Members will make their own judgement on that. In terms of the motion that is before the Assembly today and the expectation we can have of the Chief Minister, we are probably at the point that we can get to. On that basis I will be supporting the amendment brought forward by the Chief Minister. I have had conversations on this matter with the Chief Minister. I have asked him to provide as much information as he can. We have gone back and forth on that to some extent. He has provided me with feedback based on advice to the Chief Minister about the boundaries of the information that can be provided.

As I say, on that basis I will be supporting the amendment put forward by the Chief Minister.

MS BURCH (Brindabella) (11.56): I will rise to make a short statement given that people have such interest in this matter. I am very mindful of the level of interest and the sensitivity around this matter.

I have before me, as others have, a media reports commentary and a concluded evaluation. In a letter from the Chief Police Officer dated 17 March this year he is very clear in saying that he has closed this matter; the matter is now finalised from the point of view of ACT Policing.

I want to state a few matters that I believe need to be on the public record. I recognise that the Chief Minister, the Attorney-General and the Chief Police Officer have been very clear in saying that this matter has not been about me. It has not been an investigation into me; it never has been.

As members in this place know through the media, the Chief Police Officer alerted me to a conversation between the CFMEU and my former chief of staff. The conversation took place in April last year. The conversation came to light through what I believe was a leak from a phone tap suspected to be from the trade union royal commission. I thank Mr Rattenbury for referring to that very important question. Having regard to all the questions that could be asked, the leak, possibly from the royal commission into trade unions, is something that is not being investigated, and I find that curious.

The Chief Police Officer initiated an evaluation to see if there was any criminal activity involved, and I go back to that conversation. At no point since December last year to 17 March this year has any specific allegation or question been put to me. I have no knowledge of the information provided by the Chief Police Officer to the Chief Minister or to the attorney, or, indeed, the information that could have been provided in conversations with Shane Rattenbury, going to his comments made just before. I have no information before me at all. I have not been briefed on any aspect of this evaluation by the Chief Police Officer.

I would like to put on record comments that I have received. As I understand it, the former chief of staff was provided with questions. These have been described as being broad and focused on discussions between the chief of staff and the CFMEU. I have been told that these questions were directed through her legal counsel. I am also told that her legal counsel declined to respond due to tight time frames applied to that response by ACT Policing. In relation to other staff, there have been no questions or allegations put to anyone. Let us recall that this evaluation was initiated to consider criminal activity, so it is not unreasonable to seek legal counsel.

Another staff member was contacted by AFP security asking about a conversation regarding the role of the CPO and the way information was shared in a minister's office. The staff member referred them to their legal counsel. No contact was made with the legal counsel. The evaluation has been concluded without the input of any staff member. This is indeed a sensitive matter. It is concluded. I welcomed the conclusion that there was no criminal activity involved, and I have made comment on this in response to comments that have been made in the public arena.

I have remained silent on this for a range of reasons, and I do not expect to change my habit of being silent on this now. I consider the matter closed. It is a distressing situation for all involved. My former chief of staff is in the gallery. I think it is the first time I have seen her since December last year. I am almost positive it is the first time I have seen her since December last year.

This goes back to a conversation in April that came to light through an investigative journalist from the *Australian Financial Review*, regarding the royal commission into trade unions. That is not being investigated; rather, these other indiscretions, of which I still have no knowledge, are being investigated. I hope that all in this chamber have respect for the people involved. The CPO has been very clear that he considers the matter closed, and that is where it should rest.

MR HANSON (Molonglo—Leader of the Opposition) (12.01): I will speak to the amendment and in closing. In answer to members' questions, am I satisfied that we have a full explanation? No, I am not. Let me be very clear about this. Firstly, when I asked for information, I did make it clear, I think, about three or four times in my speech, that the broader explanation did not need to include the detail of the sensitive police information that would be operationally sensitive. I made that abundantly clear, so it was somewhat disingenuous for the Chief Minister to, in essence, hide behind that.

To say that this matter is concluded, that there is nothing more to say, simply because the Chief Police Officer has concluded his investigation and has nothing further to say, is disingenuous. The Chief Police Officer has a responsibility to investigate matters, to establish whether there was a crime committed or not; and, if not, to basically say that it has been investigated and no further action will be taken or, if charges are laid, to refer those matters on to the DPP.

The Chief Police Officer is not responsible, responsive or accountable in that sense to this place or the broader community. The Chief Police Officer is responsible to the minister. The Chief Police Officer has made a reasonably brief statement to the community within his remit and then it is a matter for the Chief Police Officer to refer to the minister and the Chief Minister, as he has done, to talk about the broader implications.

It is the minister and the Chief Minister who are responsible for broader explanations about what has happened, in this place, so that we can consider whether this government is being held to account or not, and to the broader community. Indeed, they said that they would do that. I quote the Attorney-General:

These are serious, serious issues, and they go beyond the issues that have been reported in the media to date.

This is not about a member of a minister's staff relaying to a stakeholder that their concerns had been raised ... these matters go beyond that.

The reporting we've seen over the past 48 hours is not telling the full story, and the reason for that is that the police evaluation is ongoing.

We need to wait for police to do their job ...

The Attorney-General, now the police minister, said that these serious, unprecedented issues did not relate to these matters, that they go beyond the issues that have been reported, that it is not about a member of a minister's staff relaying to a stakeholder that their concerns have been raised. It is not about that. It was about something else that led to ministers resigning and staff being told to resign.

The Chief Minister said:

I need to stress it relates to matters beyond the specific issue that was aired in the Fairfax media a day or two ago in relation to an information request from the CFMEU ...,

The Chief Police Officer has dealt with the specific investigation, and he has reported on that specific investigation, but the Chief Minister and the Attorney-General said there were more issues—serious issues, unprecedented issues—not related to that that went well beyond that, and that they would be reported in full and advised at the conclusion of the investigations. The Chief Police Officer has done his job. He has investigated. He has not laid charges. I understand from what the former minister has said and from what her former chief of staff has said in the media that they are not entirely satisfied with that, but he has done his work.

It is now a matter for the Chief Minister and the minister accountable to be responsible and accountable to this place, to explain to this place what was serious and unprecedented and went beyond these issues that they said they would provide a full explanation of in time when this was resolved. They categorically said that it was not related to the CFMEU leak. They categorically said it was serious. They said it was unprecedented. They said that they would tell us. Now they are hiding behind the Chief Police Officer's statement and saying, "Because he is not giving a broader commentary or because he is not explaining matters that are not in his purview, nor will we." The Chief Police Officer has done his job, within his purview. It would be inappropriate for him to discuss matters that are serious and unprecedented not relating to his investigation into the CFMEU.

Madam Speaker, I am not satisfied. I am not at all satisfied. We need to know what the serious and unprecedented issues are. We need to understand the broader context of everything that has happened. Indeed, there is the question that Mr Rattenbury raised: how on earth did this get into the media in the first place? How on earth was this information provided in the first place to the media, the *Fin Review*? They are relevant questions, perhaps.

Unfortunately a stench remains now. Questions remain. The integrity of this government will be questioned. The secretiveness of this government will be questioned. Mr Barr has made great comments about being open and accountable. This is not open. This is not accountable. As a result, reputations remain stained. The reputation of the police in this matter has been questioned by Ms Hawthorne, who is very concerned. Again, she nods from the gallery. She is very concerned that that is what has happened, and has made allegations about police conduct. I think from the minister's speech that she has concerns. You have a former police minister quite clearly raising concerns about what has happened with regard to the police for which she was the minister until a few short months ago.

We have a situation where Ms Burch herself, I think, deserves a number of broader answers. I think that is reasonable in these circumstances where, essentially, she has been called on to resign. She is saying she has done nothing wrong, she has answered all the questions that have been asked of her. But there is no broader explanation of why she has been moved from the ministry. And while she has been removed, as she was, by the Chief Minister, the questions will hang over her head. Without an explanation, those questions—questions of integrity, questions about what happened—will forever remain over Ms Burch, as they will over Ms Hawthorne, who

is now, as I understand it, broadly unemployed, who is out there trying to seek work with these unanswered questions hanging over her head, with no reasonable answer to explain why these unprecedented “serious, serious” issues remain unresolved.

And there is an unnamed Labor staffer. The Chief Minister said that that individual is not working for the ministry. I understand then that there must be a staffer who has leaked sensitive information now working for either Mr Hinder or Ms Burch. That puts into question what happens when we or anyone from the community are dealing with anybody from Mr Hinder’s or Ms Burch’s offices. Is it they that are related to this serious, unprecedented issue? I do not know. But everybody dealing with Ms Burch’s or Mr Hinder’s offices will be somewhat sceptical, I think, given that that now remains unresolved and there is no explanation.

At the heart of it, these questions, by remaining unanswered, go to the forthrightness, the credibility and the integrity of the entire government. It now leaves many more questions unanswered. Indeed, many of the points raised by Ms Burch in her brief statement raise more questions than others.

I am greatly concerned, not just by what has happened but by the evasiveness of this government when it comes to these issues, and the stain that now is on the reputation of the police and on everybody else that has been involved in this. I make the broader point as well that I have concerns about what other information provided to this government is relayed to the CFMEU. Is it standard practice that information provided to ministers’ offices is relayed to the CFMEU? On how many previous occasions has sensitive information been provided to the CFMEU that we are unaware of? It seems that in this case it was only identified because of a separate investigation. But is it the normal business of this government and these ministers that sensitive information is relayed to the CFMEU, particularly in light of the MOU in my previous motion?

Question put:

That **Mr Barr’s** amendment be agreed to.

The Assembly voted—

Ayes 9		Noes 8	
Mr Barr	Ms Fitzharris	Mr Coe	Ms Lawder
Ms Berry	Mr Gentleman	Mr Doszpot	Mr Smyth
Dr Bourke	Mr Hinder	Mrs Dunne	Mr Wall
Ms Burch	Mr Rattenbury	Mr Hanson	
Mr Corbell		Mrs Jones	

Question so resolved in the affirmative.

Motion, as amended, agreed to.

Public transport

MR COE (Ginninderra) (12.16): I move:

That this Assembly calls on the ACT Government to prioritise buses as the most effective and efficient way to serve all Canberrans by public transport.

The motion I have moved today calls on the ACT government to adhere to the experts' advice and to invest in a public transport system for all of Canberra. This is something which a Canberra Liberals government will do. Last week we released a comprehensive and detailed policy for public transport here in the ACT.

Canberra's transport future outlines a number of initiatives a Canberra Liberals government will implement to the ACTION network here in the territory. At the heart of these reforms is creating six new rapid routes throughout Canberra. This includes the new silver rapid, a service which runs to and from the city, Weston Creek and the developing Molonglo valley. I know that Weston Creek residents have been calling for an upgrade to the ACTION network for some time, and a Canberra Liberals government will do this.

Other new rapids proposed include the green rapid, a service which runs to the airport, a purple rapid, a service which links Tuggeranong to the city, bypassing Woden in the process. The parkway express is also a new initiative which links the Canberra Hospital to Woden with the Calvary hospital, University of Canberra and Belconnen.

Furthermore, our plan provides for the provision of express peak hour buses. Under a Canberra Liberals government, there will be no need to transfer from a bus to a tram at the Gungahlin town centre. Every Gungahlin resident will have the capacity to catch a bus from their suburb to the city. This type of express network, connecting the suburbs with the city, will be rolled out right across the ACT. The plan also looks to increase late night services on Thursday, Friday and Saturday nights, provide summer services and integrate intelligent transport systems into the public transport network.

I am particularly pleased to include a local technology budget in our plan. This budget will allow local Canberrans to present new and innovative ideas to government about how to improve transport in the ACT. This may include software and application-based improvements to NextBus or it could improve funding to undertake research into new route proposals or how to effectively and efficiently transition the ACTION bus fleet to an electric bus fleet in the future.

Canberra's transport future puts the passenger first. An elected Canberra Liberals government will provide funding to upgrade and enhance bus stock and interchange infrastructure and look to improve customer experiences by upgrading the NextBus and MyWay systems. Our plan is practical, useful and affordable. Over the past week I know that we have received considerable feedback from the community about this plan.

Of course, as to the response from the ACT government, it is not surprising that they have been very critical of this network. However, of course, they have got pretty poor form when it comes to ACTION, and particularly over the past three or four years. It is this government which has mishandled ACTION. It is this government which has, in effect, eroded pride and eroded confidence in the service. They have no place criticising the opposition when they themselves have failed.

I imagine that Mr Rattenbury will criticise the proposal that we have on the table. However, it is of course important to note that under his watch as transport minister, patronage for ACTION fell each year despite Canberra's population growing each year. The Canberra Liberals will not be taking advice from this government when it comes to public transport. They have failed. We will start with a fresh approach and we can deliver it.

I will, however, address some of the criticisms levelled at the opposition by the government. Firstly, they say that our policy is unaffordable. It is well known that buses are considerably cheaper to operate than light rail. The Canberra Liberals will not spend \$698 million on construction of a tram of which only three per cent of Canberra's population will be within walking distance. It is, of course, bizarre that the ACT Government is willing to criticise our plan and the costings when they themselves will not reveal the cost of the tram to operate from Gungahlin to the city, let alone their fanciful network across the ACT.

Before the ACT election in October, I look forward to the government releasing their full costings for their light rail system, which is supposedly going to roll out right across the ACT. Those costings, if they are going to adhere to the same standard to which they are trying to hold us, must include the construction cost and also the operating cost.

We would, of course, expect the construction cost of a north-south line and an east-west line to be many billions of dollars. In addition to that, there would be in the vicinity of seven or eight hundred million dollars per year in financing costs and hundreds of millions of dollars each year to operate such a tram in the event that a \$10 billion or \$11 billion network is rolled out right across the ACT.

Minister Fitzharris has also stated that the opposition's public transport policy will increase congestion. It is going to increase congestion, she says. Regarding congestion, I would of course advise members to read chapter 10 and technical paper 5 of the capital metro EIS, which states that building light rail will increase congestion in the morning peak and significantly increase congestion in the afternoon peak.

A further assessment of the building of light rail between the city and Russell found that, "Delays and queues could compromise the performance of the wider road network". These are the government's words. I firmly believe that making the ACTION bus network more attractive, by delivering better routes and replacing ageing buses, will increase patronage and reduce the number of cars on our road.

A central plank of the Canberra Liberals public transport policy is that we will not proceed with light rail—a system which will not serve all of our community. This week, we have seen yet another expert come out in criticism of the government for going ahead with their light rail project. Marion Terrill is a leading public policy analyst at the Grattan Institute. She has worked on many important reforms, including the Henry tax review. In her report, *Roads to riches: better transport spending*, Ms Terrill notes that an ACT government submission to Infrastructure Australia showed that light rail will deliver similar benefits to BRT, but at twice the cost.

That same submission noted that BRT would deliver higher economic returns and that light rail was economically marginal. Ms Terrill also notes that, despite the report, the ACT government proceeded with the development of light rail without providing a valid explanation. The report is also critical of the capital metro business case, noting that wider economic impacts and land use benefits are normally excluded from project evaluations because the risk of overestimating them is too high.

With their report, the Grattan Institute joins Infrastructure Australia, the Centre for International Economics and the Productivity Commission in questioning the ACT government's decision to proceed with light rail. The Grattan Institute's analysis of the benefit-cost ratio also aligns with the analysis provided by both David Hughes and Leo Dobes, two senior economists with vast experience in project analysis.

The Grattan Institute further confirms what many Canberrans think of the current light rail proposal. Proceeding with light rail is a political decision made by ACT Labor and an ideological position taken by the ACT Greens. Sadly for Canberra, these positions have been taken with very little care or regard for the comprehensive analysis which should have been done. In some parts it has been done and it suggests that the project should not go ahead.

I also note that the government just yesterday released an 18-month-old review from Professor Roger Vickerman. For a start, this independent analysis, commissioned by the government, does not address the underlying problem, which was the government's decision to go ahead with light rail. It simply reviewed the business case, which in effect had light rail as a done deal. Professor Vickerman also notes in his analysis that he was:

Commissioned to consider the broad approach for the business case ... rather than an audit of the detailed data or values used.

Without looking at the underlying assumptions used in the business case, the conclusions of the review can in effect only be limited to the very data which is published in that review. Given the overwhelming view that light rail is a poor spending decision, I must once again call on the government not to sign contracts until the people of Canberra have had their say in October.

The Canberra Liberals recognise that there is a broader transport network outside of public transport in the ACT. A couple of weeks ago, the Canberra Liberals committed

to duplicating Ashley Drive right through to Johnson Drive. Last year, the Canberra Liberals also committed to duplicating the final stretch of Cotter Road between McCulloch Street and the Tuggeranong Parkway—a road neglected by this government.

On top of this, we have of course already committed to duplicating Gundaroo Drive between Gungahlin Drive and the Barton Highway, as well as constructing a flyover at the Barton Highway roundabout—a policy supported by former Labor senator, and now NRMA board member, Kate Lundy.

The duplication of Ashley Drive is a typical example of this government's incompetence. Before the 2012 election, the ACT government promised a \$19.6 million duplication of Ashley Drive. The plan was to duplicate Ashley Drive between Isabella Drive and Johnson Drive, with work beginning in 2013.

Instead, what residents in Tuggeranong have got from this government is a \$24.6 million commitment to duplicate Ashley Drive between Isabella Drive and Ellerston Avenue, with work starting later this year. Canberrans are paying more for a road, despite it being shortened, and are waiting longer for that shortened road to be built.

The Barr government was no doubt looking to try and be the heroes this year. Breaking down the Ashley Drive duplication into further stages allows them to make more glossy announcements leading up to the election. However, the truth is that they have been caught out and Canberrans simply do not like the gamesmanship of splitting Ashley Drive into two announcements, while splitting Gundaroo Drive into two announcements. It simply does not make sense. It does not make financial sense and it does not make sense from a transport point of view either.

People are getting increasingly frustrated by this government simply playing politics with transport as opposed to actually delivering upon a system which will serve all of Canberra. The delays in duplicating Cotter Road, Gundaroo Drive and others are emblematic of the issues you get when you give transport to a Greens transport minister. Only now, when we have got an election year looming and a Labor minister, will we perhaps actually start to see roads announcements coming out of this government

The Canberra Liberals have a detailed and comprehensive policy regarding public transport in the ACT. We have taken the experts' advice and we have listened to the Canberra community. We are going to invest in buses over trams because buses can deliver the same, if not better, transport outcomes, but we can deliver it for all of Canberra, not just the three per cent who happen to live within walking distance of a proposed tram stop. I urge the government to support this simple but important motion today that sets up Canberra for many decades into the future.

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 12.30 to 2.30 pm.

Questions without notice

Hospitals—staff safety

MR HANSON: Madam Speaker, my question is to the Minister for Health. Minister, it is reported in the *Canberra Times* today that 56 ACT Health professionals have written to you concerning physical violence and unsafe practices on one Canberra hospital ward. The petition is reported to say that violence and aggression were “a regular feature on the ward”. A report referred to in the *Canberra Times* refers to staff being punched in the face and “safety breaches and violence” at numerous locations, including the Centenary Hospital for Women and Children. Minister, will you make public the petition delivered to you by the 56 health professionals concerning violence and unsafe practices in our hospitals?

MR CORBELL: No. I am happy to disclose the terms of it and make that available, but not the identities of the staff.

Madam Speaker, this is a matter that I treat seriously. I met with the ANF about this matter about two weeks ago. Regrettably, it relates to the behaviour of a difficult healthcare consumer with complex behaviours on a ward. I am pleased to say that ACT Health management have worked with the union, nurses and other staff, to resolve the behaviours—the challenging and difficult behaviours—of a complex patient.

MADAM SPEAKER: A supplementary question, Mr Hanson.

MR HANSON: Minister, beyond the signatures or identities of individuals, will you make public the report referred to in the *Canberra Times* which reveals the extent of the physical violence and unsafe practices in ACT Health?

MR CORBELL: Could I ask Mr Hanson to repeat the question.

MADAM SPEAKER: Mr Hanson, could you repeat the question, please?

MR HANSON: Will you make public the report—I understand that a report has been made for you, referred to in the *Canberra Times*, that explains the detail of what has occurred—minus the detail that might identify Health staff?

MR CORBELL: There is no report.

MADAM SPEAKER: Supplementary question, Ms Lawder.

MS LAWDER: Minister, can you clarify whether all these complaints refer to only one patient?

MR CORBELL: There are two issues at play, Madam Speaker, and I thank Ms Lawder for the question. There was a representation made to me by a number of ACT Health employees—nurses and others. It was the so-called petition document. That related to the behaviours and conduct of a single patient on a single ward. That

related to the behaviours—challenging behaviours, difficult behaviours—of that patient, which we have worked constructively to try to address.

The nurses and midwives union wrote to me at 4.30 pm yesterday drawing to my attention their broader concerns about safety for their staff in dealing with complex, difficult, violent and aggressive behaviour, and I am looking into those matters at this time.

MADAM SPEAKER: A supplementary question, Ms Lawder.

MS LAWDER: Minister, what complaints exist beyond that single complaint and what areas do they relate to?

MR CORBELL: I would expect that there may be other complaints that have been made through the risk reporting profile. I do not have the detail behind those at this point in time. We have a risk reporting framework for staff in the hospital to deal with any form of workplace safety risk and that would include violence. So I am looking further into the claims and the requests that were made by the ANF to me late yesterday.

Sport—ground maintenance

MR DOSZPOT: Madam Speaker, my question is to the Minister for Sport and Recreation: on the sport and recreation website it states that all sportsgrounds in the ACT are closed biannually for two weeks at the same time to maintain a quality playing surface at all times. Minister why is every sportsground closed for maintenance all at once, even if work is not performed on them?

MS BERRY: Of course, maintenance of our sportsgrounds and maintaining the quality for both community sports and elite sports in the ACT is very important to the ACT government. I will have to come back to the Assembly with some detail on the specifics of the question Mr Doszpot has asked about why they are closed at the same time even though work is not being done on them—according to the question.

MADAM SPEAKER: A supplementary question, Mr Doszpot.

MR DOSZPOT: Minister, while you are exploring that, could you also explore why ovals cannot be closed progressively according to a work schedule?

MS BERRY: I will take that question on notice as well, as an idea from Mr Doszpot.

MADAM SPEAKER: A supplementary question, Mr Wall.

MR WALL: Minister, how are clubs notified about the ground closures?

MS BERRY: There are probably a number of ways that clubs and groups are informed about sportsground closures, but I will get the detail and provide it to the Assembly.

MADAM SPEAKER: A supplementary question, Mr Wall.

MR WALL: Minister, are all grounds which are closed worked on during the two closure periods each year?

Ms Berry: Sorry, I just did not catch the last bit of that.

MR WALL: Minister, are all grounds which are closed worked upon during the two-week closure period each year?

MS BERRY: I will come back to the Assembly with some detail on it.

Environment—air quality

MS LAWDER: My question is to the Chief Minister. I understand that the Parkwood egg farm in west Belconnen has converted from battery cage egg production to free range and that an odour problem has developed as a result. I have been told that the Environment Protection Authority have borrowed a wind recording station from the New South Wales EPA and installed it at the Parkwood egg farm. As you know, Chief Minister, in December 2015 and in January, February and March this year many Tuggeranong residents have contacted me and the EPA about a bad smell around Tuggeranong. Minister, why is the ACT government treating the smell at west Belconnen differently to the on-going odour issues in Tuggeranong?

MR BARR: I am not sure that that is a fair characterisation of the different responses but the circumstances are undoubtedly different.

MADAM SPEAKER: A supplementary question, Ms Lawder.

MS LAWDER: Chief Minister, when will the ACT government install a weather condition facility at the Mugga Lane Resource Management Centre to assist the EPA's investigation into the cause of the smell, and if it does not currently have plans to install one at the Mugga Lane Resource Management Centre, why not?

MR BARR: I will seek some advice from experts as to whether that would be of any value in the context of the investigation. If it is, I will seek their advice on whether one should be installed.

MADAM SPEAKER: Supplementary question, Mr Smyth.

MR SMYTH: Chief Minister, what monitoring activities is the EPA undertaking in west Belconnen, and how does that compare to the monitoring at the Mugga Lane Resource Management Centre?

MR BARR: I will take that question on notice.

MADAM SPEAKER: A supplementary question, Mr Smyth.

MR SMYTH: Minister, is it true that the Environment Protection Authority borrowed a wind recording station from the New South Wales Environment Protection Authority and installed it at the Parkwood egg farm in west Belconnen?

Mr Barr: Is it—

MR SMYTH: Is it true?

MR BARR: I will need to check on that.

Energy—renewable

MS BURCH: My question is to the Minister for Environment and Climate Change. Minister, can you inform the Assembly about the renewable energy auction you announced last week and how it will contribute to the 90 per cent renewal energy target by 2020?

MR CORBELL: I thank Ms Burch for her question. Yes, I was very pleased last Friday to announce the next large-scale renewal energy auction. This will be an auction for 109 megawatts of renewable energy feed-in tariff capacity, which will complete the territory's investment to meet our target of supplying 90 per cent of electricity from renewable sources by the year 2020.

This auction builds on the success of previous auctions and is different in two key respects: firstly, it is open to both wind and solar generators. Secondly, successful bidders will also be required to provide an additional cash injection to establish a photovoltaic battery storage program in the ACT.

We expect up to \$25 million to be available to support around 36 megawatts of battery storage to be rolled out in more than 5,000 sites across Canberra homes and businesses over the next four years. This will be one of the largest deployments of distributed storage capacity anywhere in the world today.

PV battery storage is revolutionising the energy sector and enabling the uptake of renewable energy by storing it so it is available on demand when needed, reducing the need for network investment. It means that households can capture the maximum value of the energy they are producing. I am very pleased to see the ACT demonstrating innovation in this space once again.

In previous renewable energy auctions, bidders have been required to provide significant local investments into the ACT economy to build our economy through research and innovation. That so far has seen more than \$400 million in local investment from successful wind and solar auction participants being secured for the territory.

As part of the new auction process, the government has again included additional criteria to require proponents to also provide funding for the battery storage program. Proponents in this process will be required to make a financial contribution upon deed

signing, financial close and a year after financial close to support the ACT's distributed storage projects.

It is very exciting to see the 90 per cent renewable energy target on track, completed on time with minimal pass-through costs to the Canberra community. The cost to householders remains just under \$5 per household per week at the maximum point in 2020. As we know, this is well and truly offset by the government's mandated energy efficiency programs, which are reaching tens and tens of thousands of Canberra homes.

MADAM SPEAKER: A supplementary question, Ms Burch.

MS BURCH: Minister, can you inform the Assembly of the successful projects of the last wind energy auction?

MR CORBELL: I thank Ms Burch for the supplementary. Yes, there were two winners from the last wind energy auction. The first was the Hornsdale stage 2 wind farm, which is a 100-megawatt wind farm developed by the French renewable energy company Neoen International in partnership with the Australian company Megawatt Capital Investments. The second winner was the Sapphire wind farm, also 100 megawatts, developed by CWP Renewables in northern New South Wales.

Both of these projects are delivering significant local economic investment outcomes for our city. We are seeing, for example, that Neoen is continuing its commitment to locate its business development capability here in the ACT. We look forward to them soon joining the renewable energy precinct which is forming between the city and the ANU. CWP, the developers of the Sapphire wind farm, are also making significant commitments when it comes to the relocation of some of their operations to the ACT. These and many more local economic benefits will accrue from the government's most recent wind auction.

MADAM SPEAKER: Supplementary question, Mr Hinder.

MR HINDER: Minister, can you outline for the Assembly the local economic benefits these projects will create for the ACT?

MR CORBELL: I thank Mr Hinder for the supplementary. Yes, we are seeing significant investment. As I have said, we have secured more than \$400 million worth of investment into the ACT economy from the wind and solar auctions that have been undertaken to date. I mentioned that Neoen and Megawatt Capital are providing a \$10.8 million investment package for the city, which includes: a \$1 million renewable energy and battery storage training fund to build the ACT's capacity to provide world-class trades training services to these rapidly developing industries; \$6.5 million to help support research and innovation and international outreach to local and inbound small and medium enterprises through the development of our renewable energy strategy; and \$2.7 million in funding for the energy innovation precinct fund to provide practical assistance, such as grants and accommodation support, for innovative local, national and international businesses. Neoen has also committed to spending at least \$800,000 on local contractors here in the city.

CWP, the other winners of the most recent wind auction with their Sapphire wind farm, are securing benefits to the economy worth \$100 million over the next 20 years. This includes the relocation of their asset management operations centre from Newcastle to the ACT, investing \$34 million in the development of an ACT-based asset and operations management centre. They will become the third wind development company to be basing their operations here in Canberra. They will also invest more than \$3 million in a world-leading zero carbon micro-grid to be developed at Bruce CIT. That forms part of a \$33 million investment in local micro-grid initiatives for export into the Asia Pacific. These are very exciting outcomes and they build on the outcomes we have seen in the first wind energy auction. (*Time expired.*)

MADAM SPEAKER: A supplementary question, Mr Hinder.

MR HINDER: Minister, can you update the Assembly on the progress of these projects announced as winners of the first wind energy auction?

MR CORBELL: I thank Mr Hinder for his supplementary. We have demonstrated that we can get on and deliver these large-scale renewable energy projects in a timely way and in a way that meets the government's time frames for 90 per cent renewable by the year 2020. The Ararat wind farm, which is an 80.5 megawatt wind farm, is under development at this time. Construction is underway in relation to that project. Coonooer Bridge, which has been developed by the Canberra-based wind developer Windlab, is about to become operational, with construction effectively complete. And Hornsdale wind farm, being developed by the French company Neoen, is also well and truly underway in its development.

These are very positive signs that we are getting on with the job of delivering better renewable energy outcomes for our city, seeing jobs and investment in our innovation-based economy, and moving to a sustainable energy supply for the future of our city.

Sport—Brumbies rugby union club

MR WALL: My question is to the Chief Minister and Minister for Tourism and Events. I refer to a story reported in the *Australian* of 5 April which refers to “a whole range of subpoenas served on the Australian Rugby Union, University of Canberra officials, ACT government leaders, and the Brumbies board” in relation to emails and phone calls related to the chief executive of the Brumbies. How many ACT government leaders have received subpoenas, including ministers, and which ministers have been subpoenaed?

MR BARR: None that I am aware of.

MADAM SPEAKER: A supplementary question, Mr Wall.

MR WALL: Minister, can you confirm that no subpoenas have been issued to anyone involved in the ACT government, and, if you are aware of subpoenas being issued, when do they expire?

MR BARR: I am not aware of any. Certainly, none have come to me.

MADAM SPEAKER: A supplementary question, Mr Doszpot.

MR DOSZPOT: Chief Minister, as per your response in the Assembly yesterday, what actions have you, your office or government agencies taken since your meeting with the Brumbies and ARU representatives?

MR BARR: The ACT government is not directly involved in this matter.

MADAM SPEAKER: A supplementary question, Mr Doszpot.

MR DOSZPOT: Minister, when did you become aware that the deal between the Brumbies and the University of Canberra had been referred to the AFP?

MR BARR: I am not sure that that is the best way to describe what was referred to the AFP, but that came last year. I would need to check the exact date.

Mr Coe: What was referred?

MR BARR: A KPMG report, is my understanding, Madam Speaker, but again, in the meeting that was attended by the Brumbies chairman and the CEO of the Brumbies when they came to see me, they made it very clear that no-one from the ACT government was in any way involved in their concerns.

ACT public service—redundancies

MR SMYTH: My question is to the Chief Minister. Chief Minister, yesterday you informed the Assembly that the ACT government is currently calling for expressions of interest for voluntary redundancies in Access Canberra and the Chief Ministers directorate. Chief Minister, is the calculation for the redundancies based on an amount targeted to be saved, based on particular staff positions or based on redundant functions?

MR BARR: On the operational needs of the organisations.

MADAM SPEAKER: Supplementary question, Mr Smyth.

MR SMYTH: Chief Minister, from what classifications of staff are expressions being sought, and are these service delivery positions or management positions?

MR BARR: That detail is yet to be determined, Madam Speaker, in the context of whether the government or those directed will, in fact, accept voluntary redundancies from different classifications. There is an expression of interest that has been called. In relation to the detail of classifications, I can provide that information when it is available.

MADAM SPEAKER: A supplementary question, Mr Coe.

MR COE: Chief Minister, do you plan to have people taking voluntary redundancies before the end of this financial year?

MR BARR: That is subject to an ongoing process in accordance with our enterprise bargaining arrangements.

MADAM SPEAKER: A supplementary question, Mr Coe.

MR COE: Aside from CMTEDD, what other agencies are also seeking expressions of interest for redundancies?

MR BARR: None that I am aware of, outside those that were the subject of yesterday's question, and today's.

Street lights—proposed sale

MRS JONES: My question is to the Chief Minister. Chief Minister, what is the status of the government's proposed sale of street lights?

MR BARR: The government sought expressions of interest from the market. We have received a number of expressions of interest and we are currently considering those.

MADAM SPEAKER: Supplementary question, Mrs Jones.

MRS JONES: Minister, what is the current maintenance cost of the streetlights? How does this compare to an availability payment of fee-for-service with a privatised network?

MR BARR: Many millions of dollars; I will need to check the exact figure and provide that information for the member. In relation to potential alternative arrangements, that is obviously the subject of government consideration.

MADAM SPEAKER: Supplementary question, Mr Coe.

MR COE: Chief Minister, is it proposed that the revenue from the sale of street lights be included in the upfront capital payment for light rail?

MR BARR: Not under the current asset recycling initiative arrangements that we have with the commonwealth government. We have already raised sufficient capital through asset recycling to meet that contribution.

MADAM SPEAKER: A supplementary question, Mr Coe.

MR COE: Chief Minister, what lessons have been learnt from other jurisdictions that have already sold street light assets?

MR BARR: Depending on the nature of the asset management arrangements that are entered into, the benefits can include more efficient street lighting at a lower cost with a higher level of repair and maintenance capability.

Transport—light rail

MR COE: I have a question for the Minister for Capital Metro. Minister, in the first paragraph of his review, Professor Vickerman states:

The review focuses on the broad approach to the Business Case, rather than an audit of the detailed data or values used.

Minister, why didn't you allow Professor Vickerman to access the detailed data and values used in the capital metro full business case?

MR CORBELL: The purpose of engaging Professor Vickerman, as well Professor Scrafton, was to ensure that the methodology applied in assessing the benefits and costs associated with the capital metro project were valid and robust. Both of those well-respected, independent academics have confirmed that the methodology applied by the government in developing the capital metro business case is best practice, consistent with Infrastructure Australia guidelines and consistent with best practice internationally.

MADAM SPEAKER: A supplementary question, Mr Coe.

MR COE: Minister, has there been an independent or peer review into the detailed data and values used in the capital metro full business case?

MR CORBELL: The business case has been prepared in accordance with best practice guidelines.

MADAM SPEAKER: Supplementary question, Mr Wall.

MR WALL: Minister, will you be releasing the detailed data in full for review by Professor Vickerman or other researchers?

MR CORBELL: The government has released all the information that we believe is appropriate in relation to the capital metro business case, which is much more than any other government has ever released for any PPP in Australia.

MADAM SPEAKER: A supplementary question, Mr Wall.

MR WALL: Minister, why did you not release the business case review when it was received and considered by cabinet?

MR CORBELL: The government reserves the right to release reports commissioned by it at times of its choosing.

Youth justice—blueprint

MR HINDER: My question is to the Minister for Children and Young People. Minister, can you tell us the difference that is being made for young people in the ACT in the context of the youth justice system under the blueprint for youth justice?

DR BOURKE: Thank you for the question. I am pleased to tell you about the difference being made under the blueprint for youth justice in the ACT. I would also like to note the contribution made to this policy by my predecessors, Ms Burch and Mr Gentleman. Since the blueprint's commencement in 2012 we have seen significant reductions in the number of young people in contact with, or becoming further involved in, the youth justice system. We are also seeing fewer young people in detention.

In the first three years of the blueprint we have seen a 20 per cent reduction in the number of young people apprehended by ACT Policing, a 29 per cent reduction in the number of young people under community-based supervision and a 35 per cent reduction in the number of young people in detention. Ultimately, these reductions suggest that youth crime is being prevented and community safety is being improved.

The blueprint forms part of the better services reform that promotes education, justice, health and community services to work together to intervene early and to prevent the need for intensive high-cost service responses. This is the direction that youth justice will continue to take in 2016 and beyond. For the young people who come into contact with the youth justice system, there are a number of programs and initiatives diverting them from detention. For these young people to reach their full potential, they also need to be supported to reconnect with their community.

As such, integration initiatives have been strengthened under the blueprint, focusing on supporting young people in transitioning successfully from the youth justice system. Initiatives contributing to the downward trend include the after-hours crisis service, Narrabundah House, the youth alcohol diversion program, evidence-based practice and case management, restorative justice practices and support for young detainees to transition back to the community.

The early success of the blueprint creates an opportunity to work proactively rather than simply trying to keep up with demand. It allows the youth justice sector to devote more effort to addressing the underlying issues that lead to youth offending to achieve better long-term results.

The newly established Child and Youth Protection Services, which joins the statutory functions of child protection and youth justice, focuses on intervening early when issues arise so that children and young people receive the right service at the right time for as long as they need it. The ACT is the first jurisdiction in Australia to take this step and the shift to better and more effective support for children, young people and their families means that they do not end up needing more intensive support.

Importantly, efforts to reduce the over-representation of Aboriginal and Torres Strait Islander young people in the youth justice system are being supported by the Aboriginal and Torres Strait Islander agreement 2015-18. The agreement's focus on strong families, cultural identity and connections is relevant for future work under the blueprint. The early achievements of the blueprint suggest that benefits are being made to the justice sector, young people and the community that are likely to continue for years to come.

MADAM SPEAKER: A supplementary question, Mr Hinder.

MR HINDER: Minister, what improvements are being seen specifically for Aboriginal and Torres Strait Islander young people under the blueprint for youth justice?

DR BOURKE: The overrepresentation of Aboriginal and Torres Strait Islander young people in the justice system is a serious problem facing all jurisdictions in Australia. On an average day here in the ACT, Aboriginal and Torres Strait Islander young people make up more than a quarter of young people on justice supervision despite comprising only three per cent of the youth population.

Today I am pleased to report that the work of the youth justice blueprint is having positive effects for the Aboriginal and Torres Strait Islander community. Since the blueprint commenced, we have seen a 47 per cent reduction—47 per cent—in the number of Aboriginal and Torres Strait Islander young people in detention and a 35 per cent reduction—35 per cent—in the number of Aboriginal and Torres Strait Islander young people under community justice supervision.

Critical to this success has been the implementation of actions that strengthen government and Aboriginal and Torres Strait Islander partnerships and recognise this community's expert knowledge and contribution to the lives of young people. For example, our restorative justice Indigenous guidance partner works together with young people participating in the restorative justice processes. The family engagement officer at Bimberi is helping families to stay connected and promote Aboriginal and Torres Strait Islander perspectives in custody. And cultural planning for young people on justice orders has been strengthened by promoting opportunities to retain connection to family, community and culture.

Whilst there is still work to be done, the blueprint will ensure that our efforts to reduce Aboriginal and Torres Strait Islander overrepresentation in the ACT youth justice system will continue.

MADAM SPEAKER: Supplementary question, Mr Wall.

MR WALL: Minister, does the government have a view about the long-term use of the Bimberi detention centre given the declining number of youth being given custodial sentences?

DR BOURKE: I thank Mr Wall for his question and his interest in both the youth justice system and, in particular, in Bimberi. Mr Wall is right to point out that the Bimberi facility has fewer detainees than it has had in the past, but it is worth remembering that there is always a potential for surge in these areas as we see new crimes or other problems develop in our community. At the end of the day, there is always going to be a need for a facility like Bimberi to be able to deal, as Bimberi does, with young people who need to go there. The community needs this facility, so there are, in fact, no plans to do anything with Bimberi at all.

MADAM SPEAKER: A supplementary question, Ms Burch.

MS BURCH: Minister, can you tell the Assembly how young people leaving detention are supported back into the community under the blueprint for change?

DR BOURKE: The Bendora through-care unit is one important way that the blueprint is helping young people to build the living skills they need to stay safe, strong and connected to their community when they leave custody. The government has committed just over \$2.4 million over four years for this initiative.

Since the unit opened in 2011, 21 sentenced young people have been supported to develop living skills like cooking and cleaning, and to gain confidence in employment skills through community work placements and participation in recreational activities. For example, a young man whom I will call Alex came into Bimberi aged 17 after being convicted for property and violence offences. He faced significant challenges in his family life and was using alcohol and cannabis frequently. He was involved with a group whose offending behaviour had a strong influence over him.

Time at Bimberi in the Bendora unit gave Alex the space he needed to get back on track with his education and to work on his drug and alcohol problems. With the help of the family engagement officer, Alex was supported to rebuild his relationship with his parents and strengthen his relationship with his sister. It is now more than a year since Alex left Bimberi. Alex has not reoffended. He is a more confident and independent young man who has used the skills he developed to start a trade and looks to building a bright future in our community.

This is because the blueprint has focused attention on prevention and diversion strategies as well as ensuring that young people who have come into contact with the youth justice system are supported to turn their lives around and achieve their potential.

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

Public transport

Debate resumed.

MS FITZHARRIS (Molonglo—Minister for Higher Education, Training and Research, Minister for Transport and Municipal Services and Assistant Minister for Health) (3.04): I relish the opportunity to talk to this motion today and I will be

moving an amendment to Mr Coe's motion to highlight the true needs of our city's transport future. But of course I welcome the opportunity to speak about the ACT government's commitment to providing an integrated, modern, sustainable transport system for all Canberrans.

While Mr Coe has been working on a grossly undercosted plan with no patronage data, for more buses and more congestion on our roads, the ACT government has a costed, affordable and visionary plan for our city's transport future. It is a shame those opposite seem so hell-bent on anything but light rail. It does not seem to matter if it works or not; they are just idealistically opposed to progress, I suppose. Does this ring a bell with anyone and have we seen this approach before?

We should be under no illusion that what the Canberra Liberals are rolling out is their version of Abbott's negativity. It is a campaign plan unable to be adjusted. But as we saw then, this style of politics is disastrous in government. Mr Coe's plan is unworkable and massively undercosted. Yes, we finally saw an idea after nearly three years of waiting, but still no costings. Their plan is a massively uncosted, probably unworkable solution. It is not a transport plan when you look closely.

But I recall a time when the Canberra Liberals supported light rail, when they declared it was time to take light rail seriously. In fact they told us that the community were crying out for vision and for something to be done on the issue of light rail. But of course, the Canberra Liberals do not want to see change in Canberra. They do not want a city that is sustainable, with a transport network that gives people more choice and better access.

This government's public transport improvement plan actually has a vision for public transport, one that is convenient, efficient, affordable, reliable and integrated. On 1 July this year transport Canberra will be established to bring this vision to reality. Integrated public transport will be crucial to managing congestion and ensuring that Canberra remains the world's most livable city as it grows.

We know that more than 500,000 people will call Canberra home by 2030. We need to plan now for that growth or we will quickly find ourselves living in a city that has crippling congestion costing us upwards of \$700 million a year. When I think about Canberra's future I see a city that is connected, easy to move around in and diverse. I see a city where my children will be able to get around easily and safely. And I see a city that ensures our older members, those with a disability and those facing transport disadvantage can be confident the system meets their needs.

By contrast, the Canberra Liberals concede that the private motor car will be the principal choice of transport for the foreseeable future. Their plan is for more roads and more parking. Mr Coe's speech on his motion was instructive: four minutes spent on buses, six minutes spent attacking light rail and five minutes on roads. In a 15-minute speech he found four minutes to talk about buses. The plan is for more roads and more parking and, of course, they cannot comprehend how this impacts our city and our environment into the future.

Their plan is a failure of imagination and a failure of policy. What they cannot imagine, let alone plan for, is a city where people have more transport choice, to move around the city more easily with an integrated transport network, mixing modes and giving people more choice in how they get around safely, conveniently and efficiently. In stark contrast, this government has a vision and a plan to deliver this for the Canberra community.

The introduction of light rail will also free up capacity for our bus network. Yes, there will be 1.2 million kilometres of bus travel that we will be able to redeploy across our city. With light rail we are adding significantly to our transport network, redeploying buses to other parts of our city, and transport Canberra will be responsible for designing the network to allocate these kilometres in the most effective way possible: not just nice coloured lines on a sheet of paper; we will design a real bus network that is based on actual patronage and that will meet the needs of customers all over Canberra.

While it is good to see that the Canberra Liberals' bus plan builds on the rapid network introduced and improved by this government, have they thought about patronage and flexibility? What happens when a pink bus breaks down and there is only a yellow bus available? What do they do then? How do they pay for their inflexibility?

What we have from the Canberra Liberals, let me be clear, is a massively undercosted bus plan, nothing more. It is impossible for the Canberra community to understand how much their idea will cost and I am sure this is because the Canberra Liberals do not know how much this will cost. But what I do know is that they will have to pay up to hundreds of millions of dollars in compensation to tear up a contract.

Let us be very clear about the implications of that. One, it is Abbott-style politics at its worst: decide what you are opposed to, lock it in and do not blink —negativity and fear. And do we know what that looks like in practice? Yes we do. We saw the devastation of the Abbott government.

Two, it is dishonest because this was an issue clearly taken to the election by ACT Labor. Does Mr Coe really think that if he takes a plan to the community later this year he would be expected to renege on that agreement during a term of government? No he would not. Can I add that his former leader was very open to considering light rail in order to form government. He clearly accepted the mandate that Labor had to form government based on a commitment to build light rail.

Thirdly, it will do enormous damage to our economic reputation. We need investment in our city and we are working hard to achieve that under the Chief Minister's leadership. Those opposite will rip up a contract costing up to hundreds of millions of dollars to the Canberra community, and very rightly major investors are concerned about what this means to their businesses. How can they have confidence in the ACT? How will they attract investment to the city if the Canberra Liberals have their way?

On top of all this they are being unbelievably dishonest with the Canberra community. The Canberra Liberals' commitment to tear up a contract and destroy the ACT's economic reputation will come at a huge cost. And when will Mr Coe tell all those people who have invested in their homes, often their first homes, along the light rail corridor or invested in small businesses along the light rail corridor, people he will seek to represent? When will he front up to them and apologise for tearing up a contract and a project that they rightly expect a democratically elected government will deliver? What are they not going to fund to pay for this? What are they not going to do and when will they tell us? Perhaps last week's bus plan is the first inkling. When will they tell us what local services they will cut to deliver their plan?

Barry Watkins, regional manager for MR Cagney, belled the cat in yesterday's *Canberra Times* when he said the hard work was yet to come. The Canberra Liberals will have to work out which of the six proposed fast routes would be viable and which suburban services would be reduced to pay for them. When will the Canberra Liberals tell us the cost? And when will they tell us what routes they will scrap? We need to be smart about how we allocate our transport resources across the territory, and I am confident with our plan the result will be an integrated bus and light rail system that works better for everyone in every suburb.

Light rail has a proven ability to change settlement and employment patterns and to catalyse urban renewal. By integrating light rail with buses we can help our city realise its full potential as a vibrant, lively and attractive place to live. The light rail project is not just about moving people from A to B. It will unlock the potential of a first-stage transport corridor and bring social and community benefits to Canberra by increasing accessibility and encouraging better use of urban spaces. The light rail corridor will service the Civic shopping and business precinct, the Dickson area, EPIC and Thoroughbred Park as well as the inner north and our city's fastest growing centre, Gungahlin.

As we have seen from other cities around the world, light rail also improves commercial occupancy rates, underpins a rise in residential property value and brings increased foot traffic to otherwise underdeveloped areas. Light rail has the potential to change our city. Just this week we revealed the added benefit of linking light rail to a future high-speed rail route from Canberra Airport to the city.

The choice is very clear. We need an integrated transport network that is convenient, efficient, affordable, reliable and integrated. Light rail is one part of this plan, as are buses. And the Chief Minister has indicated that Labor will take the second stage of a light rail network to this year's election. This is very important. If we do not act now it will be a generation before it is able to be built. If there are people in Canberra who like the idea of light rail but cannot yet support it because they do not know yet when they may be able to use it, can I say to them, "If we do not do this now we will never do it." It is a hard reform but it is essential to our future. We can afford it because for every dollar we spend on light rail we will spend \$10 on our roads, footpaths and parks.

It is a clear choice: a plan for a visionary transport future that is integrated and offers choice or an uncosted, underdeveloped bus plan that will mean higher fares, the closure of bus stops and more congestion on our roads; and it begins with a payment of up to hundreds of millions of dollars for nothing—just to tear up contracts on a project that was committed to before the last election. I urge the Canberra Liberals to wake up and realise they will be on the wrong side of history when it comes to Canberra’s transport future.

I move the amendment circulated in my name:

Omit all words after “That this Assembly”, substitute: “notes that an integrated, modern and sustainable transport network is a priority for this Government, and that establishment of Transport Canberra is the first step in the plan to deliver this network.”.

MADAM SPEAKER: The question is that the amendment be agreed to. Mr Rattenbury, are you going to speak on this?

MR RATTENBURY (Molonglo) (3.14): I am, thank you, Madam Speaker. I was just dealing with the interjections from Mr Coe who was heard in silence in large part, I recall, and has spent most of Ms Fitzharris’s speech interjecting across the room, once again reinforcing his and his colleagues’ reputation as some of the rudest parliamentarians in the country.

I thank you for the opportunity, though, to discuss this motion today and I really appreciate Mr Coe’s and the Liberal Party’s newfound interest in public transport.

Mr Coe: Have you got an independent review into that or not?

MR RATTENBURY: Here we go. I really appreciate Mr Coe’s newfound interest in public transport and buses because it has been a long time coming and I hope that it is a genuine commitment to sustainable transport and to an improved bus network. Given the intense hostility that Mr Coe and his colleagues have shown to buses and public transport over many years, I fear it is not a serious commitment.

Just as one example to put this motion in context, and it is one of many examples: before the last election the Greens moved a motion in this place that focused on improving buses and sustainable transport. That, of course, is something the Greens have been absolutely consistent on. Mr Hanson responded with a pretty aggressive attack on the Greens for even suggesting such a thing. Mr Hanson said:

It is bizarre that the Greens all of a sudden are starting to talk about the cost pressures of driving cars. If they are going to put a bus on every corner or a train route from every suburb into Civic, I would like to add up the cost of that.

He went on to say:

... it will be monumentally expensive ... They have this view that everybody should be able to catch a bus that is going to drive past their corner every five minutes. It is fanciful, and we know that the cost of that is simply unaffordable for people of the ACT.

Isn't that an interesting statement in the context of the Liberals' new bus transport plan?

Other examples, of course, include the Liberals' opposition to the introduction of the red rapid route. Mr Coe even moved a motion in this place opposing the red rapid bus route. He moved a motion. That is now one of the most successful routes in Canberra, one of the most successful routes in the ACTION network, and the Liberals are using this rapid model as the basis for their proposed new bus network.

Mr Coe: You called it a rapid express but it was stopping a dozen times.

MR RATTENBURY: Here he goes again, relentlessly interjecting because he cannot handle the facts. When he gets called out for opposing the red rapid route in the last election, moving a motion opposing that innovation, he cannot handle it; he needs to interject.

Then there is Mr Coe's frequent opposition to the idea of putting more money into ACTION to get better services. This is something the Greens have pushed for over many budgets. In contrast, over several budgets Mr Coe has called for less money to go to ACTION. Each individual pays too much for the ACTION service, says Mr Coe, and he goes to the length of getting out his calculator and calculating how much each individual Canberran pays. He says it is too much; he would prefer to put the money elsewhere or to return the money to individuals in the form of cheaper fees or tax cuts. That is not a very public idea for public transport.

I could go on, because there is a whole history of this Liberal Party invective on buses and public transport. Even today Mr Coe brought a motion that was meant to be all about the supremacy of buses and he spent most of his speech criticising light rail and talking about the roads he wants to build if he is successful in being elected to government. He brought on his own motion about buses and barely spoke about them.

This is how serious these guys are when it comes to public transport. They are actually not. There is no commitment. This is a cheap ploy to try to win the election in October this year. Canberra will be in the same place it is now, or worse, if they are in government because there will be no serious investment in public transport, unlike the Greens and the Labor Party, who have taken the decision to seriously invest in public transport and make a real difference for the future of this city.

I remind the Assembly of these episodes because, when it comes down to it, this debate and the promises that political parties are making on public transport are really about trust, and we cannot trust the Canberra Liberals when it comes to investing in public transport. While I am pleased that Mr Coe and Mr Hanson are expressing an interest in an improved bus network, it is very hard for me, and I would suggest for anyone in the public, to trust them on this issue. It is very hard to ignore the fact that this motion, like so many other motions from the Liberal Party, is put forward as part of a campaign strategy, a campaign strategy simply to oppose light rail as a short-term election strategy.

I want to examine the actual claim made by Mr Coe in this motion. He says that buses are the most effective and efficient way to serve all Canberrans by public transport. I want to put on the record, as I have done many times before, that buses are absolutely critical to Canberra's transport system, and we should be prioritising them, along with other forms of sustainable transport. You can look at our parliamentary agreement and see bus initiatives front and centre, including the commitment to millions of additional dollars to go to the bus network.

But is it right to say that buses alone are the most effective and efficient way to serve all Canberrans by public transport? I do not believe that that is true. The most effective and efficient way is to use the mix of transport technologies that are appropriate to our specific needs. This is an integrated transport system. For Canberra, the most effective and efficient system will utilise light rail on our key high capacity transport corridors and buses to complete the network and feed patronage into these corridors.

The Liberal Party's is an unnecessarily narrow view. They have painted themselves into a corner because of their political campaigning and now must refuse to acknowledge the benefits light rail will have as part of Canberra's transport network. Because the Liberals categorically refuse to look at a particular transport technology, light rail, their own transport plans cannot solve Canberra's most pressing growth and congestion hotspots, like Northbourne Avenue. This corridor needs light rail's efficiency, capacity and ability to stimulate urban revitalisation.

Even if we accepted that the buses were the best solution right now for the short term, what would the Liberals do on transport in the future? Canberra is growing. Congestion is growing. Density is growing. And our need to get more and more people using public transport is growing. Are the Liberals saying that for now, for the next 10 years, for the next 50 years, Canberra is only suited to buses and we must not have light rail? That is simply an unpalatable position. It is ridiculous. It is short-sighted and it sells this city out in a way that no people seeking to be government in this town should be doing.

In Canberra's key corridors, growing and higher density places like Gungahlin to the city, light rail is a supremely efficient and beneficial public transport technology. It can move people much more efficiently than buses. It is more attractive to passengers than buses. It is less polluting than buses. It uses less space than buses. It also catalyses urban renewal more effectively than buses.

I want to use this opportunity to make some initial comments on the Liberal Party's bus plan, which it released just last week. It takes the approach of embedding frequent rapid routes in the network—a good idea and something I support; something that Mr Coe did not support, but he does now, so that is good. Some of those rapid routes are appropriate for light rail, however. A smart approach would be to be technology neutral and, if some of the corridors are appropriate for light rail, to propose that.

Interesting to note is that with this rapid network model there is a significant amount of interchanging required. Astute members will note that the Liberal Party frequently

criticised the idea of interchanging. Mr Coe has done it time and time again. "Passengers will not do it," they say. If the Liberals were to implement their bus plan, interchanging will be central. I am glad they have changed their mind, because interchanging is central to a mature and good network, and it will be part of the network being developed by the Greens and the government as people change to light rail.

This inconsistency on interchanging again raises the issue of trust. Is the Liberals' bus plan something that they will really do? It is a dead giveaway that the Liberals' bus plan has no cost, no implementation plan, and no time line. I would assert that this is because they are hoping to impress the public, with no real intent of seeing the plan realised.

I could get a map of Canberra and draw bus routes on it. I would put the routes everywhere and they would be frequent everywhere and look amazing. Why not just throw brand new buses in there as well? New depots? New bus stops? And don't forget the heated seats. And of course, there is the colour paint job on them as well. I would take the plan out and show the public. Of course they would like it. That is actually really easy to do.

But then there is the reality of actual implementation. How will you achieve this plan? By when will you do it and how much will it cost? When will all of these new bus services actually be operating? There is no time line at the moment. Will it be 2020? Will it be 2030? Or is implementation so far on the horizon that the real plan is to never actually deliver them at all?

Members will know that I and the Greens have been frequently frustrated by rhetoric that does not turn into reality. The government is also a culprit in this. It has been the case before with the government's transport plans, and my colleagues and I have been frequent critics of this. It frustrates me and the Greens that the transport for Canberra plan was announced by the government but they did not back it up with the investments and actions that were needed. I do not want to see the same coming forward from the Liberal Party. Now that the question of cost—

Mr Coe interjecting—

MADAM SPEAKER: Order, Mr Coe!

MR RATTENBURY: Let us go to the question of cost. You will get your chance, Mr Coe. Why don't you save it up and, instead of interjecting all the time, actually make some intelligent comments when you stand up to speak? Let us wait for that.

Now to the question of cost. The Liberal Party's plan has no cost attached to it. There are no costings for running services, no costings for paying drivers, no costings for maintenance, no costings for running the new real-time service. There are no costings in capital costs for new buses or heated seats, and no costings for the new stops, the new depots or the new walk-in customer service centres. There are no costings. If I am wrong about that, let us see them. Let us have them put on the table and subjected to real scrutiny. The government have done it. We have released the full business case

for capital metro. Mr Coe wants to gloss through with no costings on his plan and no time lines.

I would encourage all members of the public who might see the Liberal transport plan to say to the Liberals, “How much will this cost and how will you pay for it all?” And for that matter, “When will you deliver it?” Here is my challenge to Mr Coe as he concludes this debate: tell us—tell us all, and put it on the record—how much your plan will cost and when you will implement the plan. Let us hear it. When will I be able to use the eight rapid routes suggested by the Liberals, and when will I have the heated seats? 2016? 2017? 2020? Or maybe 2100? Probably never.

If Mr Coe says that the cancellation of light rail will fund this plan and promises everything to everyone, I am confident that is nowhere near enough money. Any funds that might be saved by cancelling light rail also need to pay for the other Liberal promises. It is the magic pudding economics that we are going to see from the Liberal Party right to the election—hash tag “Because of light rail”: they can go out and promise everything they want to everybody they meet in the community because of light rail. It is not possible. Let us see them actually put their costings to Treasury. They did not do it at the last election, and I would be surprised if they put all of their promises to Treasury in this election.

Let us take all the new and duplicated roads, for example. You cannot just cite the cancellation of light rail as a never-ending source of funding to continuously duplicate roads in this city. It is not the magic pudding. In any case, any light rail savings are only short term, because our city needs long-term planning, and light rail is part of that. And of course, the savings are severely reduced by the fact that the Liberals will be paying for contract cancellation.

What the community should be asking is: what will the Liberals be cutting in order to fund these promises? Schools? Social services? The less patronised bus routes that serve the elderly or the transport disadvantaged? As expert commentators such as Barry Watkins from MRCagney have started to flag, there is a reality to a transport network that the Liberals need to address. If they are addressing these extra rapid routes, will they do it by cutting local and coverage bus services? Tell the community which services you will cut to redeploy into your rapid routes. If you can stand up today and say you are not going to do that, then let us see the costings and let us see how it stacks up. You cannot be credible, you cannot just spend years tearing down light rail where all the documents are on the table, and then come out and say, “Oh, but here is our alternative bus plan”—no costings, no time lines. It is simply not credible. It is not trustworthy.

Similarly, I want to note that the Liberal Party says it will keep rates at the same level but will do away with stamp duty. Under the government’s plan these initiatives are linked and revenue neutral, so the Liberals would have to find a large amount of funding to support this commitment. Again, it is not a magic pudding. This is a great example of the magic pudding economics that we are seeing from people who say they want to be in government.

Again, I reiterate, the idea of expanding the bus network, adding more rapids and frequency, is something I strongly support. The Greens are the strongest supporters of public transport in this place. But I need to know that these commitments are genuine and will be achieved in a fair and effective way and without painful cuts or other hidden traps. At the moment it looks as though that is going to be the case, because of the failure to cost.

I conclude by saying that the Greens really will deliver an excellent public transport outcome, combining both buses and light rail. We have secured extra funding for buses in the parliamentary agreement. We have promised light rail and we are getting on with building it. We have always pushed for more and better public transport.

Our plans are about high quality, efficient, sustainable, integrated public transport, focused on buses, light rail, and walking and cycling. They are about an integrated public transport system where we have highly patronised and dense spines and frequent buses delivering the rest. Plans are costed, deliverable and well underway, with construction on light rail starting this year. That is a real plan for transport in this city, not a map with coloured buses on it, but a real plan that is costed, has a time line on it and will deliver for the people of this community.

MR COE (Ginninderra) (3.29): It is a pleasure to respond to these fiercely negative speeches by those opposite. You would not think a motion calling on the ACT government to prioritise buses as the most effective and efficient way to serve all Canberrans by public transport would be an opportunity for those opposite to put forward 25 minutes of negativity about the Liberals policy. You would think, in actual fact, they would use it as a great opportunity to talk about how good buses are, how good ACTION is and they might be able to throw in a little bit of light rail jargon in amongst it. Instead, in the 25-minute go at the opposition being negative, they were, of course, totally negative themselves the entire time. For 15 minutes they each said, "You guys are so negative. You're so negative. You're so negative". Well, I hate to break it to you, but you might be guilty of the very thing that you are accusing us of.

It is interesting that we should get Mr Rattenbury saying we need to be technology neutral. If they were technology neutral, surely the BCR for bus rapid transit being double that of light rail would kick in. If you are taking a pure approach to this, a technology-neutral approach, you would see a BCR of double for buses over light rail and you would say, "Bang! I'm going to go with that." Instead, they are not being technology neutral at all; they are quite biased, in fact. They are blindly going with light rail despite the fact that all the evidence suggests that buses are superior when it comes to the benefit-cost ratio.

We also heard from Ms Fitzharris that light rail is going to cost hundreds of millions of dollars to cancel. It is interesting, because apparently this figure is not actually known. She said, "I do know it's going to cost hundreds of millions of dollars". Well, how do you know that? The Chief Minister and the Minister for Capital Metro have said it is not known yet. You said it is going to cost hundreds of millions of dollars. Therefore—

Dr Bourke: Point of order, Madam Deputy Speaker.

MADAM DEPUTY SPEAKER: Point of order.

Dr Bourke: Under standing order 42 Mr Coe needs to address his remarks to you in the Speaker's chair.

MADAM DEPUTY SPEAKER: Thank you Dr Bourke. I remind Mr Coe of that.

MR COE: Thank you, Madam Deputy Speaker. It is a very important point of order and one I shall adhere to.

It is interesting that Mr Rattenbury should refer to my motion of 2009 about the Redex. Remember that term, "Redex"? Unfortunately, the government then agreed that the "ex" really was not quite true and they would just call it the red rapid. That was, in fact, my point: there was not a rapid express; it was a rapid, but it was not a rapid express. My motion in 2009 was:

That this Assembly notes:

- (1) the ACT Government's \$1 million trial of Redex between Gungahlin and Kingston;
- (2) that the Redex trial has already been scaled back and services from West Belconnen have been aborted;
- (3) that Redex services travel on the same roads as existing bus services with little potential for time improvements;
- (4) that routes 51, 52 or 59 provide fifty services a day between Gungahlin suburbs and the city;
- (5) that for Gungahlin residents in Nicholls, Ngunnawal, Casey, Forde and Amaroo that use a route 51, 52 or 59 service, the travel and connection time to and from the city on a Redex service will exceed the travel time of these existing route services to and from the city for 92% of services;
- (6) that during off-peak hours, Redex offer a negligible time saving to the existing route 5 services;
- (7) that there are no "park and ride" facilities at the Gungahlin Town Centre;
- (8) that in the absence of "park and ride" facilities there are concerns that commuters will occupy private car parking spaces at the Gungahlin Town Centre and therefore restrict trade for local business operators;
- (9) that the lengthy travel times are often caused by indirect suburban services and a lack of bus priority in key locations;
- (10) the potential for worsened bus bunching, especially on Northbourne Avenue;

- (11) the fuel cost and emissions from dead running buses between bus depots and the starting point of Redex services;
- (12) the existing stresses and lack of resources on other parts of the ACT bus network;
- (13) the opportunity cost within the network of spending \$1 million on these services; and
- (14) that a \$1 million investment in public transport could be better spent by providing:
 - (a) choice to Gungahlin commuters with more direct route services from Gungahlin suburbs to the Gungahlin Town Centre and city;
 - (b) resources for improving bus priority on existing routes to cut travel times; and
 - (c) a 'park and ride' facility at the Gungahlin Town Centre.

That was the motion in 2009 which Mr Rattenbury said was bagging out buses. That was the motion that he thinks is, in effect, the silver bullet for his case that I have been anti-bus for seven or eight years. Unfortunately, you did not actually read the motion.

MADAM DEPUTY SPEAKER: Mr Coe, I remind you again.

MR COE: Thank you, Madam Deputy Speaker. I do apologise; I will not refer to members in such a way.

We welcome the opportunity to relitigate the case we made in 2009, both today in the Assembly and, of course, in our policy which was released last week. We have been consistent for many years that we are all about providing an attractive public transport option for all Canberrans. That is what our motion does: it says we need to have an effective and efficient public transport system and we know that, in Canberra, due to the dispersed population and the fact that we are not a dense city, we are always going to largely depend on buses as our primary mode of public transport. The evidence is very clearly there.

The government's proposed \$698 million dollar construction of light rail from Gungahlin to the city will service only three per cent of Canberra's population who are within walking distance of a tram stop. So the other 97 per cent, including 85 per cent of Gungahlin residents, are going to be worse off as a result of what the government is proposing.

In contrast, the Canberra Liberals have a plan for all of Canberra. We believe the eight rapid routes that we launched last week are genuinely a service for all of Canberra. We think it is something that will encourage more people onto public transport. We think making more attractive public transport options and actually having buses that travel the way that people would drive is a good starting point to get people out of cars in the ACT.

The Auditor-General's report No 9 of 2015 is, in effect, a scathing account of this government's management of public transport. Under the former minister responsible for ACTION, patronage went backwards each year. Each year of Mr Rattenbury's leadership of ACTION, patronage went backwards. And he comes in here today to try to lecture us about public transport. Public transport under Mr Rattenbury was a disgrace. The evidence is there in each annual report, culminating, of course, in the Auditor-General's inquiry into the frequent network.

We very much believe Canberrans deserve a better public transport system than what they currently have. But we want to restore pride in ACTION. We want people to see ACTION as being the primary and preferred mode of transport in Canberra. However, under what the government is proposing, ACTION is going to be a poor cousin; it is going to be a second-class system to light rail.

As we all know, right across the ACT government funds are being drained from every agency to go into light rail. There was never the same attention paid to public transport in ACTION. There has never been any genuine willpower from the government to restore confidence in ACTION. But as soon as there is a light rail proposal on the table it seems everything stops and all attention is paid to that one line, despite the fact that it is going to cost a fortune and provide a worse public transport outcome than what we presently have.

The Canberra Liberals are going to prioritise all of Canberra. We are going to prioritise a genuine public transport system that is effective and efficient. Therefore, we urge members of the Assembly to support this motion and to affirm what every report tells us, that is, that buses are the most effective and efficient way to serve all Canberrans.

Question put:

That **Ms Fitzharris's** amendment be agreed to.

The Assembly voted—

Ayes 9

Noes 8

Mr Barr
Ms Berry
Dr Bourke
Ms Burch
Mr Corbell

Ms Fitzharris
Mr Gentleman
Mr Hinder
Mr Rattenbury

Mr Coe
Mr Doszpot
Mrs Dunne
Mr Hanson
Mrs Jones

Ms Lawder
Mr Smyth
Mr Wall

Question so resolved in the affirmative.

Motion, as amended, agreed to.

School enrolment

MR DOSZPOT (Molonglo) (3.43): I move:

That this Assembly:

(1) notes that:

- (a) 2016 projections for ACT public schools show that schools in many areas of Canberra are under enrolment pressure;
- (b) this is despite earlier assurances that media reports of over capacity were incorrect;
- (c) if the current enrolment trends continue, all schools in both the inner north and inner south areas will be over-subscribed and students will be forced to relocate to other areas;
- (d) this evidence refutes claims by the former Education Minister who told the Assembly in September 2014 that “school capacity in each of the four networks will remain comfortably above projected enrolment growth”; and
- (e) the former Education Minister Andrew Barr closed 23 schools in 2006; and

(2) calls on the Government to:

- (a) make public the Directorate’s enrolment projections for each school for 2017, 2018 and 2019;
- (b) identify those schools and those areas that face enrolment pressure; and
- (c) outline to the Assembly before the end of May 2016 how these issues will be managed so that parents across Canberra can plan with certainty for their children’s future schooling needs.

In the first three months of 2016 we have had the publication of a number of significant reports related to education delivery in the ACT. In January the ABC ran an article on school capacity headlined “Garran Primary School ‘bursting at seams’”. The article referenced public school enrolment projections extracted from the ACT Education Directorate’s own modelling and highlighted a number of schools that would, most likely, be facing overcrowding difficulties this year.

The second useful piece of relevant data was the publication of the February 2016 schools census which outlines actual enrolments for each year in each school throughout the ACT. We have also had the publication of NAPLAN results in March which, for the first time, the *Canberra Times* has analysed to compare improvements from previous testing two years ago for years 3, 4 and 7 for each ACT school.

All of these publications tell an interesting story. The ABC News item in January told a worrying story. It suggested some significant overcrowding in our schools. For example, it suggested Garran Primary School had a notional capacity of 550 but that enrolments were, on the ACT directorate's modelling, likely to be 570; that Harrison Junior School had potential enrolments of 1,099, with enrolment capacity of 1,050; Hawker Primary School, 338 with capacity of 350; that the relatively new Gungahlin College was close to being full; and that Macquarie primary was not far behind.

The article went on to quote directorate staff assuring parents that all was well and that the enrolment pressures were being managed. But go back to 2014 and it was a different story. In September of that year I moved a motion in the Assembly expressing concern at the potential overcrowding in many ACT public schools. I highlighted that schools in the Belconnen area and the inner south, and in Gungahlin particularly, were at or close to capacity. The minister at the time responded rather typically, denying any such crisis, moving to omit all reference in my motion to overcrowding, and said, quite tellingly, that, in each of our four networks, school capacity would remain comfortably above projected enrolment growth.

Fast forward to April this year, the February school census shows some remarkable things, most importantly that the minister was misleading at best. Firstly, the school census figures show that the directorate figures published in January, and presumably managed and analysed by people who are best placed to assess such things, were in many instances wildly underestimated.

Mr Rattenbury: A point of order, Madam Deputy Speaker.

MADAM DEPUTY SPEAKER: A point of order, Mr Rattenbury. Please sit down, Mr Doszpot.

Mr Rattenbury: Madam Deputy Speaker, I think Mr Doszpot just used the term "misleading" in his speech. Of course, we know that this needs to be done in a substantive motion.

MADAM DEPUTY SPEAKER: You are asked to withdraw the word "misleading", Mr Doszpot.

MR DOSZPOT: Madam Deputy Speaker, can we stop the clock?

MADAM DEPUTY SPEAKER: Simply withdraw the word and we can start back, Mr Doszpot.

MR DOSZPOT: Please stop the clock. I withdraw my statement.

MADAM DEPUTY SPEAKER: Thank you, Mr Doszpot. Please continue.

MR DOSZPOT: Firstly, the school census figures show that directorate figures published in January and presumably managed and analysed by people who are best placed to assist such things were in many instances wildly underestimated.

Let me take you through some examples: Ngunnawal Primary School has a notional enrolment capacity of 675. In January, the projected enrolment was estimated to be 564. The actual enrolment was 715. Mawson Primary School in January was listed as having a capacity of 475 and a projected 2016 enrolment of 320. The actual enrolment is 420: over 20 per cent more than a projection that was no more than a few months old. Red Hill primary has a notional capacity of 725 and a 2016 estimate of 608. But it has an actual February 2016 enrolment of 710.

I could go through school after school, but the story is mostly repeated. When we look at the newer areas in Gungahlin, there is no more alarming a crisis than in Franklin Early Childhood School. Franklin has a notional capacity of 210, an estimated 2016 enrolment of 181, but an actual enrolment of 290. When you look at the breakdown, this is a school that to date has had pupils in only four of the eight years it is intended to cater to. This year there was a preschool enrolment of 143. Multiply that through the eight years of schooling on offer at Franklin—that is, preschool to year 6—and you are looking at a school needing to cater for 1,100 pupils on a campus that was intended in 2015 to cater for 210.

Franklin is a new and rapidly growing area of Canberra and should have been better able to cope. But already there are overcrowding issues. We have anecdotal evidence from parents who, in looking for a preschool placement for their child next year, have been advised by directorate staff that the preschool year is not a compulsory year of attendance—code for “no room at the inn”. No parent wants their child to be denied any and every opportunity for education and I am quite sure that no directorate staff would want to have to deliver that message. But what choice do they have? Apparently none.

Altering priority enrolment areas may work in some areas, but for most it is not a practical choice. Apparently this school, unlike many older schools, did have an opportunity to expand with vacant land adjacent to it. However, I am reliably informed that the education minister at the time decided such expansion was not required, against the directorate’s advice. Why take such a short-sighted position? I suspect this school, like so many other schools and infrastructure projects in the ACT, is a victim of the light rail myopia.

If there is not enough money to buy land and build more classrooms, if we have a government that chooses instead to chase increased revenue by selling land to developers to build more apartments, which in turn will increase pressure on schools already overcrowded, it is not hysteria to suggest that we are facing an impending crisis. It is a crisis that could have been diverted.

I know that Coombs school is now up and running. I congratulate the government for getting this school completed in a relatively short time. But we need more than one Coombs school and we need more and expanded schools in the inner south and in Belconnen. It is disappointing that when the latest census figures were released there was much focus and chest-puffing about how popular the ACT public school system was, with increased numbers of students enrolled in government schools compared to non-government schools. But there was no mention of the fact that too many of our schools are at a crisis point in terms of numbers.

One has to ask: if the estimates for this year are incorrect, how much worse are they for 2017? On all likely outcomes, things can only get worse as more housing comes on stream. Knowing that, what is the government doing about it? We can all be wise after the event and none of us has a crystal ball. But as a starting point we need to be honest with the electorate, with parents who move to new areas believing that there will be a placement for their child. Indeed, the directorate and their minister make that commitment to Canberra families, as they should.

But for how long will this be able to continue if we do not have a major infrastructure plan? One has to ask: what cost are educational outcomes likely to suffer? We know that many schools have long ago given up their dedicated music rooms and their language rooms to accommodate additional classrooms. We know that class size is no longer a focus of attention because, irrespective of what might be the ideal size, the harsh reality is there is no other option but to maximise class size when required.

But what else is the government doing? What messages are being provided to parents? How did they get the numbers so wrong? We only have to look at preschool numbers across a number of schools this year to see that there is a significant problem now or pending in many of our schools across a number of networks. We are told that schools census data and capacities, land release data, sales data and occupation dwelling forecasts sourced from Treasury, birth data from births, deaths and marriages, population estimates from the Australian Bureau of Statistics, and external demographic analysis are used. So if all that is available, where is the error?

Presumably apartments and housing in some of the newer suburbs were intended for single or double-income couples without children when, in fact, it is families that are buying in these areas. But, learning that, what steps has the government taken to relieve the school pressure?

I think Canberra families need to be assured that there is a place for their child at an ACT public school now and into the future. I have spoken in the past about the promise made in the last election by the minister to deliver \$70 million in new money to upgrade Canberra's older schools. I know that to date very little has been committed and even less spent. We are not spending money on upgrading schools. We are not building enough schools, or none fast enough, to cater for families in new suburbs and we know that even in older areas where schools were closed in 2006 and 2007 there is now pressure for more space.

We also know that there is no financial assistance through a loan scheme or similar for the non-government school sector to assist them in meeting demand. The new Catholic senior school at Nichols, the Good Shepherd-St John Paul II College campus, was a marathon exercise in negotiations to get started. Already that area could do with more schools, with 146 enrolled this year in year 7, while the Good Shepherd Catholic Primary School at Amaroo and the Good Shepherd Primary School-Mother Teresa Catholic Primary School campus at Harrison have between them enrolments of 1,346. Amaroo public school is similarly large with over 1,000 enrolments, while Harrison Junior School is bursting at 1,244 when it has a notional capacity of 1,050. Neville Bonner school is another with large preschool numbers this year.

I mentioned at the beginning that the *Canberra Times* has recently published data comparing student scores in 2015 to scores two years earlier. It tells some interesting facts. I am not in a position to make any connection between overcrowding and school results, but it does demonstrate that a number of our schools, including some that are often identified as some of our shining stars, are not making improvements in learning at or above the national average rate gain. That could be for a variety of reasons, including the fact that they are already at the top of their game, but it does make you wonder what impact overcrowding might have on learning and quality teaching.

In celebrating all that is good about our public schools, we need to be mindful that our schools are under pressure. Do we know or understand what impact overcrowded schools have on overall education outcomes? I can only presume that a school with space for students to learn and play is obviously a more pleasant place than one that is overcrowded with no playing areas or classroom space.

In this motion we are calling on the government to let us know what projections they have for 2017, 2018 and 2019, how they are responding to those projections and what assurances they can provide that future projections are going to be a lot closer to reality than those for this year and next. But are the experts to blame? Is the modelling so imperfect? I suspect not. Is it a case of the experts not being listened to? I suspect that political expediency has more to do with the capacity crisis than flawed modelling.

That said, who is going to fix it and when and how? No longer can the government hide behind the claim that it is inaccurate reporting, as the previous minister did. The schools census data is very clear and the numbers, especially in preschool, are significant. If it is additional transportable buildings that are needed, that takes pre-planning. Have they been contracted? Have they been factored into the budget? Is it a case of refiguring the priority enrolment areas? Is that an option? I am obviously not suggesting that we move students from, say, the inner north to Tuggeranong, but what are the available options and what work is being done to consult with the non-government sector about planning for new schools in some of our pressure areas, and not just in new suburbs?

Indeed, what conversations are being had within government to consider new public schools or the reopening of previously closed schools, such as Hall or others with suitable infrastructure? We want to know what parents are being told and what they need to do to plan for their child's enrolment next year or the year after, because we already know some preschoolers are being denied access to their local public preschool. For many families, enrolment in a non-government school is not an affordable option; so what is to happen to their child? Do they sell up and move to another suburb or interstate?

I go back to what the former education minister claimed only 17 months ago:

... in each of the four school networks, school capacity will remain comfortably above projected enrolment growth;

So who is right and who is wrong? Why were we apparently in no difficulties in September 2014 but only 17 months later we are facing a potential capacity crisis in our schools? Parents need answers and so should the Assembly be told what the real story is. I commend the motion to the Assembly.

MR RATTENBURY (Molonglo—Minister for Corrections, Minister for Education, Minister for Justice and Consumer Affairs and Minister for Road Safety) (3.58): I welcome the opportunity brought forward by Mr Doszpot to discuss these issues this afternoon so that we can dispel some myths but also agree that Canberra public school enrolments are being managed to ensure that parents and carers across Canberra maintain certainty for their children’s future schooling needs. I will try to deal with the issues Mr Doszpot has raised as succinctly as I can, and to do so I will focus on the present and the future, which is what I believe is relevant to the debate and what will answer any genuine concerns of the Assembly and, through it, of the broader community.

I start by asking members to note the amendment to Mr Doszpot’s motion now circulating in my name. I move the amendment circulated in my name:

Omit all words after “notes”, substitute:

- “(a) the recent publication of public school enrolment projections for 2016 show increasing enrolments in ACT public schools and identify areas that may be experiencing pressure;
- (b) the robust processes that exist to support the Education Directorate projections that include undertaking annual one and five year student enrolment projections for each ACT public school, and routinely comparing projected enrolments to actual enrolments as the Directorate’s census data is released;
- (c) the need for population projections and demography to be regularly updated to support normal anticipated and unanticipated fluctuations such as found in birth rates, population movements and choice of school system;
- (d) the commitment of the ACT Government to provide the best possible education to every child and young person living in the ACT; and
- (e) all public schools’ ability to accommodate students living within each school’s priority enrolment area; and

(2) calls on the Government to:

- (a) make public the Directorate’s enrolment projections for each school for 2017 and 2018 by the last sitting day of June 2016; and
- (b) outline to the Assembly by the last sitting day of June 2016, how ACT public school enrolments are being managed to ensure that parents and carers across Canberra maintain certainty for their children’s future schooling needs.”.

While I will not be supporting Mr Doszpot's motion, I will be responding to his main points and those reasonable, relevant requests that are in there.

We all know that there are more students in ACT public schools. This is clearly illustrated in black and white by the most recent census data. Public school enrolments in 2016 are up by 1,747 students, as published in the 2016 Canberra schools census. That is a rise of about 4½ per cent over 2015 and represents 44,831 of the 73,467 students enrolled across all three sectors.

The ACT government welcomes student increases in public schools and aims to provide the best possible education to every child and young person living in the ACT, according to their needs. While new to the portfolio, I am genuinely impressed by the passion and commitment of teaching staff and the directorate to achieving this. As the recently appointed Greens Minister for Education I am also personally committed to ensuring equitable access to an education system that meets students' needs and aspirations and gives them the skills and capacity to participate in society. I am also of the view that high quality, free and equitable education is a cornerstone of a healthy democracy and is fundamental to Australia's continued prosperity.

Further I believe that it is the absolute responsibility of government to ensure the provision of high quality, well-resourced and safe learning environments that are open to all students. As we see enrolments in public schools increase it is essential to ensure that parents and carers across Canberra maintain certainty for their children's future schooling needs and have confidence in the system.

We can provide them with this certainty, but part of Mr Doszpot's motion seems more targeted to seeking to erode that confidence for his own ends, which is unfortunate but perhaps not surprising. It is simply not true that parents will be forced to relocate their children who are in existing schools to other areas. It is in Mr Doszpot's motion; it is incorrect scaremongering. I know that he will say he tried to say something different in his speech but the actual words on the paper say—if I just reflect on which section of his motion it is in:

if the current enrolment trends continue, all schools in both the inner north and inner south areas will be over-subscribed and students will be forced to relocate to other areas;

Mr Doszpot asks that we note that in his motion. It is there in black and white. If that is not scaremongering, I do not know what is.

Mr Doszpot interjecting—

MADAM DEPUTY SPEAKER: Mr Doszpot, you were heard in silence.

MR RATTENBURY: Let us not go to that point of starting to scaremonger. If you want to have a genuine discussion about this, let us have a genuine discussion but let us not scaremonger in that way that is suggesting that students will need to relocate. It

is simply not true that parents will be forced to relocate their children who are existing school students.

The Education Act 2004, at section 21(3), requires the director-general to “establish procedures that give priority to the enrolment of children in the government school in their neighbourhood”. I will also require the director-general to do this and I completely reject any suggestion that ACT students will be forced to relocate from their existing schools to other areas to receive an education.

But yes it is true that some schools in some regions are experiencing or are projected to experience population pressures. This is due to a range of demographic factors, and the directorate’s response to date and my response going forward will be: population increase is not a static issue and is one we need to constantly monitor. No-one, except perhaps the Canberra Liberals on some social policy issues, stands still in this town. Most of us work hard to stay abreast of change, foster innovation and respond to challenges in a way that sees positive outcomes. Education is a good example of this. I have over the past month interrogated the directorate on a range of issues and found them to be forward thinking and up to the challenges of running a 21st century education system in a city that is rapidly growing and maturing.

Mr Doszpot seeks to make arguments based on decisions taken in 2006 or comments made in 2014, but I am working towards the future needs of our students. I am not seeking to dismiss the impacts of previous governments’ policies but, as the issue at hand refers to the future, I will be focusing on that as well. I will—and I ask members opposite to note—provide to the Assembly projections to 2018, and I will do it with a clear and concise statement that outlines the many strategies the directorate utilises to ensure students’ needs are met.

But let me be clear on the issue of projections. They are just that. Projections are made using the best data available at the time and are subject to change. Some of us may like to live in a world that has not changed since the 1950s but the realities are that there are so many hard to predict variables that we must constantly keep revisiting the problems and the projections.

At the risk of upsetting those opposite, I would like to touch on some of the less obvious variables that may have affected our past and current projections. I am talking here of the savage cuts to critical analysis institutes, such as the Australian Bureau of Statistics, which provide such an essential service towards reliable data, massive reductions in the Canberra-based commonwealth public service, economic downturns caused by reduced funding to our Canberra-based national institutions and uncertainty about not only the quantum of commonwealth funding for public schools but even random threats of removing commonwealth funding to public schools altogether. All this and more we have seen from the current federal Liberal government, and all these factors can throw a curve ball into our projections.

But I think there are other more understandable fluctuations. Birth rates, changes in family make-up, new suburbs and the subsequent building of new state-of-the-art, environmentally friendly schools, increased confidence and many more local factors all play a part.

The important question is: what are we doing about the anticipated pressures in some schools in some areas? That I consider a fair question and one that I am happy to start to address today, with further information I propose to bring back to the Assembly in June, under my amendment.

One of my first official duties in this role was to open the Charles Weston Primary School which will provide a modern education environment over the years for up to 700 students as well as for up to 132 preschoolers in the new and developing area of the Molonglo Valley. The 2015-16 ACT budget provides \$28.6 million for the construction of a new primary school in Taylor, in north Gungahlin, to cater for an estimated 540 students. This comprises 450 primary school students and 88 preschoolers. These are examples where forward planning is working effectively to get the infrastructure in place in time for growing areas. We will continue to invest in school infrastructure, both expansion of existing schools and the construction of new schools as needed.

But there are other strategies that we can explore as challenges provide a fertile ground for innovation in the right hands. It is true that Gungahlin in particular is rapidly growing and there is a comparative growth in student enrolments. I think it is also fair to say that the overall population boom in the north of Canberra has taken a few demographers by surprise and is something that a few portfolio areas are working on to ensure we can maintain the level of service that Canberrans expect.

In the education portfolio, I can say with confidence that the government is actively pursuing short, medium and long-term responses to the pressures. The directorate has taken a proactive response to fully utilising the unique design of the Gungahlin College and its integrated proximity to the local library and CIT and has allowed for use of shared space, not as a crisis overflow response but to engage students with some different learning options, including what I have been advised are well-received classes operating outside usual hours. I was chatting to some teenagers from Gungahlin College recently and they were certainly appreciative of actually having classes at later hours and not having to get up so early in the morning. Not to get too much into the cliché of teenagers but they certainly do seem to appreciate it.

We are also looking at the relationships between aligned junior and senior schools to explore shared use of facilities and of course we are looking at a range of solutions through the budget development process.

In relation to Garran, an example that has had some particular exposure, we are working through increased enrolments, in collaboration with teachers, the union, parents and carers and the school community, to ensure that every student continues to receive the best possible education. Let me briefly outline what is involved in the situation discussed in the news regarding Garran's capacity. Garran Primary School has a total capacity of 550 kindergarten to year 6 students and the February 2016 census data shows the school having 551 K-6 students. I can assure the Assembly and the school community that yes there is room for that one extra student, and this will have little to no material impact on the school.

It is also important to note, in line with Mr Doszpot's question about proactive management of increased enrolments, that since the start of 2015 Garran Primary School has not accepted out-of-area enrolments except for a special circumstances case. Priority enrolment area changes for the school are being finalised for 2017 to support the school's current enrolment management plan. The proposed change will include removing O'Malley from Garran's priority enrolment area. Residents of O'Malley would join the Mawson Primary School priority enrolment area. This proposed change has been available on the Education Directorate website since 2015.

The Garran Primary School principal has discussed this proposal with the school board. The directorate also keeps in close contact with the Garran Primary School principal and executive group to discuss enrolment management strategies, including the priority enrolment area changes and potential changes to infrastructure.

I now turn to the amendment that I moved today because I want to be very clear that I accept that this is an important issue, that I accept the Assembly should be giving good information on this and I intend to engage very seriously on the questions that Mr Doszpot has raised today. Once we get past some of that scaremongering-type thing I think we can have a decent discussion about this and I am happy to have that discussion.

My amendment notes some of the things that are happening, which I have spoken to in my speech today, and then calls on the government to make public the directorate's enrolment projections for each school for 2017 and 2018 by the last sitting day of June 2016. There are two changes to Mr Doszpot's original call and I will speak to each of those. One of them is the later date. The two things are related.

Firstly I have only proposed to bring forward two years of projections, and the reason I am proposing to do that is that I have asked the directorate to do some further work. I propose to simply provide those two years because I think they are years that have good data that I feel confident in providing to the Assembly, and when further work becomes available I am happy to provide that further work. That is the reason for dropping 2019 off that list. I would like to simply provide data that I have confidence in, and I undertake further work on future years of data.

In regards to the proposed date, I would like some additional time, as this is an area where I would like to be able to come back with a thorough and comprehensive answer. I seek from the Assembly a little more time to be able to do that.

That is the basis on which I have made some changes to what Mr Doszpot had asked for. I consider them to be reasonable proposals, for the reasons that I have just outlined, but with an undertaking that I do take this issue seriously. I am happy to have a detailed conversation when I have provided those reports. I am happy to arrange a time for Mr Doszpot to sit down and speak with directorate staff if he would like to go through the information that I provide in further detail.

I am committed to being as transparent on this as I can usefully be and ensuring that there is confidence in the community that the government is aware of some of these

pressures, that there are demographic changes in our community that we need to respond to. Demographic changes are no-one's fault. The question is how you deal with them if we are adequately preparing. I propose to outline to the Assembly when I come back in June the steps that are being taken, to be clear about where the pressure points are and what the government proposes to do in response to that. I commend my amendment to the Assembly and I look forward to reporting back to the Assembly during the June sitting period.

MR DOSZPOT (Molonglo) (4.12): I will be talking to the amendment and eventually closing. I must say, I welcome some of Mr Rattenbury's comments. Certainly the spirit in which our motion was raised was not in any way reflecting the way that Mr Rattenbury has described it as scaremongering. We certainly want to bring to the attention of the Assembly and to the minister that there are issues that we are aware of and we wanted that to be understood by the Assembly and by the minister. Scaremongering is not one of the words I would have used but I will let that go through to the keeper.

In terms of the amendment that Mr Rattenbury has suggested, I am actually surprisingly pleased that he has come up with some acceptance of the issues that we have raised and, in the spirit of the debate that is taking place so far, I would say that I would welcome the information as per the amendment that Mr Rattenbury has put forward.

I do thank the minister for highlighting in his amendment the fact that what Mr Barr did on behalf of the government in 2006 and 2007, that is, closing 23 schools, was wrong. We know it was wrong. And even though it was 10 years ago, it obviously still rankles.

That is the only substantive change to the motion that the Canberra Liberals have put to the Assembly today. Words such as "identifying areas that may be experiencing pressure" are polite and tidy words that reflect what parents know, what teachers know, what directorate staff know. Some of our schools are facing some real space dilemmas, and not much is being done at the political level to fix them.

To come back to the scaremongering comments, Mr Rattenbury might like to talk to some of his teachers and his directorate staff and seek their views, because I know that they are concerned. I know that silly suggestions like bussing students from one side of Canberra to another have been put on the table for discussion, and I certainly was not suggesting that that is an option that should be considered. I feel I have been misrepresented by Mr Rattenbury on that point. I was raising a question as to what options the directorate and this minister would be willing to have a look at.

The issue that I would have liked to see a little more information on is the identification of those schools and those areas that face enrolment pressures. Obviously it is important for us and the schools to know that their issues will be looked at, and I am sure that the principals and the teachers in all of those schools would really appreciate the information that should be forthcoming from the government and from the Education Directorate. The parents of course would be very much grateful for that information.

I guess the major point that Mr Rattenbury alluded to was that he will be accepting two out of three of our issues that we call on the government to look at, and I thank him for that. We accept his amendment in full, and I am happy to move on from that, as long as we can stick to those time frames—through you, Madam Deputy Speaker, to Mr Rattenbury—and that those time frames will be kept.

In closing, the note I finish on, the work that is being done to consult the non-government sector about planning for new schools is one of the issues that I do not recall Mr Rattenbury referring to. Some of the areas that are of concern have got huge issues now, and obviously there are not any government schools being planned in some of those areas. That is the other area I would like the minister to take up. Those issues that we raised are not scaremongering, they are issues that are very relevant now to the teaching community, to the principals in those schools that are most affected, the teachers and, naturally enough, the parents who are worried about what is going to happen to their children.

I need to find out just what has happened in the past 17 months. The former education minister 17 months ago claimed that, in each of our four network schools, capacity will remain comfortably above projected enrolment growth. I think it is not unfair for me to ask the current minister what has happened in those 17 months to have this situation occur.

The fact is that there is \$70 million that has been talked about quite frequently in the course of the past four years of this Assembly that was earmarked for schools for infrastructure, and we could not get any answers out of the previous education minister on this. I would certainly like Minister Rattenbury to take that on board and see if he can get some answers as to where that money has gone. And if it has not gone to light rail, I would like to know where it has gone.

Who is right and who is wrong in all of this is not what we are after. We simply want solutions. In September 2014 these issues did not exist and, only 17 months later, we are now facing what I call a potential capacity crisis. That is not scaremongering. That is simply painting the picture as we see it from the census and the information that is available to all of us if we are willing to listen to the people who are most affected by this. Parents need answers, and so do we in the Assembly.

I welcome the amendment put forward by Mr Rattenbury, and I look forward to getting the answers on a timely basis.

Amendment agreed to.

Motion, as amended, agreed to.

Penalty rates

MR HINDER (Ginninderra) (4.19): I move:

That this Assembly:

(1) notes:

- (a) the Fair Work Commission is currently conducting a four-yearly review of penalty rates for a number of awards in the hospitality and retail sectors;
- (b) the ACT Government made a submission to the review in support of penalty rates;
- (c) paying workers penalty rates for working during the weekend and public holidays benefits the local economy in the long term by increasing disposable incomes;
- (d) penalty rates compensate workers for anti-social hours and time away from family and friends on days and during hours when most workers are enjoying recreational time;
- (e) proposing a reduction in penalty rates is effectively asking some of the lowest paid and most vulnerable workers in our community to take a pay cut;
- (f) the ACT Government legislated on 17 November 2015 to make Easter Sunday a public holiday every year from 2016 and ensure that all workers receive appropriate penalty rates; and
- (g) a number of current and former senior Liberal Party parliamentarians have recently expressed their support for a reduction in penalty rates;

(2) reaffirms:

- (a) its commitment to the lowest paid workers in the ACT community; and
- (b) its support for the maintenance of the current penalty rate system; and

(3) calls on:

- (a) the Fair Work Commission to maintain the current penalty rate system; and
- (b) the Federal Government to cease its attack on penalty rates and the workers of the ACT and Australia.

Penalty rates have long protected family time and the tradition of the great Australian weekend. Penalty rates compensate Australian workers for after-hours work and overtime. For over 100 years they have incentivised irregular hours of work and compensated working families for time apart when others are enjoying recreational time. It is a fact that working on a Tuesday afternoon is vastly different from working on a Sunday night.

Protection of workers' rights is one of the key issues by which the two major political parties in Australia distinguish themselves from each other. On this side of politics we believe in appropriate pay for workers. This means accepting that some hours are

more difficult to work than others and that the pay associated with those hours should increase.

We believe in creating incentives and opportunities for people to put in the extra miles at work. This benefits both small business in terms of productivity and workers by providing extra income and experience. It is because of this that in this territory and indeed in this country the Australian Labor Party is the party of “a fair day’s work for a fair day’s pay”.

It is disappointing to see that the conservative side of politics, the Liberal Party—and I assume that includes all those opposite—would deny workers fair compensation for time worked during inconvenient and antisocial hours. Is this because they do not appreciate the need for a work-life balance or is it because they do not understand that working hours outside regular business times have a greater impact on the family and social lives of workers? Or is it that they are beholden to their mates in big business, multinationals and their lobbyists?

We are seeing increasing calls from employer groups and parts of the federal government to cut back penalty rates in what they describe as an effort to increase the profitability of companies and the nation’s level of productivity. We on this side have no problem with profit or with increased productivity, but we believe the motive is greed and a disregard for fairness.

I have spent my entire working life in business, as a sole trader, running businesses for others or as a partner in large law firms. I have always understood that treating employees fairly is smart business and I understand that there are necessary costs that workers incur in working outside normal hours. These costs should rightly be covered by the employer.

As someone with a small business background, I am not interested in adding an additional burden to hardworking people in business who are merely having a go, purely for the sake of it. Protections offered by legislation are aimed generally at bad business practices and not at the vast majority of Canberra business owners who are doing the right thing. We as legislators should always make decisions that benefit both workers and businesses. This is not an area where those two groups necessarily have divergent interests.

In the most livable city in the world, with a strong cafe culture, a large retail sector and a high student population, changing penalty rates would have a devastating impact on both the local economy and employee welfare. We in the Assembly need to continually fight for the rights of workers in Canberra to make sure that we get the balance right in industrial relations for the benefit of both businesses and workers.

The effects of a cut to penalty rates would be widely and deeply felt throughout Canberra. In homes and around the kitchen tables of wage earning employees, there would be a sharp decline in disposable income and a genuine concern for those families about how to make household budgets work and how to make up for that loss of income.

I note that our second largest business sector after government is universities, and with that comes a high student population. Changes to penalty rates could see tens of thousands of these residents lose an important source of income. Students, who are notoriously short of money, would find it much more difficult to supplement their income and get by while studying, perhaps with no other option than to work constantly irregular hours.

We should not forget that the people who rely on penalty rates are often some of the lowest paid workers in our city, and in some cases rely on penalty rates in order to pay for basic staples like rent, mortgages, bills and other life necessities.

There is a practical impact and a very real cost to working unusual hours. At times when penalty rates apply, there are often significantly fewer public transport options available to workers. It is entirely foreseeable that workers may have to resort to using Uber or taxis on weekends and in the evenings and paying significant amounts of money to get to and from work. Again it is fair to increase compensation to an appropriate amount for the costs incurred.

Without penalty rates students, hospitality workers, single parents and people without personal transport would see themselves spending extra money on commercial transport whilst expecting to be paid less for work outside standard business hours. This, in effect, is a pay cut. This is just one of the equity issues that penalty rates alleviate.

Students use weekends and evenings to catch up on study and complete assignments. This time is crucial for furthering their education and pursuing their career goals. Parents use weekends to do washing, make lunches and prepare themselves and their families for the week ahead. If that time is free for people who are not working, how is it fair that individuals who are working these unusual hours would not receive extra compensation for being unable to perform these household tasks?

Irregular work hours also have a disproportionate impact on women. Despite important shifts in our culture towards sharing parenting arrangements more evenly, it is still true, I think, that women and single parents often undertake the majority of household and parenting duties, and that changes to penalty rates would mean less compensation for working hours, which makes supervision of children particularly difficult.

Regardless of gender, penalty rates compensate parents for the disruption to their family lives. We on this side of the Assembly understand that working hours outside business and school hours is difficult to balance with finding childcare arrangements. The fact is that it is nearly impossible to find child care that is available outside standard working hours. This means that when working odd hours parents, particularly single parents, must find babysitters or put pressure on extended family or unqualified friends to cover for them while at work. This is another practical cost that penalty rates address.

Those opposite seem to be of the opinion that penalty rates are a cash grab by overpaid workers. The truth is, though, if you are a single parent who relies on public transport, there are costs associated with work that put you at a significant disadvantage. Working on a Sunday or a public holiday could mean using a taxi or Uber to get to and from work. It could mean hiring a babysitter or looking after children while you are there. These are very high costs that special rates help to cover and could be the difference between taking home your standard hourly wage after costs and what could be in real terms working for no personal benefit.

Qualitative analysis has been commissioned by the McKell Institute to determine the broader impact that any change in penalty rates is likely to have on these employees that receive them and the communities in which they live. Overwhelmingly, the McKell Institute survey found that any reduction in penalty rates was likely to result in a substantial negative impact on both the emotional wellbeing and financial security of workers.

Not surprisingly, penalty rate cuts are expected to result in a reduction in disposable income, resulting in less money being available for one-off payments or discretionary spending. Most respondents indicated they would need to reduce their expenditure on items and activities, including paying bills, dining out, social activities in their area, tourism events, home renovations, extracurricular activities for their children, insurance products and minor leisure items.

As a former small businessperson, I understand the nature of small business. I understand trying to grow a business, and I know that success can occasionally be elusive. However, I also understand that well-paid workers are happy workers, that penalty rates encourage harder work during difficult hours and that we should compensate fairly for working those hours. Penalty rates drive spending. For these reasons the Assembly should endorse this motion.

MR GENTLEMAN (Brindabella—Minister for Planning and Land Management, Minister for Racing and Gaming and Minister for Workplace Safety and Industrial Relations) (4.29): I thank Mr Hinder for bringing this important motion here today.

The Fair Work Commission is currently undertaking a four-yearly review of modern awards on the matter of penalty rates in a number of awards in the hospitality and retail sectors. On 21 March I wrote to the Fair Work Commission on behalf of the ACT government to express our opposition to any change in the penalty rates in the hospitality and retail awards which are now under review.

Various business and employer organisations, including the Australian Chamber of Commerce and Industry, the New South Wales Business Chamber and Australian Business Industrial, have also filed written submissions in the proceedings. Amongst other things, some of their submissions seek to reduce the public holiday penalty rate for full-time and part-time employees employed under the restaurant award and the retail award from 250 per cent to 200 per cent on public holidays; to reduce the public holiday rate for casual employees under the restaurant award and retail award from 250 per cent to 125 per cent, including the casual loading; and to reduce the Sunday

rate for all employees employed under the retail award from 200 per cent to 150 per cent inclusive of casual loading for casual employees. The ACT government does not support these claims or any variation to the current penalty rate scheme. Furthermore, the ACT government will not support claims that would serve to jeopardise the standard of living of Canberrans.

The debate around the four-year review has, of course, not been confined to submissions to the Fair Work Commission. Coles Supermarkets Managing Director John Durkan has also publicly called for a reduction in Sunday penalty rates. This call for a pay cut for people on very modest wages, I should point out, comes from a man who has an annual remuneration package of at least \$4 million. This man pulls home more per fortnight after tax than the vast majority of his employees take home annually before tax. And he wants to cut their pay!

Penalty rates have been a feature of the Australian industrial relations system for over 100 years. They were established just after federation, in 1909, by the Commonwealth Conciliation and Arbitration Commission. They form part of the economic foundation of our standard of living, which also includes the minimum wage, pensions, public transport, accessible education, universal health care and social welfare that is there when you need it.

The Productivity Commission's recent call to reduce Sunday penalty rates represents a further attempt at erosion of this social contract. It represents a reduction in the entitlements of territory workers that this government will not support.

Paying workers penalty rates for working over the weekend and public holidays does benefit business in the long term, because it will increase disposable income for some of our lowest paid workers, which, in turn, will be spent in and stimulate our local economy.

The vast majority of workers who would be subject to these changes to penalty rates do not come from the big end of town or from high-paid professions. It is not bankers, CEOs or politicians like us in this place who rely on penalty rates to make ends meet. Instead, reduced penalty rates are going to directly affect those workers who earn relatively low wages—and their families as well. These changes to penalty rates would be felt by people who work in cafes, hospitality, entertainment, restaurants and retail. They would be felt by full-time students, low-income families and single parents who are trying to manage the complex challenges of income stability and child care. The majority of workers who regularly receive penalty rates are financially reliant on them. On average, they have a household income of \$60,000 or less, with penalty rates contributing significantly to this amount.

If pay is reduced for these people, if penalty rates are cut for these people, millions of people will have less money to spend. They will eat out less, go to the cinema less, buy coffee less and spend less in local small businesses. Many of the workers who work on weekends rely on penalty rates to pay their rent, their mortgages and bills to put food on the table. If they have any money left over for recreation or non-essentials, it is certainly attributable to penalty rates. A reduction in penalty rates is asking some

of the lowest paid and most vulnerable workers in our community to take a pay cut. Not only is this unfair, but it is not sensible on an economic level.

The ACT has had a strong culture of eating out in evenings or on weekends with friends and family. The ACT has great bars and restaurants, and many customers are happy to benefit from the convenience that extended opening hours provide. Many businesses are happy to open their doors to profit from this demand. However, if weekend penalty rates are reduced, those who provide this service, who allow others to enjoy their weekends at the movies, at the bar or in a restaurant, suffer. This is not fair.

Penalty rates exist because workers who work these unsociable hours are often missing out on opportunities to take a hard-earned break, to take their children to play sport on the weekend, or to catch up with their friends and family. They deserve to be compensated. The community expects that if people forgo their evenings, weekends or public holidays to work and to provide services to others, they should be properly compensated. We all benefit from their hard work, and these workers deserve the pay they receive for the work that they are doing.

While this motion is focused on the attack on penalty rates and the potential for the erosion of workers' rights and livelihoods, there are several other areas where the workplace rights of lower income Australians are at risk as well. Let me take you through just a few examples of the next looming threats to workers' rights and entitlements.

The Productivity Commission has reviewed and renewed its call for the introduction of enterprise contracts to fill a perceived gap between individual arrangements and enterprise agreements. The Productivity Commission says the contracts would allow an employer to vary an award for an entire class of employees or for a group of particular employees without having to negotiate an individual flexibility arrangement with each individual or to form an enterprise agreement.

No ballot would be required in order for one of these enterprise contracts to be implemented. Furthermore, unions would be unable to represent workers in their development without prior employer consent. Finally, the agreement would be lodged with the Fair Work Commission but, unlike enterprise agreements, there would be no requirement for it to be approved by the Fair Work Commission before it came into operation. This recommendation would effectively mean that small to medium-sized businesses with more than 20 employees would be able to offer a take it or leave it statutory contract to new staff without requiring the approval of the Fair Work Commission. This is an attempt to pit workers against each other in order to reduce their costs and their rights at work.

The Productivity Commission's recommendation for an enterprise contract is pretty much advocating a return to the Australian workplace agreements that operated under the Howard work choices regime. We all know how well that worked out. Cutting penalty rates by almost 40 per cent on Sundays, along with the commission's recommendation to adopt these enterprise contracts, would be like setting up two Australias.

I am concerned by the commission's recommendations in relation to transfer of businesses in that existing arrangements under current enterprise agreements would not move to the new employers. The Productivity Commission argue that the Fair Work Commission should have more discretion in order that an arrangement such as an enterprise agreement does not transfer when it improves the prospects of new employment.

The ACT government also opposes the Productivity Commission's proposal to change the Fair Work Act and to split the Fair Work Commission by establishing those two divisions. The proposal is to have a workplace standards division, one which would deal with the annual minimum wage review and the modern awards. A second, a tribunal division, would, when established, deal with the institution's quasi-judicial functions.

In the past few days the federal government has shown its contempt for the reasonable rights and wages of truck drivers as set out by the Road Safety Remuneration Tribunal. The tribunal handed down an order last December which sets out reasonable and safe rates for truck drivers. The tribunal conducted two years of consultation prior to setting this rate. Minister Cash sought an injunction in the Federal Court on Friday night to stop these conditions becoming mandatory from yesterday, 4 April. This has been done in collaboration with big business in the industry.

Truck drivers are 15 times more likely than average workers in this country to die at work. Twenty-five people were killed in truck accidents in March this year. It is our strong belief that this is because of those economic decisions made.

MS BERRY (Ginninderra—Minister for Housing, Community Services and Social Inclusion, Minister for Multicultural and Youth Affairs, Minister for Sport and Recreation and Minister for Women) (4.39): I welcome the opportunity to talk about penalty rates in the Assembly today. Two years ago, during Anti-Poverty Week, I joined with some of Canberra's cleaners, security guards and hospitality workers to call on the federal government to cease its attacks on penalty rates and the living standards of our city's workers.

For many Canberrans, it is penalty rates that protect their dignity as workers and as members of this community. I believe, and this government believes, that people have a right not to just scrape by but to live happy lives connected to their friends and community.

During 2014's Anti-Poverty Week I asked some Canberra's workers to share their stories to help those who continue to attack penalty rates understand why penalty rates are important to their inclusion in the life of this city. I think it is timely to revisit those stories today.

At the time, Tom was a 34-year-old security officer with four young children, two in early primary school and two below school age. He is still the sole breadwinner in his family. Like so many security officers in the ACT, he works a 12-hour rotating shift. His base rate of pay is \$19.49 per hour. His wife is unable to work as one of his children has additional needs requiring constant care and attention. His wage is

supplemented by the hours he is rostered to work in the evenings and on weekends. Without these penalty rates, his family would simply not be able to get by. He is not always available to enjoy time with his family on weekends when events such as children's birthday parties, sporting events or other family occasions are celebrated. He has to sacrifice this time in order to secure a living wage.

Goran and Marija are cleaners. They have known only cleaning work since they first migrated to Australia from Macedonia. They would have liked to have found a better job, but their limited English left them with little choice. When they came to Canberra, they had two young children and three suitcases with their clothes—nothing else. They have worked hard and gone without in order to save enough money to buy their own home. Their children are now going to university but still need to live at home and have the support of their parents. Their house is nearly paid off, but they worry what would happen if the penalty rates that they receive for their evening work and the occasional weekend work are removed. They will not be able to own their own home before they become too sick to continue to work. Goran struggles with back pain and wonders how much longer he will be fit enough to clean. Without penalty rates, Goran and Marija will stand to lose their home and would no longer be able to support their children towards a better life.

Tom, Goran and Marija are not kids earning pocket money; they are members of our community. Their inclusion, and the inclusion of their families, in the benefits and the life of this city relies on penalty rates. They provide them with the chance to not just scrape by, although too many people who do depend on penalty rates do just scrape by. They provide them with compensation for time lost with their friends and loved ones.

I congratulate Mr Hinder on bringing this important issue to the Assembly again today, and I look forward to working with my new Assembly colleague to continue this government's long record of supporting all Canberrans and building a fairer and more connected community.

DR BOURKE (Ginninderra—Minister for Aboriginal and Torres Strait Islander Affairs, Minister for Children and Young People, Minister for Disability, Minister for Small Business and the Arts and Minister for Veterans and Seniors) (4.42): I am proud to be part of a government that has made a tangible and positive difference to the ACT's small business community. This government recognises the critical role that small business plays in our economy, how it is driving economic diversity and how it is reshaping the energy and confidence of our city—a city with ambition.

But the impact of small business on our economy is more than the story of numbers and aggregates. It is the friendly faces at our local shopping centre and business precincts. They are at the forefront of the revitalisation of our major entertainment precincts such as New Action, Braddon and Kingston Foreshore. They are communicating every day what this new Canberra is all about.

As a former small business owner myself, I understand firsthand the challenges in running a small business: the long hours, the upswings and downswings, the impacts on family, but also the great sense of personal satisfaction that comes from running a

successful business as well as the financial rewards that can come too from a well-run and progressive business.

I also have a personal appreciation of the compliance issues and their importance: tax, regulation, insurance, worker health and safety. I also know the personal responsibility that comes with generating income to pay staff, paying them fairly and looking after their welfare. However, the removal of penalty rates is not the way to support local small business. Put simply, penalty rates are in place to compensate staff for the impost that irregular hours and working non-standard hours places on life, family and personal balance. Penalty rates are a representation of a social contract between employees and businesses.

The income workers receive through penalty rate arrangements is not a windfall gain; it is not the icing on the salary cake. For many workers, particularly in hospitality and retail sectors, penalty rates can be what make ends meet. Removing Sunday penalty rates would have a direct impact on some of our hardest working, community-based employees and their standard of living, requiring them to find some other means to meet their financial obligations.

I know some of our local small business owners are supportive of the Productivity Commission's call to cut Sunday penalty rates, but consideration needs to be given to the broader economic impact that would result from doing this. We also need to think a little more creatively about what it means to run a successful small business in this new millennium. Quite simply, wages and salaries get recycled into our business community. They are invariably spent in our local small businesses. What goes around comes around.

Madam Deputy Speaker, running a successful business is not a race to the bottom price. Business success is about innovation and providing best value and an experience to customers. In society today, value is no longer a price-based measure. Businesses that innovate, that put the customer first and that create unique value and loyalty are succeeding. They pay well, they pay fairly and they create working environments where skilled and talented people want to work.

This government recognises that we have a major role to support our small businesses and to provide solutions and opportunities for them to be more innovative and to increase productivity and profits. We do this through the ACT government's business development strategy, "Confident and business ready: building on our strengths", a strategy that provides a proactive approach to supporting small businesses to achieve success.

MR RATTENBURY (Molonglo) (4.47): I thank Mr Hinder for bringing this motion here today dealing with the very important issue of penalty rates and the Fair Work Commission's statutory four-year review of awards. Penalty rates have been around for 100 years and compensate people for working unsociable hours that most other Australians have free. Penalty rates recognise and compensate people for the impact working at unsocial hours has on their lives and the lives of their families and the impacts that working unsocial hours has on their personal health and on their sleep patterns.

For those who work Monday to Friday, weekends are incredibly valuable. It is when we spend time with friends and family, go out and have fun and do all those things we do not have time to do during the week. Penalty rates are not just about pay packets; they are about our ability to balance work and life. Those who do not have that balance because they work unsociable hours should be fairly compensated. If weekends end up being treated like every other day of the week, if working at midnight is considered the same as working at midday, work/life balance will crumble.

Yes, workplaces have evolved over time, and many people claim we now live in a seven-day economy. But a seven-day economy does not mean a seven-day working week. As my colleague Adam Bandt MP has said:

I'll believe that Saturday and Sunday no longer deserve the same special treatment when Parliament sits regularly on the weekends.

Workers should not be punished just because consumer expectations have changed and people want things seven days a week. Many people in the retail and hospitality industry, especially young workers, rely on penalty rates to earn a living wage. These workers are often already on a low wage. Any cut to their penalty rates would have a big impact on their take-home pay packet.

Members will be aware that in August last year Senators Leyonhjelm and Day introduced to the Australian Senate the Fair Work Amendment (Penalty Rates Exemption for Small Businesses) Bill 2015. The Australian Greens made clear during that debate that we will always fight any attack on penalty rates, the minimum wage, and rights at work. The Leyonhjelm bill would have impacted heavily on young people, students, low income workers and people with insecure casual work. These are the kinds of people who depend most on penalty rates to make ends meet.

In our country, the majority of casual workers are women. Many Australian women and their families depend on penalty rates and would be financially devastated if penalty rates were cut. The Leyonhjelm bill remains before the Senate and is unlikely to progress during the current term of parliament. However, it is important to note that the Fair Work Commission review of penalty rates is proceeding at a time in our country when the gap between the haves and the have-nots is enormous and growing.

Members will recall new data released by the Bureau of Statistics in February which detailed wealth disparity in Australia well above the OECD average. The top 10 per cent of wealth holders own 45 per cent of all wealth. The Australian Council of Social Services points out, however, that while this level of inequality is unacceptable, inequality in Australia is lower than in countries like the US and the UK, because Australia has traditionally enjoyed a strong set of institutions designed to limit inequality.

A 2015 ACOSS report, *Inequality in Australia: a nation divided*, said:

In the past, a strong set of institutions in Australia have kept income and wealth inequality in check while still making room for steady economic growth. This 'Australian economic model' included full employment policies, universal access

to public education, a unique system of wage regulation, progressive income taxes, and a well-targeted social security safety net. As a result we were able to place limits on inequality within an open economy with relatively low taxes and public expenditures, and a flexible labour market.

That Australian economic model is something that is central in this debate. Penalty rates are an important tool in a suite of measures designed to minimise inequality in this country. They are an important part of the social contract that has been under attack from free market ideology for several decades. Any moves to cut penalty rates will further unravel that social contract that I believe began with the Harvester judgment in 1907.

The Greens will continue to fight any cuts to penalty rates, and I will be supporting this motion here today in reflection of the comments I have made. I thank Mr Hinder for giving us the opportunity to discuss this topic today.

MR SMYTH (Brindabella) (4.51): One can forgive the new member for not having read some of the debates in *Hansard* before, but just let me read what the Leader of the Opposition said on 11 February:

Let me repeat this to remove any doubt whatsoever: the Canberra Liberals will not cut penalty rates. We do not support cutting penalty rates and we will oppose cuts to penalty rates for low paid workers in Canberra.

I am not sure why we are having this debate again when that was quite clear back on 11 February, Madam Deputy Speaker, in your MPI. One can assume that the new member will learn and do his research better. The unambiguous statement by the Leader of the Opposition speaks for itself.

As this motion notes, though, his government, through the Minister for Workplace Safety and Industrial Relations, has made its views known to the Fair Work Commission. It is one of among 500 submissions received by that body on this matter. Clearly there is a lot of interest in the issue.

I see the motion calls on the Assembly to reaffirm its commitment to the lowest paid workers in the ACT community. I think we have all done that. I say to the member, though, that if he had genuine concerns for low paid workers, he would be urging his government to do something about spiralling rates and government fees and charges that are pushing down their real incomes and denigrating their standards of living. This is the bit that is really hurting the bottom line in their pockets as we speak. Then saddling the Canberra community with an extra \$700 million for a tram system that will hardly get used by the majority of the population will in no way help our lowest paid workers either. And the tram certainly will not get most of them home when they have been working late hours or after hours. So I am unsure as to where the motion gets us in terms of providing real and substantive help for Canberra's lowest paid workers.

Perhaps the member also needs to know that the Fair Work Commission is conducting a four-year review of modern awards—ie penalty rates—in accordance with the Fair Work Act 2009. If I remember rightly, in 2009 it was a federal Labor government in

office. So perhaps you should talk to your federal Labor colleagues about the four-year review and why it is being done. It is being done at their behest. As we all know, proceedings commenced in early 2015 and the final hearings are set for April 2016.

I see the motion calls on the federal government to cease its attack on penalty rates and the workers of the ACT and Australia. Let us give the federal government the final word. Senator Michaelia Cash stated on *Sky News* on Wednesday, 2 March this year:

I'm going to make it again very, very clear. The Productivity recommendation was to the Fair Work Commission. Why? Because the Australian Government has no role to play in the setting of the minimum wage or penalty rates and we are not going to change it. What people do forget is this though. The Fair Work Commission is currently undertaking a review of penalty rates.

Motion agreed to.

Rate increases

MR SMYTH (Brindabella) (4.54): I move:

That this Assembly:

(1) notes:

- (a) the Labor Government's insistence on continued increases in residential rates and other government charges well beyond cost of living trends;
- (b) the threats presented by increases in rates and charges to low income families and households within the Canberra community;
- (c) the disregard for the plight of Canberra families arising from these imposts; and
- (d) the impact of high rates on the appeal of Canberra as an attractive place to live;

(2) also notes:

- (a) the Labor Government's light rail project will require even greater increases in rates and government charges and further penalise Canberra families and households;
- (b) the light rail cost will saddle future generations with a growing burden of debt and operating costs for a service that will be utilised at a fraction of its capacity; and
- (c) work on the light rail project is proposed to commence just before the 2016 election; and

(3) calls on the Labor Government:

- (a) not to sign any contracts and let Canberra's people decide on light rail;
and
- (b) to reduce the cost burden on Canberra's citizens.

This is a very important motion because we know that currently there are great impacts on the people of Canberra because of the decisions of this government. And we know that they will get worse. How do we know that they will get worse? We know that the government are going to foist on the people of Canberra the costs of paying for and maintaining their expensive light rail, a light rail option that serves less than five per cent of the people of Canberra but that all of the people of Canberra will get to pay for.

We know the cost now—approximately \$700 million, if you can believe that cost. What we do not know, though, are some of the hidden costs that the government is already incurring on moving infrastructure and upgrading Northbourne Avenue. It will be interesting to see what the total cost of light rail up Northbourne Avenue to Gungahlin is.

What we do know, though, courtesy of Capital Metro, is that the costs of light rail over the life of the contract will be less than one per cent of government expenditure. Let us assume that the budget is at \$5 billion, so one per cent of that would be \$50 million a year, or less than one per cent would be \$45 million a year. If you then work that down to the 150,000 households, that is about \$300 more into the rates of the households every year.

To quote Donald Rumsfeld, there are some known unknowns, and the unknowns are the things that the government will not tell us. They will not tell us what the total construction cost will be. They are not telling us what the availability charge will be. Indeed, in a hearing the other day, we asked the Under Treasurer what the interest rate would be. He said, "The interest rate the government gets is about three per cent and the cost to the consortium will be much higher." So we know that there will be a higher interest rate and we do not know, courtesy of the government, what the total repayments will be.

But we do know that rates are going up. We do know that rates have already gone up 50 per cent on average since this government's reforms started. We know that they are set to triple over 11 years because the Treasurer at the time referred us to the documents, the Quinlan review, which said they must triple over 11 years. The only way that you can remove stamp duty and put it all into the rates is to see the rates triple.

We know that fees, fines and charges are going up, because this government have not diversified the ACT economy and have not diversified the tax base to ensure that they can lessen the fees, fines and charges they foist on the people of the ACT to fund their current deficit. They have not even managed a surplus. This Treasurer is looking more and more like Wayne Swan. He has his mining tax equivalent—the lease variation

charge that never delivers—and that illusory surplus that slips out year after year, before we add in the cost of capital metro.

We know that things are not going to get better under this government, and we know that the government will continue the tax grab wherever they can. We have seen that in the current budget with the extension of parking rates. Mr Hinder told us that people get penalty rates for working late at night. Yes, and that is kind of offset by the fact that they are now paying to park their cars later at night. I am quite sure that that was not taken into account when the government decided to extend not only the parking rates but the time covered by parking rates in the ACT.

We have a government that is continually increasing its take by continually increasing the burden on existing taxpayers and making their life harder and harder. I am very proud of the initiative that the Canberra Liberals put in place. We said that the government should have a cost of living statement in the budget. The very first year, the government coughed it right up and said, “Yes, as a consequence of this budget, households are being slugged an extra \$641.” They modified it in later years by giving scenarios and vaguing it out a little bit, so that you really could not work out what the increase was. But year on year the take increases and the burden increases.

We still have this insistence, as I say in paragraph (1)(a), on continued increases in residential rates and other government charges well beyond the cost of living trends—well beyond, because this government cannot live within its means. The problem is that it also comes at a time when there is no increase in services. We now know from Mr Doszpot’s work that the schools are full. Here is the man who closed 23 schools and now schools are full. Who would have thought? Isn’t it amazing! We closed these schools as a saving and yet the schools are full!

Mr Corbell has joined us, which is fabulous, because he is the health minister—the minister for long waiting lists. The lists were long when he was the Minister for Health last time and they are just as long now. We are not meeting the category times. All of the surveys say people would not mind paying more tax if they thought they would get more for it, but they do not.

If we look at the ACT government as a business, there are assets of about \$28 billion, a net worth of about \$17 billion, a turnover of about \$5 billion and 20,000 employees. As a company you would expect a dividend, Madam Deputy Speaker. All that the people of the ACT get are bills and fewer services, increased bills, increased rego, and increased fees, fines and charges. You get crowded schools, longer waiting lists, less maintenance and a very tired look of the city.

Indeed there was a story on the ABC today saying that the police are not meeting their domestic violence targets. Why is that? How much did they cut from the police budget, Mr Hanson? \$13 million. There they are, ripping money out of the police budget, domestic violence targets are not being met and people wonder about this government and their plans.

We really need to take note of the threats presented by increases in rates and charges to low income families and households within the community. Let us do the work

there, Mr Hinder. Instead of saying that it is all the federal government's fault, you need to look at your own government, the government that you stand there so proudly as part of, and the additional pressure they have put over the years on low income earners. We see these imposts. They just increase them. If you consult what is happening in the outyears in the budget, you will see that they continue to increase.

Rates have climbed from \$290 million in 2012-13 to \$419 million in the revised estimates, and in the forward estimates they go from \$419 million to \$553 million in 2018-19, representing a further increase of 32 per cent. They just go up. Certainly within that there is some growth in the number of households, but it is nowhere near 32 per cent. This is a government intent on slugging taxpayers for their schemes, and the taxpayers will get their recourse come October. What you have is more taxation and fewer services. I am constantly reminded by my constituents of the pressures they have on their costs of living and the stresses that increasing rates put them under.

Of course, we then go back to the government's obsession with the light rail project, which, if you take the \$700 million and divide it by the number of households, will burden Canberra citizens with another \$4,600 average cost per household just in construction alone. If, as predicted by Capital Metro, the costs of light rail over the life of the contract will be less than one per cent of government expenditure, that could be—we do not know—something like another \$200 per household per year.

In average terms, for example, this will cost Wanniasa households around \$11 million in total. For Gordon households, it will be about \$10 million in total. For Calwell households, it will be about \$8 million and for Isabella Plains households it will be \$5.7 million. On top of that, if we add in the interest costs, payments to the network agency and the administrative costs of the Capital Metro Agency, it really will go well beyond \$4,600 per household.

It is imperative that this government treat Canberra's citizens fairly and compassionately, that we seek to stem the growth in rates and that the people of the ACT decide if they want a light rail system or not. The government promised when they went to the last election that they would do something like \$30 million of preparatory work. They did not say they would start, they did not say that they would build and they certainly did not tell people how much it would cost.

This motion calls on the Labor government not to sign any contracts and to let the people of Canberra decide on light rail on 15 October. If they are so certain, they will wait until then. It will be simply a matter of weeks at that stage. So it is not unreasonable. If you are that certain, put it to the test through the election before light rail saddles future generations with the growing burden of debt and operating costs for a service that, let us face it, will be utilised at a fraction of its capacity.

In terms of sheer audacity for trying to put the best spin on light rail that one could put on it, Dr Bourke attended a function with Mr Rattenbury and me the other day at Gorman House, put on by the Childers Group. He said that people should think of light rail as a sort of \$700 million mobile piece of art. He said they will be able to put skins on the outside of the tram sets and they could have changing pieces of art. So not only is it a tram set, but we have now got a \$700 million mobile art gallery that

will just float liltily down the centre of Northbourne Avenue, up and down, up and down, with an ever-changing series of artworks. Have you ever heard anything so preposterous in your life, and how desperate is that? It was greeted, Madam Deputy Speaker, with the disdain that it deserved at that meeting. People shook their heads and groaned at the very notion of trying to compare having a tram set down the centre of Northbourne Avenue with some sort of piece of art.

Those are the lengths that this government will go to. That is this government's attempt to get this project up. At the Tuggeranong Community Council meeting last night, people were questioning the wisdom of this, as they question so many projects that this government goes ahead with.

This is a very simple motion. It calls on the Labor government not to sign any contracts and to let the people of Canberra decide on light rail. If you are so certain of your position, having regard to the couple of weeks that it will cost you, you should let the people decide. We are also calling on the Labor government to reduce the cost burden on Canberra citizens. You could start with the next budget, if you so dared.

MR BARR (Molonglo—Chief Minister, Treasurer, Minister for Economic Development, Minister for Tourism and Events and Minister for Urban Renewal) (5.06): The government will not be supporting Mr Smyth's motion, but I thank him for the opportunity to talk about tax, because we do not do enough of that in this place. We have not discussed tax reform anywhere near enough, Mr Smyth, and you have not given that 10-minute rambling anywhere near enough in your life. But thank you for doing it again for us this afternoon.

The motion before us today is indeed a stark sign of the lack of vision that those opposite have for our city. The government is engaged in nation-leading tax reform, and we are building the public transport system that will create an important urban renewal outcome for our city. Those opposite are not really interested in long-term growth and renewal in our economy or for our city.

Minister Corbell will speak about the capital metro light rail project shortly, but I will focus my comments this afternoon on tax reform. It is interesting this week that we have had a new bunch of entrants into the debate on tax reform. The New South Wales Business Chamber and the New South Wales Council of Social Service have joined forces to call on the New South Wales government to phase out stamp duty and replace it with a broad-based land tax in that state. They have joined forces. They have jointly commissioned modelling from KPMG that shows that such a change would increase the New South Wales gross state product by more than one per cent, around \$5 billion, and create 10,000 jobs. There you go. You have got the New South Wales Business Chamber and the New South Wales Council of Social Service joining the Canberra Business Chamber and the ACT Council of Social Service in supporting this sort of tax reform.

In addition, Deloitte Access Economics, in a study they prepared for that known left-wing organisation the Property Council of Australia, in December 2015, demonstrated the negative impact—

Mr Hanson interjecting—

MR BARR: Have we got a situation where the Property Council—the socialist red ragers that are the Property Council—are suggesting that stamp duty is indeed a bad tax and there is potential for significant productivity improvements through its abolition? We have the Grattan Institute in July of 2015 and the McKell Institute in March of 2016 making similar recommendations.

Even the Prime Minister—even your boss the Prime Minister—two months ago said the following:

There are tax reform changes—

Mr Hanson: He does not like the rates he is paying at the Lodge.

MR BARR: He does not pay rates. He said:

There are tax reform changes, particularly at the state level, which every economist will tell you would give you a very significant lift to GDP. For example, if you were to replace stamp duty on property transactions, and replace it with a land tax, a general land tax, there isn't a tax economist or theorist in the country that wouldn't tell you that would be a good move, because taxes on transactions like sales of property obviously inhibit trade, they slow down economic activity. Everyone understands that. So that would get a policy tick.

“Everyone understands that.” Well, the Prime Minister was wrong. The Prime Minister was absolutely wrong, absolutely incorrect. Not everyone understands that. We have got at least two gentlemen in this chamber who do not understand that.

Mr Hanson interjecting—

MR BARR: There is one group in ACT politics holding out against the need for reform, one group of people whose heads remain buried in the sand, one group of people who remain wedded to unfair taxes and to inefficient taxes.

Mr Hanson interjecting—

MADAM DEPUTY SPEAKER: Mr Hanson, could we have a few minutes without your voice.

Mr Hanson interjecting—

MADAM DEPUTY SPEAKER: Mr Hanson, be quiet.

MR BARR: That group is led by the rudest member of this Assembly, the serial interjector Mr Hanson, who cannot sit tight and zip it for even 10 minutes. He cannot do that for even 10 minutes, Madam Deputy Speaker.

Meanwhile we have every respected economic commentator in this country and political leaders across the political divide, including the Liberal Prime Minister, acknowledging the importance of state tax reform. If a bunch of leading economists and organisations and their own federal leader will not sway those opposite, nothing will, Madam Deputy Speaker. Nothing will.

This is the most conservative branch of the Liberal Party in this country—the Tea Party advocates, the people out on the crazy fringe of the Liberal Party with Zed Seselja, Cory Bernardi and all of the flat earthers who occupy the right-wing fringe of the Liberal Party in this country. They have amongst their closest confidantes and friends Jeremy Hanson and Brendan Smyth.

Madam Deputy Speaker, I have spoken many, many times in this place about the details of the territory government's taxation reforms, but Mr Smyth has given me another opportunity. For the benefit of those opposite, let me remind the Assembly that the government is reforming the territory's tax system to ensure that it is fairer, it is simpler, and it is more efficient.

We are now nearly a quarter of the way through this tax reform program, and some very significant gains have already been made. We have reduced stamp duty in every budget, and these rates will continue to be reduced in every budget that I deliver. Lower stamp duty means improved housing affordability for Canberrans for those on low incomes, for those entering into the housing market for the first time, for those wanting to downsize to a smaller property, and for those who may have had a new addition to their family who are looking for a larger property.

Compared to before tax reform started in 2011-12, someone purchasing an average property in the ACT is saving in the order of \$6,000 to \$7,000 in stamp duty. For those purchasing a lower value property of around \$300,000, the saving is nearly \$3,000. For those purchasing a \$750,000 property, the saving is approaching \$8,000. And that is just in the first few years of tax reform.

By reducing the up-front cost of home purchases, mortgage costs for home owners are also reduced. The preference of those opposite is for people to have to take out a mortgage for their stamp duty payments and then pay 30 years of interest on that as well.

Not only do they want to gouge them at the start of the process, but they are happy to gouge them even more. That is their policy position: how much can you rip out of homebuyers at the point of purchase? That is their preference—that people will be hit with a large up-front tax. These guys want to put that tax back up again, so they want to add thousands of dollars to the cost of the purchase of a home in this city. That is their stated position. They oppose the government's tax reform and they have done so in every budget and every year since the reform process began. They will immediately revert to putting all of those stamp duties back up, putting a tax back—

Mr Hanson: No, we won't. Who said that?

MR BARR: Oh, you won't? So you now support our tax reform, do you? You now support it, do you? Having opposed it all the way—

Mr Hanson: Who said that? Who said that? We have not said so.

MR BARR: Oh, you do not have a position? There we are. So there it is. Firstly, it is “We are opposed to it.” Now we are at the point where “We do not actually have a position.”

Mr Hanson: You are making it up.

MR BARR: What are you going to do, Mr Hanson?

Mr Hanson: You are making it up.

MR BARR: Are you going to put those stamp duties back up? Are you putting the tax back on insurance? Is that what you are doing? Is that your position? That is certainly Mr Smyth's position. That is what he has been narking about for five years—that this tax reform is bad. He supports, and you support, whacking thousands of dollars of stamp duties back on home purchases in this city. You want to get to a position where you can put a tax on insurance back on. You want everyone paying 10 per cent and more on their insurance products, their home contents, their motor vehicle, their business insurances. You want to put taxes up on all of those people. You are going to put payroll tax back up, because part of the government's tax reforms has also involved significant payroll tax cuts for small and medium-sized enterprises. You want to unwind all of that.

You have been campaigning against it from the start. You do not believe in it. You do not understand it. You do not take the advice of your own Prime Minister. You do not take the advice of anyone who has studied this. Every single economist, every single report on the efficiency of tax, clearly states that the reforms being undertaken here in the ACT are the right public policy direction.

Your own Prime Minister, your own federal leader, in his first major political interview of the year, went on the *Insiders* program and praised the ACT for our tax reforms and praised my government for its political courage.

At COAG, there was the federal Treasurer and the Prime Minister. What do they have to say about your position—the hopelessness of the Canberra Liberals' position on tax? It is pretty entertaining, I have got to say, from my perspective to be told by the Prime Minister and the Treasurer at the federal level, the federal Liberal Prime Minister and the federal Liberal Treasurer, that states and territories need to reform their taxes and do exactly what we are doing. I say, “Yes, Prime Minister. Yes, Treasurer. Yes, we are indeed undertaking these reforms. But, guess what? Guess who opposes it? Your own colleagues.” He shakes his head and he goes, “Well, they are not really up to government.” And that is exactly right. They are not. They are not up to government. That is very clear. Both the Prime Minister and the Treasurer have been—

Mr Smyth: So it is not a quote?

MR BARR: No, it is not a quote. The Prime Minister—

Mr Smyth: So you are now verballing the Prime Minister?

MR BARR: No, I am not verballing. I am not verballing the Prime Minister or the federal Treasurer. They have both indicated on the public record—

Mr Smyth: It is not a quote, you just said. What did they say?

MR BARR: They have both indicated on the public record countless times, including on the *Insiders* program, and from the quote that I gave at the beginning—

Mr Smyth: And you verballled them.

MR BARR: I am not verballing the Prime Minister. I am not—

Mr Smyth: You twisted it then. You did not say what—

MADAM DEPUTY SPEAKER: Mr Smyth, can you please be quiet.

MR BARR: I am not twisting anything, Madam Deputy Speaker. If anyone is twisting and turning, it is Mr Smyth, because he has been caught out with his policy pants around his ankles—his own federal leader, every credible economist in the world. And when he tries to call me on that, when he says, “No, please, there are in fact apparently economists who are operating intergalactically who would have a different opinion from every economist in the world, who would take that obvious—

Mr Smyth interjecting—

MADAM DEPUTY SPEAKER: Mr Smyth, I have asked you to be quiet. I will not ask again.

MR BARR: Thank you, Madam Deputy Speaker. Every single time this issue is debated in this place, Mr Smyth trots out the same old tired rhetoric. And every single time this debate advances in this country there is another senior federal Liberal politician, another think tank, another economist who condemns the position that is put forward by those opposite, who praises the reforms that are being undertaken here in the ACT and are now being progressed in South Australia as well.

These are important reforms for our city, important reforms for our country. That is why the Prime Minister made the point that he did at the beginning of the year, why he made the point he did at COAG last week, and why the federal Treasurer and others are on the record endorsing the reforms that are occurring here in the ACT.

That is why tax reform is important. It is the right public policy, with better outcomes for our economy and fairer, simpler and more efficient taxation. That surely is what we should all be striving for.

It is certainly not the position of those opposite. The time is coming—very soon—when Mr Hanson will have to declare, will have to get off the fence. But we really know what they intend to do, and that is to jack up stamp duty, jack up insurance taxes and jack up payroll tax—to put all of those taxes back up. All the way through they have opposed them coming down. They have opposed this reform all the way through. Petty, small-minded, with no vision for the future—that is what we see. We have seen it writ large today in almost every motion before this Assembly.

The government will not be supporting Mr Smyth's motion. And, hopefully, Madam Deputy Speaker, we will not have to listen to any more tax lectures from Brendan Smyth after October.

MR HANSON (Molonglo—Leader of the Opposition) (5.20): Following that extraordinary effort from the Chief Minister, who sounds more and more like he is in opposition every day, I will speak briefly to commend Mr Smyth for bringing this motion forward. It seems that Mr Barr has forgotten whom he is representing here. It is actually not Malcolm Turnbull. It seems that every day the Chief Minister likes to quote Mr Turnbull, say how wonderful Mr Turnbull is, and how proud and pleased he is that he said some nice things about what Mr Barr is doing.

It is a little sad in a way. It is a little like a schoolboy trying to please teacher. I can see Mr Barr desperately seeking Malcolm Turnbull's approval. He endlessly quotes him. I do not think I have ever actually heard him quote from Bill Shorten in this place or even mention Bill Shorten. But not a day goes by when Mr Barr does not say, "What does Mr Turnbull think of me? I am so excited that Mr Turnbull knows who I am." It was very unfortunate that he got locked out of the Lodge. Mr Turnbull had actually forgotten who Mr Barr was. That was a little bit embarrassing for him.

But the problem is that while Mr Barr spends his time trying to bedazzle and say, "Look at me, Mr Turnbull; look at me, Mr Turnbull; I'm a tax reformer, too, Mr Turnbull," the reality is that there is a group that does have concerns with these reforms. Mr Barr thinks that it is us. He thinks that it is only we who have concerns with these. He has forgotten the ratepayers—the ratepayers, that is right, Madam Deputy Speaker. There is a pretty large group of Canberrans who have some real problems with what Mr Barr is doing. Every time they get their rates bill, it is going up and up and up.

Now we have people across Canberra paying hundreds of dollars more in their rates every single year because of these reforms that Mr Barr has brought in that he is so excited about because he got a little pat on the head from Malcolm Turnbull. We will continue to represent and focus on what is best for the ratepayers of the ACT and care less about what Mr Turnbull thinks about us.

MR CORBELL (Molonglo—Deputy Chief Minister, Attorney-General, Minister for Capital Metro, Minister for Health, Minister for Police and Emergency Services and Minister for the Environment and Climate Change) (5.23): What a remarkable speech that was, Madam Deputy Speaker, from the Leader of the Opposition. I thought that, while not particularly or directly, he avoided the question of what his position actually

is on tax reform. We know what he is opposed to, but we do not actually know whether he will reverse any of the things that he is opposed to. Is he going to bring back stamp duty? Is he going to reduce rates without bringing back stamp duty? Is that what he is going to do? Is he going to put a tax back on every small business owner who needs insurance for their properties, for their services, for their vehicles? Is that his position, Madam Deputy Speaker?

Mr Hanson: Is it?

MR CORBELL: Indeed, is it, Jeremy? Is that your position? What is your position, Mr Hanson? I think that is the question, Madam Deputy Speaker. What is his position on tax reform, because it is quite clear that he has failed to deliver? He has failed to deliver.

Members interjecting—

MADAM DEPUTY SPEAKER: Gentlemen, can we stop having the banter across the chamber and allow Mr Corbell to speak in silence?

MR CORBELL: Mr Smyth's motion also talks about not signing contracts for the light rail project before the forthcoming election. I do not know where Mr Smyth and those opposite have been for the past three years, but the government actually set out the timetable for procurement of this project before the last election.

Mr Hanson interjecting—

MADAM DEPUTY SPEAKER: Can I remind you, Mr Hanson, that you are on a warning? As I understand it, you are on a warning.

Mr Hanson: Not today, as I understand it.

MADAM DEPUTY SPEAKER: What a shame. You could head there, though. Please be quiet. I apologise, Mr Corbell, but I thought people should be able to hear you.

MR CORBELL: Thank you, Madam Deputy Speaker. Our commitment was clear, and it remains so. The Chief Minister and I issued a statement on 21 September 2012. We said very clearly that stage 1 of the capital metro project is anticipated to be completed—completed—by 2018, with construction estimated to commence in 2016. That was our commitment. There was no doubt, either, from Mr Seselja, the then Leader of the Opposition, about what our commitment meant. He was very clear about his position. He said that he doubted whether we would meet the construction time frame. That was Mr Seselja's position.

Let us be very clear about what they understood, what we said and what the community was told before the last election. It was that we were going to procure stage 1 of light rail for the future of the city and that we were going to deliver it. We were going to construct it and we were going to deliver it using a public-private partnership model, and that is exactly what we are doing.

But why are we doing it? We are doing it because it is about transforming the way our city grows and develops. It is about ensuring that we lay the first stage of world-class, high-quality, reliable, frequent public transit that will meet the needs for this city not just for the next five years, the next 10 years or the next 15 years, but for the next 25, 30, 40, 50 years. That is the sort of lifespan of this sort of infrastructure, Madam Deputy Speaker. It is long-term investment for the future growth and development of our city.

As we approach a population of over half a million, we have to be making long-term investment decisions that meet the needs of this growing population. We have talked a lot about why the Northbourne Avenue corridor. The only point to be made on that again is that the bulk of growth in the population for our city is on the north side of Canberra, and it is projected to be that way for the next 15 to 20 years. That is where the demographic change is happening. That is where the population growth is happening. That is where we need to accommodate that growth.

We know, too, that the Northbourne Avenue corridor is the most congested and the most costly in term of lost productivity of any road transport corridor in the city. So it makes perfect sense to make an investment in that corridor that is a long-term one for the future growth and development of our city. We have been very clear that light rail is not just about better, world-class public transport; it is also about making sure that we have a more sustainable pattern of urban development that accommodates this growth.

We simply cannot keep building more and more suburbs alone. We cannot keep doing that as the only policy response to delivering housing for a growing population. We need to encourage higher density. We need urban renewal. The Chief Minister has put urban renewal front and centre of his policy agenda because he recognises and this government recognises that that is where we need to turn as a key policy response to deal with that growth in population.

Light rail sits at the centre of that because if people live close to high-quality public transport where they can walk and cycle and move about easily, where they do not need a timetable and where they can get closer to where they work, where they recreate, where they use cultural facilities, where they are able to shop without using the car, then you deliver great urban outcomes for people and you improve their quality of life. That is what this government is committed to. These are the reasons why this project is so important.

We hear the scare campaign from those opposite in the same way that we heard the scare campaign about the jail, the same way we heard the scare campaign about the arboretum. Remember, Madam Deputy Speaker, how they were all over the arboretum? They said that it was a waste of money; it should never happen; it should be cancelled. Now it is one of the leading venues in this city, acclaimed nationally and internationally as a destination in its own right and greatly enhancing the standing and status of our beautiful city. But they, as is always the case, have no vision. They have no capacity to think beyond the next couple of years and to make the decisions that grow the standing, capacity and liveability of this most beautiful of cities.

The government will not be supporting this motion today. They have no vision and no agenda when it comes to tax; they have no vision and no agenda when it comes to long-term infrastructure investment that makes a difference for better public transport. They just want to put more buses into crowded traffic. That is all they want to do, Madam Deputy Speaker. They just want the buses to be caught up with the general traffic. There is no bus priority of any significance in their package; none whatsoever. It is all about buses getting caught in the traffic. Do you really think people are going to use public transport in those circumstances? Of course they are not. So they have no vision and no agenda on that either.

This government does have that vision, does have that agenda, does have the commitment and the tenacity to follow it through, and that is why we will not be supporting this motion today.

MR RATTENBURY (Molonglo) (5.32): I will make a few remarks on this motion. I am glad that Mr Smyth has brought it forward today because it provides an opportunity to bust the myth that the Liberals appear to have been perpetuating in the community for quite some time, that is, the idea that rates are going up to pay for light rail. I know they are out there saying that in the community. They have written it on their brochures. It is simply dishonest. It does not reflect the current situation. We know that rates have been increasing and that has been because of the tax reforms that this government is putting in place. I will speak to that, because the Liberal Party's political chicanery in trying to link rate changes with light rail is just another example of how they have so unfairly and inaccurately characterised this public transport reform for this city.

Mr Smyth knows full well that rates are changing in Canberra because the government is phasing out stamp duty and other inefficient taxes. This is a funding-neutral arrangement. What is taken from stamp duty and other taxes is being recouped by the government through rates. It is simply a shift in the way that the government raises revenue.

Given that the tenor of Mr Smyth's motion is about the cost burden on Canberrans and the hardship they are facing through costs, I would like to talk a little bit about the relationship between costs and affordability and the government's tax reforms that will phase out stamp duty. I gather that while I had to step out of the chamber the Chief Minister may have also referenced the recent New South Wales Council of Social Service, NCOSS—the equivalent to the ACT's ACTCOSS—and New South Wales Business Chamber paper that they released recently. It jointly called for New South Wales to switch from stamp duty to a broadly-based land tax.

While I know that the Chief Minister spoke about this, I want to speak about it as well, because I think it is a very important point. It really undermines the case the Liberal Party have been making on this and it emphasises their lack of courage and their lack of vision in being willing to undertake serious tax reform that serious commentators in the community actually support.

Jointly, they said that making the switch from stamp duty to land tax would lower the cost of housing and reduce rents but it could also boost gross state product by more than one per cent and create up to 10,000 jobs. The NCOSS CEO said that modelling prepared by KPMG for their report shows that phasing out stamp duty and switching to a land tax—just what the ACT is doing—would improve housing affordability. In her words:

It would remove the disincentive for people to buy and sell property, making it easier for households to move as their needs change over time, enabling better use of the existing housing stock and reducing the upfront costs of home ownership. It would also place downward pressure on rents over time as investors seek less return on their investment to cover their costs. At a time when housing affordability is reaching crisis levels the NSW Government should be looking seriously at this proposal.

She also said:

This report shows the switch to land tax has widespread support and that support is growing.

NCOSS, the group that is focused on affordability and on cost of living pressures that struggling people are facing, is calling for New South Wales to adopt the ACT approach to stamp duty in order to improve affordability in a key area of housing.

On the other side of the spectrum, this New South Wales report is jointly supported by the New South Wales Business Chamber. The chamber points out that the report appeals to it for different reasons. Nevertheless, it also says that tax reform is necessary. It points out that switching from stamp duty to land tax has the potential to provide a boost of more than one per cent to gross state product, around 10,000 additional jobs and more than \$1,400 in additional consumption for the average household.

The two groups both agree that the economic benefits are significant and the switch should be part of any conversation about solutions to housing affordability. If we want to have a conversation about costs and affordability, we should note that the New South Wales Council of Social Service as well as the New South Wales Business Council are supporting the tax reforms that the ACT is implementing—the same ones that Mr Smyth and the Liberals spend all of their time railing against.

When Mr Smyth comes in here today with a motion that talks about issues of cost pressures on Canberra families, it is worth reflecting on the recent work done by those two organisations in New South Wales, off the modelling of KPMG, which has shown the benefits that arise in a range of areas which go to real cost pressures and potential income increases for households from this tax reform.

As I touched on earlier, Mr Smyth also sought to make some linkages to light rail. I think this is actually Mr Smyth's first motion on light rail; it is normally Mr Coe's thing. It is good to see that Mr Smyth has embraced it.

Mr Barr: He is branching out.

MR RATTENBURY: Yes, it would be better if he embraced the project, because we know this is a great project for Canberra. Minister Corbell has just made some comments. Having spoken earlier today about the benefits of light rail, I do not intend to make the points again, other than simply to say that I disagree with Mr Smyth's analysis. I disagree with the points that he is making. My position on this is well known. On that basis, I will not be supporting Mr Smyth's motion today.

MR SMYTH (Brindabella) (5.37), in reply: We have had the full gamut of entertainment this afternoon. The three amigos have come down to try to defend the indefensible. At the end of it, the taxpayers of the ACT will still get to pay for it. According to Mr Rattenbury, nobody is paying for the light rail system. It is not coming out of rates. Where is it coming from? It is just going to appear. We know that it is not self-supporting; it needs a subsidy.

Mr Hanson: It is the magic tram.

MR SMYTH: Now it is a magic tram. It is a free tram. All trams will be free by 1990! It is quite extraordinary. Are you actually saying that not a cent from rates goes into the provision of public transport? Not one cent? Not one cent of rates goes to public transport? Mr Rattenbury has come down with a bit of a myth buster. He started by putting his little black beret on and tried to prove it, but all he has done, I think, is expose his own lack of understanding of how the economy works and how tram systems work.

Then, of course, we had Mr Corbell. Mr Corbell again partially quoted his own policy from 2012. What did it say about funding? I think something like \$30 million would be spent getting ready. That is in your policy. You have spent way more than that. You did not tell people the full cost. You did not tell them when the work would start. It can start in 2016. If you win the election in October, you can start in November. So there is still plenty of time. It is interesting that they are suddenly anxious to keep this particular promise when so many other promises have gone by the by.

Then I was really amused that Mr Corbell brought up the delivery of the jail. I would have thought that if anybody in this place would not want to talk about the jail it would be Mr Corbell. Remember, it was going to last for 20 years.

Mr Hanson: Twenty-five.

MR SMYTH: Twenty-five years, capacity for 25 years. He got that one wrong.

He did avoid, of course, Gungahlin Drive, which was meant to be on time, on budget—\$55 million in five years. We know Mr Corbell's record—10 years, \$200 million later we finally got Gungahlin Drive.

Then he brought up the arboretum like it was some triumph. I think people acknowledge the arboretum has worked out very well but our objection at the time

was that you were closing 23 schools and you were planting trees in the middle of a drought. What happens when you plant trees in a drought? They die. And what happened? They died. Now there are even more concerns about the health of the trees, because you got it wrong.

Mr Barr: I apologise to Mr Hanson. Mr Smyth has more positions on the arboretum than he does.

MR SMYTH: No. My position has been consistent. You go back to the original record. I said, “Who plants trees in a drought? Who closed 23 schools to plant trees? And what is your bushfire plan?” You have yet to answer all three of those, but I am entirely consistent. But it is okay.

If Mr Corbell thinks that the jail is a shining example of how they deliver capital works people should be very scared. Remember the opening day! Remember the opening day of the jail when they transferred the first prisoners! There was no security system. That is the sort of jail that Mr Corbell set up that was going to be good for 25 years.

Do we take Simon Corbell’s word on the train or do we take the word of somebody like John Meyer—

Members interjecting—

MADAM DEPUTY SPEAKER: Gentlemen, it is getting late in the day, I know, but please!

MR SMYTH: professor of transport economics, who summarises the argument in these matters very simply when he says, “Buses good. Trains bad.” That is Mr Corbell.

We go to the Chief Minister. I was delighted that the Chief Minister talked of vision. The Chief Minister launched his vision statement, his statement of ambition, last week, except it is not his homework. He is so visionless he had to get Arup and a well-respected gentleman, Dr Tim Williams, to help him put it together. This is his document, yet it is prepared by the ACT government in partnership with Dr Tim Williams and Arup. There we are. The man cannot even do his own homework. What was the opinion after the speech? Let us have that quote from ACTCOSS: it was ageist and they were disappointed with what the Chief Minister had to say.

Then of course we go to “confident, bold and ready”. We have got the shifting sands. We had “confident, bold and ready”. Remember Canberra, “confident, bold and ready”! I looked for Canberra in Dell’s ranking of future-ready cities today. But Canberra is not there as a future-ready city. Apparently we are not ready on the international rankings. Sydney is there. In fact, Sydney is the only Australian city to make Dell’s list in the ranking of future-ready cities.

Other cities like Mexico City got there. Jakarta and Istanbul got there. Sao Paolo got there. Des Moines, Idaho got there. But not Canberra. Obviously poor old Dell have not got the email about “confident, bold and ready” because they do not see that we

are ready for the future. We are not, according to a firm that has a tool to do these rankings. Canberra is not listed in Dell's ranking of future-ready cities. There we have it.

Of course the Treasurer goes back to his great delight, three-word slogans, "fairer, simpler and efficient". Yes, for the government! It is certainly not fairer for the taxpayer. Our objection has always been that it puts a burden on the taxpayer that is unfair. He quoted from the Property Council. The Property Council at 7.23 this morning put out a press release called "Tax reform and the politically possible". It says:

The facts are that businesses already pay very high rates of land tax, with aggregation and other features creating significant distortions in what is billed as an inefficient tax.

A new flat land tax on the family home could certainly raise a significant amount of money—

which is what the Treasurer is currently doing—

However we wanted to see if the idea stacked up—and if implementing it was as easy as it sounds.

So we commissioned a state-by-state economic analysis of the issue. It found that the average home owner would have to pay \$2,360 each year in land tax to fund the abolition of stamp duty. That's an average figure, so families and households in our bigger cities would pay even more.

And that is exactly what is happening here. These are the sorts of numbers that average Canberra families are having to pay extra to fund this—what was it?—fairer, simpler and more efficient system of taxation. Yes, fairer, more efficient and simpler for the government but certainly not for the taxpayer.

These are important issues. You know that Andrew Barr is in trouble when he gets a little petulant, when he gets a little personal, when he gets a bit anxious about what is going on.

Mr Barr: You know Brendan Smyth is in trouble when he says Andrew Barr gets in trouble, because you say that every answer. It is just what you are saying. This is the same speech you have given 2,000 times.

MR SMYTH: Yes, true. You come down when you are challenged and you put words in the mouth of the Prime Minister. Then you have to retract it. "Oh, he didn't actually say that. I came up with some words that I thought he said." You got caught out a bit more and you had to correct the record as well. There you go.

These are important issues for the taxpayers of the ACT. These are important issues if you are paying the bills. These are important issues if you are feeling the cost burdens of this government's inability to balance the books, to deliver a surplus, to reduce the

cost of living burdens that they have placed on the people of the ACT. Those burdens will only grow if this lot are re-elected in October this year.

What the people of Canberra deserve is a fair deal. They actually deserve to have burdens on them reduced. From expenditures on their behalf through the tax system, they actually deserve much better outcomes, instead of the sorts of outcomes we get where schools are fuller, hospital lists are longer, police services are stretched because you have cut their budget to fund other things—and all at a time when the myth-busting Shane Rattenbury comes in here and says that rates do not help pay for services like public transport. That was quite amazing, an amazing revelation today. It will be interesting to hear Mr Rattenbury tell us how we pay for public transport, where that funding comes from, and where the additional burden that can only come from rates that will come online when the additional cost of paying for the operation of the train and paying the train off has to occur.

I am not sure what economic planet the Greens are on but in real life, real-time Canberra, people have to pay their bills. They are paying this government a lot more whether it be through their rates, whether it be through the fees and charges, whether it be for parking or whether it be through the fact that they are getting decreasing services and decreasing standards of service.

This is an important motion. It should be supported. The people of Canberra are certainly listening. They are aware of the cost burdens that are being placed on them, and they will decide in October this year.

Question put:

That the motion be agreed to.

The Assembly voted—

Ayes 7

Mr Coe	Ms Lawder
Mrs Dunne	Mr Smyth
Mr Hanson	Mr Wall
Mrs Jones	

Noes 8

Mr Barr	Ms Fitzharris
Dr Bourke	Mr Gentleman
Ms Burch	Mr Hinder
Mr Corbell	Mr Rattenbury

Question so resolved in the negative.

Adjournment

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

That the Assembly do now adjourn.

The Assembly adjourned at 5.55pm.