



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

15 June 1993

Tuesday, 15 June 1993

Petition: Tuggeranong Homestead	1757
Paper	1757
Questions without notice:	
Native land titles	1758
Disability services grants	1759
Native land titles	1760
Hospice - Acton Peninsula	1762
Native land titles	1764
Hume cafeteria	1766
Native land titles	1766
Betterment tax	1769
Attorney-General (Motion of want of confidence).....	1769
Paper	1787
Subordinate legislation and commencement provisions	1787
Ainslie Village - board of inquiry	1788
Totalcare Industries Ltd - statement of corporate intent (Ministerial statement)	1789
Council of Australian Governments meeting (Ministerial statement)	1790
Public Accounts - standing committee	1800
Scrutiny of Bills and Subordinate Legislation - standing committee	1807
Drugs - select committee	1807
Rates and Land Tax (Amendment) Bill 1993	1814
Supply Bill 1993-94	1817
Betting (Totalizator Administration) (Amendment) Bill 1993	1825
Personal explanation	1863
Leave of absence to members	1864
Adjournment:	
Member's tie	1864
Member's tie	1864
Member's lapel badge	1865
Member's lapel badge	1865
Answers to questions:	
Government Service - enterprise bargaining agreement (Question No 506)	1867
Media monitoring service (Question No 673)	1870
Employment and training grants program - pre-vocational training for women (Question No 693)	1872
Business development (Question No 706)	1873
Very fast train project (Question No 709)	1876

Tuesday, 15 June 1993

MADAM SPEAKER (Ms McRae) took the chair at 2.30 pm and read the prayer.

PETITION

The Clerk: The following petition has been lodged for presentation:

By **Ms Szuty**, from 500 residents, requesting that the Assembly prevent any residential development of the Tuggeranong Homestead and environs site and ensure that any other development is in strict accordance with heritage protection guidelines.

The terms of this petition will be recorded in *Hansard* and a copy referred to the appropriate Minister.

Tuggeranong Homestead

The petition read as follows:

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

The petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly: that Tuggeranong Homestead and Environs (Richardson Section 450) is of great historical, architectural, cultural and aesthetic significance, declared by the Australian Heritage Commission to be worth keeping for present and future generations.

Your petitioners therefore request the Assembly to: Prevent any residential development on the Tuggeranong Homestead and Environs site, and ensure that any other type of development is in strict accordance with heritage protection guidelines.

Petition received.

PAPER

MR MOORE: Madam Speaker, I ask for leave to present a petition which does not conform with standing orders as it does not address the Assembly nor contain a request.

Leave granted.

MR MOORE: I present an out-of-order petition from 432 residents concerning the development of commercial tenant legislation.

QUESTIONS WITHOUT NOTICE

Native Land Titles

MRS CARNELL: My question is to the Chief Minister, Ms Follett. What is the potential for land held by the ACT Government and yet to be released for residential development to be subject to Mabo-style land claims? To what extent will such claims lock up such land when the ACT is already experiencing a land shortage? What will be the impact on Canberra's building and construction industry and what will be the employment outcomes?

MS FOLLETT: I thank Mrs Carnell for the question, Madam Speaker. I think it is fair to say that the position in the ACT is extremely complex because of our leasehold system. Perhaps I could give a little of the background of the Mabo matter. I would like to say, first of all, how disappointed I was that the Council of Australian Governments was not able to settle a national approach at their recent meeting in Melbourne. I do believe that a national approach is what is needed. I make no bones about the fact, Madam Speaker, that I regard the Mabo decision as being much more than only a land administration matter. It is a matter that also ought to be used to address the dispossession and the disadvantage that have been suffered by Aboriginal and Torres Strait Islander peoples in Australia over a couple of hundred years. As far as the ACT goes, my legal advice is that it is most unlikely that a Mabo-style claim could affect the existing residential, commercial or rural leases in the ACT. In the unlikely event that such a claim were to be successful, it is up to the Government to address the implications of compensation, not the lessees. I would like to put that one to rest.

Madam Speaker, as I said, the position in the ACT is very complex, and the issue that Mrs Carnell has raised, of land yet to be released, is also very complex. The main reason for that is that it was the Commonwealth Government who was directly responsible for land management in the ACT for 14 of the 18 years since the Racial Discrimination Act came into force. Therefore, whatever we do in the ACT we have to do in cooperation and consultation with the Commonwealth Government. They still, of course, have a major interest in the ACT. They are basically the owners of ACT land. So, Madam Speaker, I think that it was very disappointing that when the Commonwealth offered, at the COAG meeting, both to validate existing leases and to take up fully the question of compensation we were not able to reach agreement on that matter.

In relation, generally, to the ACT position, I have taken up the matter with the Commonwealth. I have written to the Prime Minister because of the Commonwealth's close involvement in ACT land and also, of course, because they were responsible for it for a considerable period. I have reiterated or supported the position taken by Mr Fahey, that we ought to continue negotiations at officer level with the objective of achieving a national approach, and that that approach ought to be finalised, if at all possible, before the financial Premiers Conference in July. I do support the Commonwealth approach - the approach that was tabled at the COAG meeting - and I still hope that, perhaps in bilateral negotiations, that approach might yet be achieved. After the COAG meeting the Prime Minister issued a press report that indicated that the Commonwealth would be legislating on this matter. At this point I have not seen the terms of

such legislation or its impact on the ACT. I have taken up that issue with the Prime Minister, in my letter to him, and I would expect that the Commonwealth legislation would take into account the issue that Mrs Carnell has raised of land which has yet to be released because, as I say, the basic owner of that land is the Commonwealth.

MRS CARNELL: I have a supplementary question, Madam Speaker. What briefs in this matter of really great economic uncertainty has the Chief Minister requested? Can they be provided and, if not, why not?

MS FOLLETT: Madam Speaker, the briefing that I have received has been largely to do with the issues under consideration at the COAG meeting and also with the legal position, of course. I think they are the only briefs that I have received on the matter. Madam Speaker, I think it is very much to be regretted that conservatives, and I include both Mr Humphries and Mrs Carnell in this, have sought to use this matter as a scaremongering tactic - - -

Mr Berry: To divide the community.

MS FOLLETT: Not just to divide the community, but to throw a scare into our commercial sector. Madam Speaker, no such scare is warranted. Madam Speaker, if ever there was a scaremongering exercise, I would ask the conservatives opposite to have a look at what their colleagues Mr Kennett and, from Western Australia, Mr Court have put on the record there. I have never seen such scaremongering tactics in my life; tactics specifically designed to put off investors and to blame it on another sector of the community. They have a lot to wear in this whole debate.

Disability Services Grants

MR LAMONT: My question is directed to the Minister for Housing and Community Services. Can the Minister inform the Assembly of any grants to ACT based programs arising out of the recent round of disability services grants program announcements?

MR CONNOLLY: I am very pleased to be able to announce today the second funding round under the disability services grants program. Grants totalling some \$322,000 were announced today. The grants include two new accommodation services which will support six people with psychiatric disabilities and four people who have brain injuries. Both of these services are a first for the ACT. Although disability services - - -

Mr Kaine: Would you like leave to make a ministerial statement on this matter?

MR CONNOLLY: Opposition members may wish to scoff about this, but it is a very important issue for the community. It again shows that the Labor Government is getting on with the job rather than grandstanding and stunting, as our colleagues opposite seem to spend most of their time doing.

Although the disability services legislation includes provision for people with a range of disabilities, this is in fact the first time that people with psychiatric disabilities and people with acquired brain injury have been provided with support for their accommodation needs. Both groups within the community have

15 June 1993

real needs, but their needs, up until now, have not been able to be met by government programs. We will also be providing in that \$300,000-odd some \$150,000 to the attendant care program, which again is a very vital program supporting the personal and home care needs of people with physical disabilities. Out of that money, we expect that approximately 10 additional individuals will benefit from this expanded program.

Together, the first and second stages of the 1993 funding round under the disability services grants program account for 21 new accommodation places, 24 new places in day support programs and the capacity to assist many more people with disabilities to access the full range of community services that the rest of us take for granted. When the Government put through this Assembly the Disability Services Act about 18 months ago we promised that there would be good news down the pipeline for people with disabilities in the ACT, and I am pleased that today we have delivered on that promise.

Mr Cornwell: Would the Minister table the paper he was referring to, please, Madam Speaker? We so rarely have a chance to see his media statements.

MR CONNOLLY: I am delighted to provide Mr Cornwell with a copy of my media statement spreading the good news about this Labor Government getting on with the job and delivering services to this community.

Native Land Titles

MR DE DOMENICO: My question without notice is to the Chief Minister. I refer the Chief Minister to comments made last week by the Ngunnawal Council member, Michelle House, who lodged a Mabo-style land claim over all of the ACT and much of its surrounds, where she said:

It wouldn't be good to see land taken off hard-working farmers, but they are going to have to start paying royalties to the Aboriginal people.

Does the ACT Government support the Aboriginal people with regard to this statement?

MS FOLLETT: Madam Speaker, can I make it clear that the quote that Mr De Domenico made was by Ms House, not by me.

Mr De Domenico: That is right. That is what I said.

MS FOLLETT: No, you said "she".

Mr De Domenico: No, I said "Ms Michelle House", not "this house".

MADAM SPEAKER: Order!

MS FOLLETT: Madam Speaker, this is not the moment to go into the very complex detail of a particular claim, and I say that - - -

Mr De Domenico: Why not?

MS FOLLETT: For one reason, it is my understanding that the writs have not actually been served on the ACT. Another reason, if another reason were needed, is that, when such writs are served, then clearly they are a matter for the courts. I do not believe that it is useful to go into the detail, even if such detail were available, outside of that process. It is my understanding that the claim that has been lodged by the Ngunnawal people involves, in the first part, the Commonwealth Government; in the second part, the New South Wales Government; and, in the third part, the ACT Government. So whatever response is made to that must be made in a cooperative manner.

Mr De Domenico has raised reported comments by the person who has lodged the writ with the High Court. I do not want to comment on those comments because I believe that that debate must take place elsewhere. I am sure that members can understand that. Once a writ is issued it is a very technical legal matter that clearly has to be dealt with in cooperation with those other two governments. I have made it clear that the advice which I have had is that any Mabo-style land claim is unlikely to affect the residential, commercial or rural leases in the ACT.

Mr Humphries: Will you table it, then?

MS FOLLETT: Madam Speaker, I do not have the advice with me - - -

Mr Humphries: Well, later? Will you table it later?

MS FOLLETT: I hear calls to table it. I will - - -

Mr Connolly: You want our advice in a constitutional challenge tabled in this place before litigation? That is smart!

MADAM SPEAKER: Order!

Mr Humphries: Well, tell it to us privately.

MADAM SPEAKER: Order!

Mr Berry: What for?

Mr Humphries: Don't you trust us?

MADAM SPEAKER: Order!

MS FOLLETT: Madam Speaker, I say again, as I said in answer to Mrs Carnell's question, that if there were to be such a claim, and in the most unlikely event that such a claim were to be successful, the question of compensation is a question for government, not for the lessees. Members opposite can go around trying to frighten lessees till the cows come home, but those remain the facts. I have explained to them how this matter must be progressed, in my view, at a national level; but certainly, in the light of this claim, at a level in which there is full cooperation between the three governments against whom the claim is made. I think that is entirely reasonable and I would defy members opposite to find another way of handling it.

MR DE DOMENICO: I ask a supplementary question. Seeing that the Chief Minister has now made the statement three times - once in the *Canberra Times* and twice during question time today - that it is, in her words, very unlikely that existing residential, commercial and rural leases in the ACT would be affected by the claim, will she give an ironclad guarantee that ACT leaseholders will not have to pay royalties to the Aboriginal people?

MS FOLLETT: This is just further scaremongering by members opposite - absolute scaremongering. They have clearly misunderstood the entire import of the High Court's decision. I will be seeking leave later on today to make a statement about the outcome of the COAG meeting in which I will reiterate for members what the Mabo decision is and what it means. They might learn something through that process. I will say again that for those leases issued between 1975, the date when the Commonwealth Racial Discrimination Act came into force, and the date of the Mabo decision, late 1992, there is a question of compensation. That question was on the table at the COAG meeting. The Commonwealth, at that meeting, offered to provide any compensation that might be required. The conservative members opposite should fully acknowledge that it was their colleagues at that meeting who rejected that proposition. So if there is scaremongering to be done, Madam Speaker, it is about Liberal governments, not about any action of the Labor Government.

Hospice - Acton Peninsula

MS SZUTY: Madam Speaker, my question without notice is to the Minister for Health, Mr Berry, and concerns the siting of the hospice on Acton Peninsula. It is a different question from the one I asked during the last sittings of the Assembly. As members are aware, the site of the hospice has been relocated from its original position following agreement reached between the ACT Government and the National Capital Planning Authority. My question to the Minister is: Were the existing buildings on Acton Peninsula ever considered as options for housing the hospice? Further, what degree of consultation with the community occurred over the ACT Government's and the National Capital Planning Authority's latest choice of site?

MR BERRY: I will deal with the last issue first. There are some people concerned with what might happen on the Acton Peninsula who will never be happy unless we reopen the Royal Canberra Hospital in its former glory. Sadly, those people have to accept that we are not going back that way. It is in the past. As far as the hospice is concerned, there was an early position in relation to a site which was not acceptable to the NCPA. When I say "not acceptable" I am not suggesting in any way that there was a bunfight about the issue. They said that they did not like the site and I said, "Well, have you something else in mind?". They said, "As a matter of fact, yes, we have. Here it is". I said, "Well, that looks all right to me". I was quite - - -

Mr Kaine: That sounds like a fairly scientific decision making process.

Mr Cornwell: I thought that was the way that you conducted government, yes.

MR BERRY: Well, it is about being fairly relaxed about these issues instead of getting involved in inconsequential fights about an issue which is really of no import when it comes down to discussion about whether we need a hospice or not. The fact of the matter is that we need a hospice. We promised that it would be on the Acton site. We said over and over again to the people of the ACT that we would put it on the Acton site. The NCPA of course have a significant role in what happens on the Acton site, and one assumes, they having chosen that site and put it on offer, that it would be an acceptable site to them. It certainly is to this Government, and I am absolutely sure that when that hospice is built it will be considered a gem by the ACT community. Unquestionably, the overwhelming majority of the people of the ACT recognise that we have to have this hospice. They recognise the Labor Government for having promised it and we are well down the track to delivering it. I go back to my original point. There are some out there who will never be pleased about our position if we do not adopt exactly their particular position.

In relation to the existing buildings, that matter was considered, I suppose, but not with any weight from the outset because my view was that the best way to deal with a hospice was to have a purpose built facility. That option would not have been available to us in those existing buildings, however stout they might seem to be. It was my view that we needed a purpose built facility because it is the first hospice and it is going to be a lasting facility for the Territory. It was important that we make sure that it is of a type that is built for the people who will use it, and their carers and friends and relatives. Having made that decision, it was an issue of a site. Either site would have been quite okay as far as I was concerned, but it was more acceptable for it to go where the fence has been put up. We are quite happy with that, and I am sure that the community will be, too.

MS SZUTY: I have a supplementary question, Madam Speaker. Has the fate of the existing buildings on Acton Peninsula therefore been determined at this stage?

MR BERRY: I am not the best person to answer that question, but it would be - - -

Mr Humphries: You are not the best person to answer any question.

MR BERRY: I am the best person to answer the question if it means stirring up the Liberals, because they always seem to get agitated as I - - -

Mr Humphries: That is about all you achieve with most of your answers.

MR BERRY: Indeed. That is a feather in the hat. The Acton buildings are looked after by Mr Connolly's people. There has been no decision about their future, but there have been decisions made about other health facilities which will be provided on the site as time passes.

Native Land Titles

MR HUMPHRIES: Madam Speaker, I address my question to the Chief Minister. I refer the Minister to a number of suggestions in the national media over the past few weeks that some grants of leasehold may not extinguish native title under the Mabo principle. I refer in particular to comments of the Prime Minister, reported in the *Canberra Times* of 9 June, in which he said that native title could be revived in circumstances where short-term leases expire. I note that the Chief Minister has repeatedly asserted today in the house that traditional owners will not have access to leased land in the ACT, or that it is most unlikely. I think the words that she used were that it would be very unlikely. Can the Chief Minister explain to the Assembly why it is that the short-term leases - - -

Mr Berry: What a bunch of rednecks! I have never heard anything like this.

MR HUMPHRIES: Can I have some order, please, Madam Speaker?

MADAM SPEAKER: Yes. Order, please!

MR HUMPHRIES: Can the Chief Minister explain why it is that the short-term leases to which the Prime Minister refers, which would revive native title, are not the sorts of short-term leases operating in the ACT, say for periods of less than 10 years, granted very commonly over commercial properties in the Territory? Precisely, why will those short-term leases expiring not revive native title to that land?

MS FOLLETT: Madam Speaker, I have advised from the very outset that this is a complex matter, but Mr Humphries has raised in particular the question of short-term leases and whether they may or may not extinguish native title. I would remind members that most leases in the ACT, and all residential leases, are for a period of 99 years. You could hardly regard that as short term. Similarly, other leases within the ACT are usually for considerable periods, up to 99 years. In other places, for instance in Tasmania, there are some leases issued on a year-by-year basis. Depending on how long such a lease had continued in total, you could take the view that a one-year lease was a short-term lease.

I would remind members again, Madam Speaker, of the terms of the Mabo decision. In the Mabo decision the High Court held that native title rights survived settlement in circumstances where indigenous peoples have maintained their connection with the land and where the title has not been extinguished by some action of the Government - for instance, legislation or the granting of title and so on. So there are conditions upon it, Madam Speaker. There are conditions upon the High Court's decision. The impact of the High Court's decision is to create a new entitlement to land. That is not to say that it grants the land. It grants an entitlement, or that there may be held to be an entitlement over particular land. Nevertheless, I can only repeat what I have said several times: In the ACT the legal advice which I have is that a Mabo-style claim would be most unlikely to succeed or to have an impact on our leases, whether they are residential, commercial or rural.

I think it is very much to be regretted that members opposite continue to run this line that there is some threat to the population of the ACT by virtue of the Mabo decision. I think that the actions and the sentiments expressed by members opposite really do fail to take any note whatsoever of the opportunities that are offered by the Mabo decision to redress some old wrongs. That is clearly this Government's position, and it will be our position, Madam Speaker, while ever there is such disadvantage suffered by the Aboriginal community. I think that, by seeking to take a very narrow land management and land ownership view of this decision, the members opposite are really failing to take advantage of an opportunity that might make them look a little bit broad-minded, a little bit statespersonlike, and a little bit as though they were looking for a solution rather than looking for further division within the community, and even further disadvantage to the Aboriginal community by appearing to set them against the rest of the community. Finally, Madam Speaker, by their own utterances, they are seeking to threaten the further economic development of this Territory. That is what they are doing. Let there be no mistake about it.

MR HUMPHRIES: Madam Speaker, I ask for further clarification. Is the Minister saying that there are no short-term leases of the kind the Prime Minister referred to on 8 June in the ACT, or is she saying that the Prime Minister was wrong to suggest that the expiry of short-term leases would revive native title?

MS FOLLETT: Madam Speaker, as I recall the Prime Minister's comments, the circumstances in which he made those comments related to mining leases; to where a company may go into an area, look for minerals or for some product which they wish to exploit, may then exploit it over a period of some years and then move out. When they move out, native title may be revived. That is the context in which the Prime Minister made that statement, to the best of my recollection, Madam Speaker. Clearly, those circumstances do not apply in the ACT. We do not have mining, for one thing. If they want to split hairs about what is and what is not a short-term lease, I would say to them that that is the very kind of work that has to go on before we can reach a final position on the Mabo decision in relation to the ACT.

I would like to say, Madam Speaker, that no government in Australia has yet reached that position. In the ACT our situation is more complex than most, because of the leasehold system and because of the Commonwealth's interest in ACT land. I would be absolutely amazed if the ACT, given our more complex position, could get ahead of any other government on this matter. In fact, by seeking a national solution to the issue, I think that we are doing the best possible thing for the ACT, as I have constantly said. I just wish that members opposite would be a little more conciliatory in their approach; that they would show a little more of an interest in finding a solution, rather than attempting to draw up the barriers and to mark out their territory over which no-one shall trespass. I think that is extremely divisive and very much to be regretted.

Hume Cafeteria

MS ELLIS: Madam Speaker, my question is directed to the Minister for the Environment, Land and Planning. What has been the outcome of objections made to the operation of a cafeteria at a warehouse in Hume?

MR WOOD: Madam Speaker, members would be aware that an adjoining lessee had complained about what he saw as illegal trading in that cafeteria and a contravention of the lease purpose clause. The department made orders against the lessee and the sublessee of Cannons Hume to cease activities which were considered to be outside the lease purpose clause. As was his right, the lessee took the matter to the Administrative Appeals Tribunal. The matter was not heard quickly, I have to say. It was taken to the AAT on 25, 26 and 27 May and 7 June. The nature of the appeal involved the interpretation of the lease purpose clause. The appeal has now been finalised by the tribunal. As a result of that appeal, the department's order has been reworded to reflect the views of the AAT and that new order will be made shortly. That order instructs the lessee to abide by the lease purpose clause and prohibits sale from the cafeteria to members of the broader public. That has been the outcome. I expect that when that order is issued it will be observed.

Native Land Titles

MR WESTENDE: Madam Speaker, my question is directed to the Attorney-General. I refer to comments last week in the media about the Minister for Urban Services suggesting that the Mabo decision might facilitate land claims over Namadgi National Park. Is the Government prepared to entertain such a claim, and how much compensation would be payable to the traditional owners if it will not grant the claim?

MR CONNOLLY: The Attorney-General always agrees with comments by the Minister for Urban Services. The comments Mr Westende is referring to were indeed made by me. I was attempting to explain the effect of the Mabo decision. It is something that members opposite would do well to listen to closely, and hopefully learn. The High Court decision in Mabo is complex. It is 170 pages of very closely written argument. Fundamentally, what the court has decided is that the old doctrine of terra nullius no longer applies. That is the legal doctrine that said that Australia was an empty continent; that the Aboriginal people were not people; that they belonged to a level of civilisation so low as not to warrant recognition by the English common law. That is an offensive way of putting it, but that is what the law said. That was the old international law doctrine of terra nullius developed by European international lawyers in the seventeenth century to justify the acquisition of territory in South America, in Asia and eventually throughout Australasia.

The High Court has noted that that doctrine in international law is no longer acceptable and has been ruled out, in effect, by the International Court of Justice in the Western Sahara case. International law thus allows only two methods of acquiring territory - secession or conquest. What the court has effectively said is that Australia was, for practical purposes, a conquered territory; that is to say, there were in Australia, when European settlers first arrived and asserted sovereignty, developed systems of indigenous civilisation with developed links to

the land, and those links to the land can survive the acquisition by the Crown of paramount sovereignty. The court has drawn the distinction between the Crown acquiring land as sovereign and the Crown acquiring ownership of the land. That is the important point in the Mabo decision; a point which most right-thinking Australians, I think, would accept. I would find it inconceivable that members of the Liberal Party would advance the proposition - - -

Ms Follett: Don't bet on it.

MR CONNOLLY: Ms Follett, perhaps I have an optimistic view of human nature. I could not believe that members opposite would quibble with that proposition, although I note that some Liberal Premiers have, and I note that Peter Cochran has. The consequences of that decision have to be worked out. There are several ways of working out those consequences. One is the way that Ms Follett has outlined. The other is the way that Peter Cochran, your colleague from across the border, outlined on the ABC the other afternoon. He was saying that his constituents may have to use violence to defend their farms against Aborigines. What a shameful and contemptible statement by a politician! But it is typical, I fear, of the campaign the conservatives seem to be running to get fear and loathing running in the community about this Mabo decision.

Mr Humphries: That is beneath you, Terry. That is garbage.

MR CONNOLLY: I am pleased to hear opposite very strong condemnation of Mr Cochran's comments. That shows, Madam Speaker, that there is some hope yet for some ACT Liberals. What the court said then was that the acquisition of sovereignty means that that original native title can survive. The court noted, though - the relevant passage is at page 50 of the ALR decision - that as a matter of fact most of that title has disappeared in Australia. I read from the decision of Justice Brennan, who delivered what is regarded as the majority judgment, acquiesced in by two others:

As the governments of the Australian Colonies and, latterly, the governments of the Commonwealth, States and Territories have alienated or appropriated to their own purposes most of the land in this country during the last 200 years, the Australian Aboriginal peoples have been substantially dispossessed of their traditional lands.

He then goes on to say how that could occur and he makes the point very clearly that if that occurs by leasehold they have lost. The judgment at page 49 says:

If a lease be granted, the lessee acquires possession and the Crown acquires the reversion expectant on the expiry of the term. The Crown's title is thus expanded from the mere radical title and, on the expiry of the term, becomes a plenum dominium.

That is Latin for "full or total title". That is to say that the court has said that the granting of the lease, let alone the granting of freehold, can have the effect of rubbing out that - - -

Mr Humphries: Might have the effect.

MR CONNOLLY: They say:

If a lease be granted, the lessee acquires possession and the Crown acquires the reversion
...

Therefore the title goes. Why we are discussing Namadgi is this: Most of this area around Canberra was intensively settled by European occupation from about the 1830s onward. Many members would have read some of the early history of this region. It was extensively settled by pastoral interests, and leases or freehold were granted over extensive areas of the ACT. The area which was not extensively covered by leasehold or freehold grant is much of the area of Namadgi National Park. That is also the area where the strongest links can be drawn for such continuing links with the land as would satisfy a Mabo decision. The court does not simply say that any Aboriginal group can claim land. The court says that if a group can demonstrate a continuing and ongoing traditional link with land they may still have title, provided it has not otherwise been extinguished.

Given that the vast bulk of the rest of the ACT and the surrounding New South Wales area subject to this claim was dealt with by way of leasehold and freehold title from as early as the 1830s, Namadgi is different in that it was an area substantially not dealt with - unalienated Crown land under New South Wales administration, transferring to unalienated Crown land under Commonwealth administration on the transfer in 1914, and now unleased Territory land or, indeed, national park land consequent upon self-government. So it satisfies the possible Mabo test as land that has not otherwise been dealt, even by lease, Mr Humphries, in stark distinction from much of the rest of the ACT.

It also may satisfy the traditional link tests, provided a claimant can establish those links, and there are substantial hurdles for a claimant to go through. It is, I think, common ground in the ACT that there are a number of Aboriginal groups who would claim such links. The current claim represents a claim by one such group, but other Aboriginal groups may make different claims. It is very unlikely, given the Mabo reasoning and the distinction between that group's links and current groups' links, that a claim would be successful. Namadgi National Park does represent the most likely area where, if any group could establish the traditional links, they would be likely to have some chance of being successful.

Mr Westende said, "Would the Government entertain such a claim or seek negotiations on such a claim?". As I think Ms Follett has made clear throughout, our approach to Mabo is that it offers an opportunity for reconciliation between Aboriginal Australia and us who are the descendants of later settlers to Australia. This Government would, of course, be interested in any way of settling those matters, including negotiation. We are approaching Mabo as an opportunity for reconciliation and unity in Australia over one of our most divisive issues. It is very sad to see members opposite attempting to exploit this issue, to strike fear into the hearts of ordinary good Canberra citizens; trying to suggest that some Aboriginal group is going to come along and claim their backyard, or claim their commercial lease, or claim their agricultural lease. The sort of fearmongering that you people are engaging in - a sort of poor relation of a Peter Cochran, Western Australian National approach - does not reflect credit on you, and you should desist in this divisive approach. I guess that the thing about the Liberals is that they always have to have someone to divide the community against. It is sad that you are now picking on Aboriginals.

Betterment Tax

MR MOORE: Madam Speaker, my question is directed to Mr Wood, as Minister for the Environment, Land and Planning. Will the Minister be releasing his discussion paper on reforming a betterment charging system which he mentioned on ABC radio in April this year? Will the discussion paper deal with issues such as the problems with betterment of block 1, section 29, Campbell, the APU development next to St Thomas More's school, as well as the provisions made for charging for betterment on such developments at North Watson? If so, will such reforms be made available to this Assembly before the draft variation on North Watson is debated in the Assembly?

MR WOOD: Madam Speaker, the question of the betterment tax issue is one for the Government. Before anything else happens I will be taking a paper to the Government. I would not want to preempt what the Government may do. I certainly acknowledge that betterment is a key issue in Canberra. It is one of very great interest for all Canberrans, and I do not think the Government would act without some broader discussion. But let me first take the matter to Cabinet. As for block 1, section 29, Campbell, I am not sure what that is. Give me a street number.

Mr Moore: Vasey Crescent, aged persons units development.

MR WOOD: Aged persons units. That is all right. Block and section numbers have me running to the block and section map to interpret, I have to say.

Mr Moore: That is why I said "next to St Thomas More's school".

MR WOOD: Yes. I would have to look at that. I am not aware of the background of that. Our discussion obviously would encompass all matters of lease change.

Ms Follett: I ask that further questions be placed on the notice paper.

ATTORNEY-GENERAL Motion of Want of Confidence

MR STEVENSON (3.11): Madam Speaker, I seek leave to move the motion of no confidence in Mr Connolly standing in my name.

Leave granted.

MR STEVENSON: I move:

That -

- (1) noting that, on 13 May, this Assembly resolved to have an independent inquiry held into the form and delivery of emergency services in the ACT;
- (2) noting that on 10 June Mr Connolly announced that the Police Rescue Squad would be disbanded by 1 July and its major metropolitan functions passed to the Fire Brigade; and

- (3) noting that the Minister's decision was made in contempt of the clear resolution and intention of this Assembly,

this Assembly expresses a lack of confidence in the Minister and, in line with long established and numerous precedents in the Westminster parliamentary system, requires that he resign forthwith.

The Minister proposed that the police rescue services be given across to the Fire Brigade. On 13 May this year Mr Humphries, because of some concern exhibited by the services, by the community and by members of this Assembly, moved this motion:

This Assembly calls on the Government to conduct an inquiry into the provision of emergency services in the Territory, including police, fire, ambulance and road rescue services.

It referred to various services, and then in paragraph (2)(a) it stated:

determination of the most appropriate structure for the provision of services, including whether services should be collocated, consolidated or otherwise rationalised;

It concluded:

The inquiry be conducted by an independent inquirer, be appropriately resourced, and report to the Government before the end of 1993.

Mr Humphries during the debate said:

The key question we need to ask ourselves is whether the changes being proposed by the Government in respect in particular of the decision to phase out or reduce the capacity of the police rescue service to conduct road rescues in the ACT are capable of reducing cost without an unacceptable loss of quality in the services offered to the people of the Territory.

He spoke of some of the reasons why this would be worth while, but they are not particularly relevant to what was done. Mr Moore, in supporting the proposal, said:

It seems to me that we should accept that the inquiry proposed by Mr Humphries is one that says, "Okay; now what are the next steps?".

He made the point that we should not look at the things that have already been decided by previous inquiries; we should move on from there. Helen Szuty in her speech said:

However, from my own experience of government consultative measures, I feel that more is needed than to ask for opinions on decisions which the Government says are already made.

She said later that the way to achieve this was to conduct an independent inquiry. She was talking about benefits to the community. She went on to say:

What I feel is necessary is a broad-ranging inquiry independent of the Government and which takes information from the emergency service personnel, the legal system and the hospital system, as well as public submissions. The terms of reference should be broad enough to allow the inquiry to determine a model of emergency service delivery which takes into account the needs of all those who need to rely on emergency services ...

She continued:

Its findings should be open to public scrutiny and objection.

She concluded:

I feel that the need expressed in this motion is a real one ...

Mr De Domenico also spoke on the motion. He said:

What this motion is all about, Madam Speaker, is this: Once and for all, let us get it right.

He continued:

Let us get it all together to make sure that the ACT, at a time when we are now negotiating to have our own ACT public service, gets it right the first time. Now is the time to do it. It is forward thinking and I am proud to support the motion.

The people that spoke on the motion, apart from the members of the Labor Party, suggested that it would be a good idea to have the inquiry to determine the future use and operation of emergency services across a wide range of areas within the ACT. Mr Connolly, in response to a statement by me, said:

No, we will have an inquiry. If the Assembly decides it, we will have one.

In concluding the debate, Mr Humphries said, talking to the Government:

... I hope that, as a result, it will accept the spirit in which this motion is offered as a way of resolving a matter of great tension, both within our emergency services and in some elements of the community, about these changes. I hope that we will see a peaceful and cooperative resolution of these problems through the agency of this motion.

The motion was put and the question was resolved in the affirmative, on the voices.

Mr Connolly, on 10 June, announced that the police rescue squad would be disbanded by 1 July and its major metropolitan functions passed over to the Fire Brigade. That is a clear contempt of a decision, a resolution, of this parliament. It cannot be said that there was any doubt as to exactly what the intention of this Assembly was when we passed the motion. Once again, let me quote the relevant part of the motion we passed. Paragraph (2)(a) states:

determination of the most appropriate structure for the provision of services, including whether services should be collocated, consolidated or otherwise rationalised;

What the Assembly resolved at that time was that an independent inquiry should advise on which of those should take place. The Minister agreed to hold the inquiry, but totally negated the spirit of the inquiry by ordering the police commissioner to announce the demise of the police rescue squad and the passing of its major functions to the Fire Brigade. This is a clear breach of ministerial responsibility. In a situation in this parliament where a Minister makes a decision and the parliament then says that it does not believe that the decision is in the best interests of the people of Canberra, for the Minister to then ignore the resolution of this parliament is a serious breach of his ministerial responsibility.

Mr Lamont: Doesn't he want it abolished?

MR STEVENSON: Mr Lamont asks do I not want it abolished. The answer is, yes, indeed; and, if I can assist by abolishing them one at a time, so be it.

Mr Lamont: Yes, but not through boredom, Dennis.

MR STEVENSON: Mr Lamont might be bored to hear that the Minister holds in contempt the resolution of 13 May by this Assembly and has decided to continue on regardless with his own personal agenda. Mr Lamont might consider that to be boring, but I do not believe that the people of Canberra would think so. I do not believe that members of this Assembly would think so either. It is a most serious matter to disregard the Assembly, and that is what Mr Connolly has done. It has happened before in parliaments in Australia and Ministers have been made to resign. The Minister should resign in this instance for holding the people of the ACT, and the resolution of this parliament, in contempt.

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services) (3.21): Madam Speaker, a motion of no confidence in a Minister is a very serious move, and an assertion that a Minister has expressed contempt for a resolution of this Assembly is an equally serious allegation. If the Government is not looking as though it is quaking at the knees on this, or taking it very seriously, it is because Mr Stevenson seems to be setting a daily pattern in this Assembly of motions of no confidence in me. The week that I had leave from this Assembly and was out of the country I was thinking, "My goodness, it is Tuesday; I should be facing another no-confidence motion from Dennis".

Madam Speaker, I take a motion of no confidence very seriously, and I particularly take seriously any assertion that I have acted in contempt of a decision of this Assembly. Mr Stevenson, it is simply not so. If this Assembly had resolved that the transfer of responsibility for road rescue from the police to the Fire Brigade not proceed, it would not have proceeded. Mr Stevenson, I always will act on the basis of a resolution of this Assembly.

This Assembly did not resolve that that amalgamation not take place. This Assembly did not resolve that we should not transfer responsibility for road rescue from the police to the Fire Brigade. I made it abundantly clear in my remarks that we would be proceeding with that change of responsibilities. Lest anyone be confused about my position and the Government's position, Mr Berry, later in the debate, said, "The decision will stand". We made it abundantly clear that we were proceeding with that decision. Mr Moore, who supported the call for an inquiry, made it abundantly clear that his support for an inquiry was conditional upon its being forward looking. Indeed, he said that he had had some negotiations with Mr Humphries in relation to the terms of the resolution in order to come to a resolution that Mr Moore felt comfortable in supporting.

Mr Stevenson, the Assembly resolution did not call on me not to proceed with that transfer of responsibilities. The transfer of responsibilities was announced, you say in your motion, on 10 June. We announced this decision weeks and weeks ago. The decision to transfer responsibility for road rescue from the police to the Fire Brigade was announced before the Assembly debated the issue. Mr Humphries clearly wishes that that decision were otherwise. He is making a political issue of this. He put forward a motion in this Assembly. There was clearly some negotiation with the Independents on the form of the motion. The motion did not call upon the Government not to proceed with the transfer of that responsibility.

I would accept that, if I had acted contrary to a resolution of this Assembly, I could expect a motion of censure. But, Mr Stevenson, I have not acted contrary to a resolution of the Assembly. I may have acted contrary to what you would wish me to have done, or what Mr Humphries may have wished me to have done, but I have not acted contrary to the resolution of the Assembly. The Assembly required an inquiry to be held. I have today announced the person who will be conducting that inquiry. It is Mr Bruce MacDonald, who is a very well-respected former secretary of Commonwealth departments and then Administrator of Norfolk Island, a person of long experience in public administration in this Territory, of high integrity and of absolutely no connection with the Australian Labor Party. He is a person whose probity I do not think would be challenged by anyone. He has been tasked with conducting the inquiry. The inquiry has the terms of reference as set out in the Assembly motion.

Mr Stevenson's motion of no confidence is fundamentally flawed because it is based on a premise that I have somehow disregarded a resolution of this Assembly. I have not. I made it very clear that we were proceeding with that amalgamation. If this Assembly had wished that transfer of responsibilities not to proceed, it need only have moved a resolution to urge me not to do it. It did not move that resolution. Mr Humphries's motion was not cast in those terms, and I suspect that that is because he needed the support of some Independent members. Mr Moore is the person who first, years ago, raised this issue about the need for avoiding duplication between the fire and police services.

I, for quite some time, was supportive of the proposition the Alliance Government had originally moved into of not rationalising these two services. I accepted that we should continue to have two road rescue services, and I had arguments with Mr Moore about this over preceding months and years.

15 June 1993

However, as we saw the ongoing farce of two services in constant conflict, it became apparent that we had to act. You Liberal members opposite - Mr Kaine, Mrs Carnell and Mr Westende - in the debate in this Assembly in December were urging me to act decisively to transfer this responsibility to one service. Now that we have done it, you are squawking. Mr Humphries, who is saying that we should reverse this decision, is in effect saying, "Government, you should go out and duplicate resources. You should go out, Government, and have a bit of waste, have a bit of overservicing, have a bit of duplication". I note that the Canberra Business Council, which is not noted for putting out statements and submissions in support of the Australian Labor Party, in its budget submission has commended the Government for the rationalisations and amalgamations it has achieved in emergency services, and has said, "This is the sort of model of public administration that we need in this Territory".

Here is Mr Humphries running around saying, "Go out and duplicate a service. Shock, horror, do not go down the path of rationalising services; go out and duplicate a service", making himself look a dill. I really wonder what the backers of the Liberal Party in this Territory, the Canberra business community, think about you clowns in this place. They are out there urging the Government to achieve some sensible reforms in public administration, to drive the ratepayers' dollar even further all the time, and here you are calling upon the Government to have a bit of duplication, a bit of overservicing.

The fact of the matter is that Labor and Alliance governments have been wrestling with the dilemma of the duplication of road rescue services since self-government. The attempts to have the two services continue to cooperate were an abysmal failure. They were resulting in fisticuffs at the scene of accidents. We made the decision to put the responsibility for road rescue with the Fire Brigade. The Fire Brigade will be performing that responsibility with not one additional dollar of resources and not one additional personnel resource. They are absorbing it within existing resources, and it is freeing up some eight police officers to attend to other duties.

Is Mr Humphries running around to the community saying, "Do not put additional police out on the streets fighting crime; have more of them at Weston Creek waiting for an emergency"? Or is he adopting the hysterical attitude of the Australian Federal Police Association in its remarkable press release, put out earlier today, attacking the Government in this quite histrionic language:

A contemptible government does not govern, it dictates.

So says the Australian Federal Police Association, presumably about me. Madam Speaker, these are not helpful comments in the public debate. Mr Humphries's and Mr Stevenson's attacks on me are not helpful in the public debate. Mr Louttit and the Canberra Business Council make a contribution that is helpful. Mr Louttit is also involved in the Business Council, I understand. The Canberra Business Council's submission to the Government on the budget commends the Government for its rationalisations and amalgamations in relation to emergency services. It says, "This is an example of what government should be doing". You will see a lot more of these sorts of sensible decisions from a Labor government.

We announced this decision many months ago. It was clear that it was proceeding. Throughout the debate on an inquiry we made it clear that we were proceeding down this path. I made it clear; Mr Berry made it clear. Mr Moore, in his comments in the debate, made it very clear that his support for the resolution was contingent upon the resolution being forward looking. If I had refused to hold an inquiry I would stand condemned and Mr Stevenson would have grounds for moving a motion. I have not refused to conduct an inquiry. I said during the debate, "If the Assembly votes for an inquiry, an inquiry it shall have".

Since I have been back in Canberra, I have been working with my departmental officers to find an appropriate person who would be seen to be outside the ruck of Canberra politics and not involved at any stage of their background with either the Fire Service or the police service. Inevitably, if we had somebody who had at some stage served on a fire board or had some connection with the police, they would be alleged to be biased one way or the other. We have settled on a very well-respected former Commonwealth departmental secretary and Administrator of Norfolk Island. That inquiry will proceed; it will be resourced, as is required by the terms of the Assembly resolution.

The Assembly resolution did not call upon the Government not to proceed with this amalgamation.

Mr Humphries: Come on, Terry!

MR CONNOLLY: Mr Humphries knows that, because Mr Humphries was in negotiations with Mr Moore on the terms of the resolution. As Mr Moore said in the debate, Mr Humphries and he had a discussion and there was some variation to Mr Humphries's original resolution so that it would be in a form that Mr Moore could support, given his requirement that it be a forward looking resolution and that it not recanvass announced government decisions.

Mr Humphries, if you believe that it is the will of this Assembly that the rationalisation not proceed, you move a motion to that effect. If members of this Assembly believe that I have flouted the will of the Assembly in relation to this decision, move a motion directing me not to proceed. If that motion is carried, I will comply with the resolution. No such motion has even been moved in this Assembly, let alone carried. The resolution that was passed on 13 May was a resolution for a forward looking inquiry. The Government took the view that that was unnecessary, that we had already had a number of inquiries and there was nothing to be gained by doing it again, but the Assembly in its collective wisdom disagreed with the Government on that occasion. Sometimes these things happen. I said at the time that we would comply with the resolution, and we have.

The Assembly did not call upon me not to proceed with the transfer of responsibility for road rescue from the police to the Fire Brigade. Maybe Mr Humphries would want me not to proceed. Maybe Mr Stevenson would want me not to proceed. Maybe both the Liberal Party and Mr Stevenson would vote in favour of a resolution directing me not to proceed with this amalgamation, but it was not the resolution before the Assembly and it was not the resolution passed by the Assembly. I challenge you, if you feel that way, to so move and test the will of the Assembly.

The issue of this transfer of responsibility, this avoidance of duplication, is one that a number of members of this Assembly have been grappling with for years, and we have finally taken the decision. We took the decision some months ago. It was originally announced as a result of a - shock, horror - leak. The Australian Federal Police Association leaked to the *Canberra Times* that this was under consideration, I think with the expectation that I would then deny the story and retreat in horror. In fact I said, "Yes, that is right; we are looking at abolishing the need for a road rescue service equipped by the police because that service can be handled by the Fire Brigade". What Mr Dawson announced the other day was simply a reaffirmation of the Government's policy, which had been announced some months before and had been made crystal clear in this chamber on 13 May.

The current police rescue squad will not continue. It will be replaced by a five-person police emergency squad, which will have responsibility for country rescue, for bush incidents. It was very busy on the weekend up in the mountains, where there were some snow difficulties. It will also have a role in training additional police in support of their operations, so that when there is an emergency requiring a police response they will have an expanded group of officers to draw from. That is a common practice in the Australian Federal Police. That is the way our special operations team is trained. It is not a standing team; it is drawn from general duties officers specially trained to come in when called. That is what will happen with the police emergency response team. It has gone down from 13 to five. That allows eight officers to be redeployed, and those eight officers will be redeployed on general duties crime policing.

For all the hysteria that Mr Stevenson and Mr Humphries and the Australian Federal Police Association are trying to whip up over this, if you asked an ordinary Canberra citizen whether they would prefer to have a police officer walking the beat chasing crime or on standby out at the Weston Creek Police Centre, I know where they would prefer to see the police officer. They would prefer to see the police officer out there policing and let another service perform the ancillary duties.

Mr Stevenson's motion must be taken seriously, because it is an allegation that a Minister has flouted a resolution of this Assembly. Such an allegation, if true, would indeed be a serious matter; but it is fundamentally flawed, because the resolution of the Assembly has been complied with by the Government. We are having the inquiry. This Assembly did not resolve that I should not proceed with the transfer of road rescue responsibilities. If it had so resolved and I had flouted the Assembly, I could stand condemned, Mr Stevenson. It did not so resolve; therefore your resolution should fail.

MR MOORE (3.35): Madam Speaker, this is just another silly Stevenson stunt. He is debasing no-confidence motions again. We are getting them regularly. There is no basis for them. All it means is that when we get a situation where we really want to take a Minister to task it will be meaningless. It is the same principle that applied to the little boy who cried wolf.

I can remember on many occasions sitting next to the pillar, in the seat that is now occupied by Ms Ellis, and discussing with Mr Connolly the duplication of the rescue services between the police and the Fire Brigade, when Mr Collaery was responsible for one and Mr Duby for the other. I said how ridiculous it was, in a time of tightening budgets, that we ran a totally duplicated service. Further, in this Assembly I have raised the issue on a number of occasions and said to

Mr Connolly again and again, "Why do you not take action? You are responsible for the vote. Take the action". For him now to take the action and for me to stand up and say, "No, you cannot do that", perhaps because I think he has done it the wrong way or because I am dissatisfied with something, would be churlish indeed. He has actually taken some action. Because he has taken some action, I shall be supportive. This silly stunt is not going to succeed. That is the reality of the situation.

The motion was very carefully drafted to ensure that I would not be churlish, to ensure that the inquiry would be forward looking. Mr Connolly had already made it clear that that amalgamation was going to occur in the sense that the police road rescue service was no longer going to continue with road rescue in the ACT. That is why the motion came about. The reason we would not have the motion that Mr Connolly now challenges the Assembly to put, the motion that the service be reinstated, is that I would not support it and Labor would not support it, and there are the numbers. That is why the motion was not put in that way in the initial instance. To come along now and suggest that setting up an inquiry that does not reverse that decision is grounds for a no-confidence motion in the Minister is just nonsense.

This is typical of what we are seeing from Mr Stevenson over these last few sitting weeks. The difficulty with it is that we will be tempted, when we see another no-confidence motion from Mr Stevenson, to say that we have had enough of this crying wolf business and we are going to move that the motion be put. Nobody wants to do that. We want to ensure that members have the opportunity to present an appropriate view about a Minister who they consider has acted in an improper way. But this is hardly grounds for another no-confidence motion.

It really is quite beyond the pale to have these sorts of inadequate no-confidence motions being directed at a Minister who, for once, has actually taken some action, in accordance with the will of the Assembly. There have been discussions in the Assembly time and time again, from the Liberals particularly, about looking after funds, about ensuring that there are more police on the beat. When the Minister actually takes some action to achieve those goals, what are we supposed to do? Support a no-confidence motion in him? It is absolutely ridiculous.

MR HUMPHRIES (3.39): Madam Speaker, both Mr Connolly and Mr Moore are engaged in a very serious and very determined case of hairsplitting here. I have read very carefully the motion of the Assembly on 13 May, and I want to read some parts of it into the record again so that people can make up their own minds, from reading the transcripts of these proceedings, just what it was that was decided by the Assembly on that day. The motion reads:

This Assembly calls on the Government to conduct an inquiry into the provision of emergency services in the Territory, including police, fire, ambulance and road rescue services.

So we have here a call for an inquiry into all these things, an inquiry into road rescue services in the ACT, a decision to make that inquiry cover all those elements of emergency services in the ACT. The motion continues:

The terms of reference should have regard to past reviews and ... should include:

- (a) determination of the most appropriate structure for the provision of services, including whether services should be collocated, consolidated or otherwise rationalised;

When we are talking about collocation, consolidation or rationalisation, that clearly includes the road rescue services referred to in the first paragraph of the motion. It goes on to talk about the level of services and the training of members of those services and, finally, it calls for the inquiry to be conducted by an independent person and to report by the end of 1993.

I defy anyone to look at the words of that motion and to come to the conclusion that it did not include, in the ACT's case, the police road rescue service, called the police rescue service, part of the current Australian Federal Police operation in the ACT. The Government presumably concedes that. This review does include the Australian Federal Police and, in particular, the Australian Federal Police's police rescue service. So it is now covered in this inquiry. Does it include the future way in which that particular force will do its job? Yes, very clearly, it does. It refers to "the most appropriate structure for the provision of services, including whether services should be collocated, consolidated and otherwise rationalised". That is also very clear.

The Minister was talking about making a decision concerning the way in which this service should be provided - whether it should be provided by the Australian Federal Police solely, by the ACT Fire Brigade solely, or by a combination of those two services. That clearly falls within the terms of this resolution. If that was not clear, it was certainly made clear in the subsequent comments by members of this Assembly about where they stood on this particular issue. It is pure sophistry on the part of the Government to pretend that it can proceed with a decision of this kind and at the same time have a real inquiry into the sorts of issues raised in that motion of 13 May. It is a complete joke. The Minister says, "The motion did not actually call on me not to proceed with the change to the road rescue arrangements". That is true; but, for goodness sake, is it not implicit in a motion of that kind to review a decision of that kind that you actually open that issue and examine it in a fair and open-minded fashion?

Mr Connolly: No.

MR HUMPHRIES: "No, it is not", says the Minister, "I was not supposed to examine it in a fair and open-minded fashion". How can you examine it in a fair and open-minded fashion if you have already made the decision? What is the point of calling the doctor if the patient is already dead? That is what you have done. You have said, "We will have an inquiry into whether we should have a police road rescue service", but they will be long gone by the time this inquirer is actually appointed and doing his or her job. The service to which we are referring and which was the principal focus of debate at this time in the Assembly will be gone. It will not exist any more. It will no longer be doing its job.

Can you imagine an inquirer in those circumstances coming back and saying, "Yes, I rather liked the work that the Australian Federal Police were doing on road rescue. It was high-quality work" - I have no doubt that an inquirer would find that that was the case - "it was work which provided a valuable service to the people of the Territory and it was cost effective"? If he found all of those things, no doubt he would then have been able to say, "It was a service that I would like to see continue". Unfortunately, it no longer exists. What is the point of an inquiry of that kind? For goodness sake, I know that governments tend not to want to appoint inquiries if they do not know what the outcome is going to be, but they at least adhere to the convention that they pretend that they do not know what the outcome is going to be before they make the decision; but not in the case of this Government. This Government has made the decision, signed, sealed and delivered it, packaged it away, and put it to bed - to mix my metaphors a bit - and it is now going to have the inquiry into whether it should have all those things done to it.

I have to ask myself: Is this Government really serious about wanting to examine issues of this kind properly? I must say that, as far as I am concerned, any inquiry into emergency services in the ACT with this issue gutted from it is a waste of time. What is the point of having an inquiry into emergency services in the ACT when there is no longer at the centre of this debate the issue which gave rise to it in the first place? What is the point in conducting an inquiry in those terms? The Minister might as well not waste public money and disband the inquiry right now. He should send Mr MacDonald back to where he came from because, really, there is not much point. You are covering again the ground of the Hannan report, very substantially.

I wrote to the Minister about three weeks ago and asked him for a copy of the terms of reference and the name of the person who was going to conduct this inquiry. I have still not heard anything from him, except what I heard today on the floor. It has been over a month since the Assembly made this decision. I would have expected that we could have proceeded a little further down the track than has been the case, but clearly now the reason is becoming apparent. The Minister has made a decision that the inquiry is of no importance. The inquiry might as well not take place. It is a waste of public money.

The Minister might also recall having told the Assembly that claims by the Opposition that the police rescue service was to be disbanded were scaremongering - we were beating the can, we were making false accusations, we were beating the old drum and getting people frightened. We have heard that again today. Is it not the case that last Thursday Assistant Commissioner Dawson announced that the Australian Federal Police's police rescue service was to be disbanded? Did he not say that last Thursday? The Minister does not look as though he is quite sure what he said, but I can assure you that that is what was reported in the newspaper. It was disbanding the service.

Mr Connolly: I said that months ago.

MR HUMPHRIES: You told the Assembly that it was not going to be a prelude to disbanding the service. I think it was Ms Szuty who put the question to you, "Is this a prelude to the disbandment of this service?", and you said categorically, "No". I think, Madam Speaker, that Mr Connolly has some questions to answer.

I have proposed an amendment to this motion. Despite the seriousness with which we view what the Government has done, we do take the point made, I think, by Mr Moore that we threaten to debase the currency of censure motions and no-confidence motions by using them on a daily basis. We also accept that the Government has to exercise some latitude in the way it conducts these matters. I must say that that latitude has been a rather abused privilege in this case, in my personal opinion. I therefore formally move:

Omit the last paragraph, substitute "This Assembly condemns the Minister and the Government for pre-empting this inquiry and for the contemptuous attitude they have displayed towards the concerns of this House as expressed in its resolution of 13 May.

I think we would all regret the circumstances whereby the Assembly's clear view on 13 May that we put on the table the question of police rescue services - it was very clearly the central point of the debate - has been put to one side by this Government with complete contempt, with contumelious disregard, for the view of the Assembly. It exhibits either very serious contempt of the Assembly or a very unfortunate desire to take advantage of hairsplitting interpretations of words to say, "Well, you did not actually say that we should not make this decision; you merely said that we should look into the circumstances of the decision". The distinction is immaterial.

MS SZUTY (3.49): Madam Speaker, I do not support the no-confidence motion in Mr Connolly proposed by Mr Stevenson; nor will I be supporting Mr Humphries's amendment to that motion. I must admit that I am a little ambivalent about Mr Humphries's amendment, but I have decided that I will not support it. It was always my belief that the Government's intentions to transfer the responsibilities of road rescue to the Fire Brigade were clear, as were Mr Moore's, and I think those intentions were made clear during the debate in the last Assembly sittings on the motion to set up an inquiry into the rescue services. However, I believe that the Minister could have handled this matter a little more constructively. In announcing the transfer of responsibilities, the Minister could have announced simultaneously the appointment of Mr Bruce MacDonald as the chair of the inquiry and the terms of reference of the inquiry into rescue services, as he has done today.

In conclusion, as I do not wish to dwell on this no-confidence motion longer than is necessary, I believe that the Government's announcement on the transfer of rescue services to the Fire Brigade is not unexpected. However, I do believe, as I have said, that it could have been handled by the Minister more constructively. That is all I wish to say.

MS FOLLETT (Chief Minister and Treasurer) (3.51): Madam Speaker, I rise to support my Minister, Mr Connolly, in his actions and to urge members to reject not just the motion put forward by Mr Stevenson but also the amendment moved by Mr Humphries. Mr Connolly has spoken most eloquently in his own defence, as he usually does, and I feel that he has covered all that needs to be covered in this debate. I would say to members that, at the time of the debate on 13 May last, it was abundantly clear that the motion to hold an inquiry was prospective in nature. Indeed, that fact was reflected in the comments of a number of speakers, not least Mr Moore, whose very support for the motion was "dependent on the premise that it is forward looking, that the purpose of this inquiry is not, as Mr Connolly says, to open up old wounds". Mr Moore continued:

I emphasise that I am supporting this on the premise that the inquiry will not do that.

It was quite clear at the time of the debate that the decision taken by Mr Connolly would stand, regardless of whether the motion for the inquiry was supported by the Assembly or not; and so it should stand. The issue of emergency services has plagued all governments since self-government, and it is quite clear that a decision needed to be made on the issue.

In an earlier debate, members of the Opposition made it quite clear that they believed that Mr Connolly's duty was to make a decision. Mr Westende, for example, speaking about Mr Connolly, said:

All he needs to do is make a decision and stick by it -

not make this particular decision, but make a decision and stick by it. Mr Westende went on:

This means all the emergency services personnel have to be equally trained and be equally effective and efficient, and indicates the need for one efficient service rather than various services.

I agree. Indeed, the call for a decision was entirely reasonable in the circumstances, given that this debate has been going on for some years. Even Mrs Carnell was calling for a decision. Mrs Carnell said:

Therefore, it would seem appropriate right now -

this is in October 1992 -

to make a decision on who does the job ...

Mrs Carnell did not say that a particular service should take on the job; she said that we should make a decision on who does it. Quite clearly, the Liberals were calling for a decision to be made. Mr Kaine said:

I would be much happier if I saw Mr Connolly acting in his usual decisive manner and saying, "This is our strategy; this is what we are going to do and we are going to have this fixed inside three months".

It seems quite clear to me that there is some remaining animosity about the decision Mr Connolly has made, but there is no question that Mr Connolly had the right, and indeed the duty, to make that decision. At the time the inquiry was debated in this Assembly, there is no question at all that the call for an inquiry was seen as entirely prospective. There was no question that the inquiry would reopen the question of who performed the emergency services. I believe that both Mr Stevenson's motion and Mr Humphries's amendment ought to fail on those grounds alone.

Nevertheless, there are further grounds, I believe, the decision having been made, for supporting that decision. The decision has been made, and it is time now to get on with the job of ensuring that our emergency services are as efficient and as effective as they possibly can be and as this community deserves. That fact is quite clearly recognised by a number of members in the Assembly and, as

15 June 1993

Mr Connolly mentioned, by some of the people making submissions to my current consultative round in the budget preparations. The Canberra Business Council have said in their submission, which is a public document:

To achieve maximum rationalisation of resources and effective coordination and cooperation, emergency service agencies should be amalgamated to the fullest extent possible, and Government action towards achieving this is strongly supported.

I think that puts the position very neatly. A decision has been needed on this matter for some years. The fact that the decision has been delayed for some years indicates only the strength of feeling on both sides. Quite clearly, now that a decision has been made, that feeling has not gone away and there are people who feel slighted, who feel disadvantaged by the decision. That would have been the case no matter who it was decided ought to perform the emergency services.

This debate today reflects nothing more than the fact that there are some people dissatisfied with the decision, that there are still some people who wish to reopen the debate, and of course such an action is open to them at any time. But to try to pretend, as Mr Stevenson says, that the Minister has made the decision in contempt of the clear resolution and intention of this Assembly or, as Mr Humphries says, that he has pre-empted the inquiry and displayed a contemptuous attitude towards the concerns of this house is quite wrong. There was no contempt whatsoever expressed. There was absolutely no intention in the debate on the inquiry to reopen the question of who performed the emergency services.

I think it is regrettable that the issue has been raised yet again as a motion of no confidence in Mr Connolly. Mr Connolly has made the decision - and a difficult decision it was, too. It was a decision that had evaded successive governments, a decision that had evaded them because of the heat on both sides, obviously. Once Mr Connolly had made that decision, I believe that all members of this house ought to support him in that decision. We have had calls from members opposite for just such a decision, and I have read out the quotes to members. But, the decision having been made, now is the time to get on with making that decision work in the best interests of this Territory.

Mr Connolly, as is usually the case with Mr Connolly, has acted decisively, has acted thoughtfully and, I believe, has acted with the best interests of this Territory at heart. I think he ought to be congratulated on having taken that decision - a difficult decision, a decision which would obviously involve him in public debate on the matter. Nevertheless, he took it, and he has stuck by it; and that, I think, is his trademark as a Minister. It is a very admirable quality indeed, in my view.

I express full confidence in Mr Connolly as a Minister. I believe that the no-confidence motion and the amendment to condemn the Minister ought not to be supported by this house. This decision was needed, it has been needed for years, and it was taken by Mr Connolly. We ought to support him in it, instead of reopening the debate on spurious grounds. It was quite clear at the time of the debate on this inquiry that the motion was prospective. It was stated explicitly by various speakers. If some members choose not to listen to explicit statements, that is their own lookout; but they ought not to charge other members, particularly Mr Connolly in this case, with ignoring the wish of the Assembly. He has not.

MR KAINE (4.00): The Chief Minister has said in the Minister's defence that this is the hallmark of the Minister, or something of that sort. Unfortunately, the way this matter has been dealt with is indicative not only of the modus operandi of the Minister but also of the modus operandi of this Government.

One might well ask why the Assembly moved the motion it did just recently. It did so because the matter had not been resolved. It was starting to boil and something needed to be done. The Chief Minister is saying that the time had come when a decision had to be made. It is very interesting that the whole matter came to boiling point, as the Chief Minister herself acknowledges, over a long period of time before the Assembly decided that something should be done about it. Ms Szuty supported that motion, although she is backing away from it now. When the Assembly got to that point, the Minister then says, "I have made up my mind and I am not going to change it". This is typical of the way this Government works. It is not interested in what the other members of this Assembly say. It is not interested in the opinion we have about anything. It is no more interested in the community view about what should be happening.

What the Assembly finally decided to do was to require the Government to investigate this matter, taking into account the interests of all those concerned - not to make some arbitrary decision. Certainly, I had suggested that Mr Connolly should make up his mind and do it; but he should have done it a long time ago, not waited until the whole thing was about to explode. As Mr Connolly himself said, it was getting to the point where there were fisticuffs at the scene of an accident. Those were Mr Connolly's words. This Minister presided over the deterioration of the situation to the point where two competing services got to the scene of an accident and started having fisticuffs - his words, not mine.

Because he could not make up his mind, that position was reached, and when this Assembly - not a couple of members of the Assembly, but a majority of the members of this Assembly - finally said, "Enough is enough; let us have a proper inquiry to find out what the optimum solution is", the Minister and the Chief Minister said, "No; we have made up our minds. We will have an investigation, but after the decision has been made". What on earth it is that they are going to investigate now, I cannot imagine. Are they going to investigate the possibility of placing the entire responsibility for this service in the hands of the police? If they do, you could fool me, because the Minister had already determined that that is not the solution. What solution is he going to consider? Is he going to have another inquiry and take the report, as the Government is wont to do with reports such as those into the health system, and say, "They are confidential reports and we are not going to tell you what the solution is. We will make the decision and we will tell you what we are going to do. Do not ask us for a copy of the report, because it is a confidential document"?

I repeat, Madam Speaker, that it is typical of the way this Government goes about its business. It plays the game of community consultation. It carries out none of it, because it does not want to know what anybody else thinks. It is quite arbitrary decision making: "Do not tell us the facts; do not even ask us to inquire as to what the facts are. Let us just make a decision and you, the community, can wear it. Let us not worry about the morale of the Australian Federal Police, or of the firefighters. Let us make a decision, and they can wear it, whatever it is".

15 June 1993

I submit that the Minister has not defended himself from the position put by Mr Stevenson and by Mr Humphries. He simply tried to justify his actions. They cannot be justified in terms of the motion that was put and supported by a majority of the members of this house only a matter of a month ago. It is totally unconscionable for the Minister to come here and argue, "I had already made up my mind, so it really did not matter what the Assembly said". It is equally unconscionable for the Chief Minister to get up and defend him.

As Mr Humphries has suggested, I do not think we should go so far as to censure the Minister and require his resignation. I think that is probably a bit of overkill. But I think the Minister and the Government need to know what we think about him and it. In other words, we do not hold you in very high regard over your handling of this matter. We think that, while talking about community consultation and the like, you have shown your true colours. You are not interested in it in the slightest. You do not want to know what we want.

I support the amendment put forward by Mr Humphries. I think it is little enough, in terms of the wording, to express clearly the view of this Assembly as to the way the Minister and the Government have handled this matter. I suggest that Ms Szuty might like to reconsider. She supported the motion in the first place. The Minister did not do what we told him to do. She got up here a few minutes ago and actually attacked the Minister over it, but she will not support the motion. How long can you sit on the fence on such an issue? Either you support the Minister or you do not. Ms Szuty supported the motion when it was put to the Assembly in the first place, and she spoke for the motion today, even though she said that she would not vote to support it. Perhaps Ms Szuty needs to consider just what her position is. Does she want to have a reputation for equivocation, like that enjoyed by this Government?

Mr Connolly: Equivocation? But you are condemning me for acting.

MR KAINE: You should have acted a year ago, mate. That is the point.

MR STEVENSON (4.07), in reply: There was one reason and one reason only why the motion was put by Mr Humphries on 13 May, and that was the decision, as Mr Connolly says, made weeks ago that the police rescue service would be passed over to the Fire Brigade. The attempted denial of that fact by Mr Connolly, by the Chief Minister, by Mr Moore, and by Ms Szuty is bizarre in the extreme, as a reading of *Hansard* will show. Often in this parliament the Labor Party pull out their little tactic manual. The tactic manual says: When faced with a problem, rather than debate the matter, what you do is smirk, smile, guffaw, and pretend that it is not a problem. Say that you are bored, suggest to other members of the Assembly, "You are not going to vote for this? This is just a waste of time. What rubbish!".

Let us look at what the Chief Minister said. There was no question that the inquiry should reopen the decision about the police service being handed over to the Fire Brigade. The Chief Minister says that there was no question about it. Not only was there a question; that is what the reading of the debate shows. I consider that there was no question whatsoever that that is what the passage of the motion meant. To deny that is an indication of the statement by the Police Association and its validity, "A contemptible government does not govern, it dictates". Where does that miss the point? Is that not the case?

I do not believe for one moment that Mr Connolly believes what he said. I do not believe for one moment that the Chief Minister believes what she said. I believe that it is done to cover up the truth of the matter, which is so obvious that any schoolchild would know it simply by reading the debate. I am absolutely certain, regardless of what they may say to their masters, that anybody listening to this debate would well understand what the debate is and the absolutely unconscionable action to deny that the Assembly passed the motion it did.

Let us look at some of the points in the debate on 13 May. It refers to the "determination of the most appropriate structure for the provision of services, including whether services should be collocated, consolidated or otherwise rationalised" - and the Chief Minister says that there is no question about it. It talks about "emergency services in the Territory, including police, fire, ambulance and road rescue services" - and the Chief Minister says that there is no question about it, that it had nothing to do with that. Mr Humphries put the debate very clearly. He moved the motion, and then he said:

The key question we need to ask ourselves is whether the changes being proposed by the Government in respect in particular of the decision to phase out or reduce the capacity of the police rescue service to conduct road rescues in the ACT are capable of reducing cost without an unacceptable loss of quality in the services offered to the people of the Territory.

I read out all these points earlier. The debate was made clear. Is it suggested that we should say to the Minister, "We do not really like it; we do not really think that is okay"? This was a dictatorial act, as the Police Association quite correctly indicated, showing total disregard and contempt for a decision by this Assembly. What does the word "contempt" mean? Part of the definition is "a mental attitude in which a thing is considered as of little account". It would appear that the motion passed by this Assembly, according to Mr Connolly's mental attitude, is of little account.

What will the people of Canberra who know about this situation think of a Labor Party that ignores a direction by this parliament? What will they think of members of this Assembly who will not hold that that particular contemptible action is worthy of a motion of no confidence? What will the people of Canberra think when they find that an inquiry was held but that Mr Connolly has made a decision on the matter about which the inquiry was held and it is already over? Mr Humphries, quite rightly, said, "Why bother now?".

I find it quite bizarre. It is a simple case of Alice in Wonderland. I find it appalling that anyone could let you get away with saying things that I bet my last dollar you do not believe. You sit there and smile and shake your head, but you are far too intelligent to believe the guff that you came out with. The fact that Rosemary Follett would stand up and say the same thing is appalling, although I noticed that once or twice you did it with a smile. There you go again.

Once again, it was a quite remarkable decision. If we have a situation where people in this parliament are not prepared to uphold the traditions of parliamentary democracy, if we have a position where Ministers are not prepared to be held accountable by the parliament, where are we? As you read through the

15 June 1993

many pages of debate on 13 May, what do we refer to? We refer again and again on page after page to the concerns of the police rescue service and the trouble with the Fire Brigade over who should run that service. Again and again it is there.

I quoted earlier Mr Moore's statement:

It seems to me that we should accept that the inquiry proposed by Mr Humphries is one that says, "Okay; now what are the next steps?".

At no time did he suggest that the debate was not about the key issue Mr Humphries had clearly said it was about.

Mr Connolly: Yes, he did. He said that his support was conditional on its being forward looking and not canvassing decisions made.

MR STEVENSON: As to the matter being forward looking, there was also reference to going over past decisions and recommendations by inquiries, not the matter you were trying to suggest. Once again, a reading of the debate will show that, and I suggest that people do just that. Mr Connolly put the point well when he said that if it had been so resolved he would stand condemned. Indeed he should be.

Question put:

That the amendment (**Mr Humphries's**) be agreed to.

The Assembly voted -

AYES, 6

Mrs Carnell
Mr Cornwell
Mr De Domenico
Mr Humphries
Mr Kaine
Mr Westende

NOES, 11

Mr Berry
Mr Connolly
Ms Ellis
Ms Follett
Mrs Grassby
Mr Lamont
Ms McRae
Mr Moore
Mr Stevenson
Ms Szuty
Mr Wood

Question so resolved in the negative.

Question put:

That the motion (**Mr Stevenson's**) be agreed to.

The Assembly voted -

AYES, 1

Mr Stevenson

NOES, 16

Mr Berry
Mrs Carnell
Mr Connolly
Mr Cornwell
Mr De Domenico
Ms Ellis
Ms Follett
Mrs Grassby
Mr Humphries
Mr Kaine
Mr Lamont
Ms McRae
Mr Moore
Ms Szuty
Mr Westende
Mr Wood

Question so resolved in the negative.

PAPER

MADAM SPEAKER: Members, I present, for your information, a report provided to me from Mr Michael Moore, MLA, on his study trip to Melbourne and Hobart, which he undertook from 24 to 27 May this year.

SUBORDINATE LEGISLATION AND COMMENCEMENT PROVISIONS

Papers

MR BERRY (Deputy Chief Minister): Madam Speaker, pursuant to section 6 of the Subordinate Laws Act 1989, I present subordinate legislation in accordance with a schedule of gazettal notices for determinations, exemptions and regulations. I also present notices of commencement provisions for Acts.

The schedule read as follows:

Animal Welfare Act - Determinations -

No. 44 of 1993 - Code of Practice - Approval (S90, dated 31 May 1993).

No. 45 of 1993 - Code of Practice - Approval (S91, dated 31 May 1993).

15 June 1993

Building Act - Exemption No. 51 of 1993 (S100, dated 7 June 1993).

Film Classification (Amendment) Act - Notice of commencement (28 May 1993) of section 4 (S94, dated 27 May 1993).

Gas Act - Determination No. 42 of 1993 - Amendment of Gas Manual (S87, dated 19 May 1993).

Liquor (Amendment) Act - Notice of commencement (14 June 1993) of remaining provisions (S103, dated 7 June 1993).

Motor Traffic Act - Determination No. 43 of 1993 (G21, dated 26 May 1993).

Publications Control (Amendment) Act - Notice of commencement (28 May 1993) of remaining provisions (S94, dated 27 May 1993).

Public Place Names Act - Determinations -

No. 46	of	1993	(S92,	dated	31 May 1993).
No. 47	of	1993	(S92,	dated	31 May 1993).
No. 48	of	1993	(S92,	dated	31 May 1993).
No. 49 of 1993 (S92, dated 31 May 1993).					

Supreme Court Act -

Supreme Court (Fees) Regulations (Amendment) - No. 21 of 1993 (S84, dated 14 May 1993).

Supreme Court Rules (Amendment) -

No. 22	of	1993	(S96,	dated	27 May 1993).
No. 23 of 1993 (S105, dated 10 June 1993).					

Taxation (Administration) Act - Determination for the purposes of the Stamp Duties and Taxes Act - No. 50 of 1993 (G22, dated 2 June 1993).

AINSLIE VILLAGE - BOARD OF INQUIRY Report

MR BERRY (Deputy Chief Minister): Madam Speaker, for the information of members, I present the report of the board of inquiry into Ainslie Village and move:

That the Assembly takes note of the paper.

Debate (on motion by **Ms Szuty**) adjourned.

TOTALCARE INDUSTRIES LTD - STATEMENT OF CORPORATE INTENT
Paper and Ministerial Statement

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services): Madam Speaker, for the information of members, I present the statement of corporate intent, 1 July 1992 to 30 June 1995, for Totalcare Industries Ltd, pursuant to section 19 of the Territory Owned Corporations Act 1990. I ask for leave to make a short statement.

Leave granted.

MR CONNOLLY: Under section 19 of the Territory Owned Corporations Act 1990 the portfolio Minister is required to lay before the Assembly a statement of corporate intent in relation to a corporation within 15 sitting days of receiving it. Under section 20 of the said Act the statement of corporate intent shall provide information in relation to the financial year to which it relates and to the following two financial years. Totalcare Industries was incorporated on 28 November 1991 and became a Territory owned corporation under the Territory Owned Corporations Act 1990 on 1 January 1992. The statement of corporate intent which is tabled with this statement is that applying for the period from 1 July 1992 until 30 June 1995.

Under section 19(4) of the Territory Owned Corporations Act 1990 the portfolio Minister may delete from the statement any part dealing with commercially sensitive information. However, if this is done, the Minister is required to lay before the Assembly a further statement setting out the general nature of the material deleted and the reasons for the deletion. This statement sets out the following details of material deleted from the statement of corporate intent: Firstly, all material relating to sales volumes and revenue projections for the linen and waste management divisions has been deleted on the grounds of commercial sensitivity and, secondly, certain other material relating to revenue projections and profitability forecasts for all divisions has been deleted on the grounds of commercial sensitivity.

My office would be happy to provide briefings on these matters to members on the basis that they be kept sensitive; but, as this is a company competing out there in an open market, provision of this commercially sensitive material in open Assembly forum would disadvantage the company in its competition with other companies. I move:

That the Assembly takes note of the paper.

Debate (on motion by **Mr De Domenico**) adjourned.

15 June 1993

COUNCIL OF AUSTRALIAN GOVERNMENTS MEETING

Ministerial Statement and Paper

MS FOLLETT (Chief Minister and Treasurer): Mr Deputy Speaker, I seek leave of the Assembly to make a ministerial statement on the meeting of the Council of Australian Governments.

Leave granted.

MS FOLLETT: I thank members. Mr Deputy Speaker, in accordance with the practice adopted by successive ACT governments of reporting on major intergovernmental forums, I take this opportunity to inform the Assembly of the outcome of the second meeting of the Council of Australian Governments held in Melbourne over 8 and 9 June 1993.

The council, or COAG as it is known, has been established with the aim of increasing cooperation among governments in the national interest. Of course, it is inevitable that a gathering of all Australia's heads of government provides a forum for consideration of matters which at the time of the meeting are a source of tension between governments. At the first meeting of COAG, in Perth in December 1992, this was the case in relation to industrial relations matters. As members will be aware from extensive media coverage, the source of most tension and discussion at last week's meeting of COAG relates to the development of a national response to the High Court decision on Mabo. Without a doubt, Mabo was the important issue before COAG on this occasion. It certainly deserved the attention and time it received and I will inform members of the outcomes of these discussions on Mabo in my statement today.

Members will also be aware that COAG considered a wide range of other nationally important matters, and I would first like to inform you of the outcome of these deliberations. Heads of government have acted decisively to reduce by more than half the number of ministerial councils. This reduction, from an existing 45 councils to 21, will be initiated immediately, with support structures being reviewed by January 1994. As well as considering the appropriate number of councils, COAG also agreed to implement a range of measures aimed at improving the overall efficiency and effectiveness of ministerial council operations. These measures will have significant benefits for all States and Territories, particularly smaller jurisdictions such as the ACT that have, up until now, laboured under the burden of participating in a growing number of councils.

The decision on this matter by heads of government will lead to a reduction in the costs associated with providing administrative support to councils as well as of travel and accommodation costs incurred by both Ministers and officials attending council meetings. Furthermore, the reforms outlined by the review and endorsed by heads of government will have enormous advantages in terms of operational efficiency and improvements in the quality of policy development emanating from the remaining councils. In particular, these councils should now be better placed to take a more strategic rather than sectoral view of issues, leaving the more procedural matters to be dealt with by officials. I am especially proud of the reforms agreed upon by leaders on this matter as they have originated from a review which I proposed at the COAG meeting last December. It is also a clear indication that heads of government are able to lead by example in applying discipline and streamlining of their own activities.

On the issue of electricity industry reform, the Commonwealth, New South Wales, Victoria, South Australia, Queensland and the ACT agreed to the structural changes needed to enable the commencement of a competitive electricity market across eastern and southern Australia. This will mean that by 1 July 1995 there will be an interstate electricity transmission market stretching from South Australia round to Queensland. To finalise this, considerable work will need to be undertaken on a number of important and sensitive issues. These will include addressing market trading arrangements, grid pricing and regulatory framework issues. The budgetary impact on the States, the resolution of tax compensation issues, and reform arrangements for the Snowy Mountains scheme will also need to be addressed. The complexity of the electricity reform process tends to mask its significance for the ACT as a consumer of electricity. This being the case, it is most important to remind the Assembly that all of these reforms are aimed at creating greater competition between electricity producers and so provide consumers such as the ACT with choice between suppliers and the potential for lower prices than would otherwise have been the case.

COAG also addressed the issues arising from the Commonwealth's unilateral decision to abolish the separate fringe benefits income and assets tests for the pensioner health benefits card from 1 April 1993. The decision to extend the card to an additional group of part-pensioners and older long-term beneficiaries has created difficulties for all jurisdictions. In particular, the present practice of using that card as an eligibility criterion for State level fringe benefits and concessions has led to obvious resource implications for the States and Territories and the need for compensation to be addressed. Acknowledging this point, the Commonwealth agreed at last week's meeting to continue compensatory payments to the States and Territories for any resulting extension of benefits. A final decision on long-term arrangements will be made at the financial Premiers Conference on 5 July.

Heads of government also agreed at COAG that there should be nationally uniform public holidays, and that dates of observance would be certain. Furthermore, it was agreed that a working group of officials be established to ensure uniformity for substituted holidays when public holidays fall on a weekend. The group will have representation from all jurisdictions, including the ACT. It will report on the observance of Labour Day, as well as make a recommendation on an appropriate date for its uniform observance, by the next meeting of COAG. Importantly, the council has explicitly stated that it "has no intention of reducing the number of public holidays". Rather, emphasis will be placed on the benefits that would flow from uniform observance. Quite obviously, this move towards uniformity will have important and positive implications for the ACT and our unique relationship with New South Wales.

The council also discussed a Commonwealth proposal to consider matters related to the celebration of the centenary of federation in the year 2001. In particular, heads of government agreed to establish a broadly based national advisory committee with representatives from all jurisdictions, including the ACT, to progress strategies and options in this area from a national perspective. This is an important matter for the ACT in particular. While these celebrations are likely to be more modest in scale and nature than those associated with the bicentenary, Canberra's relationship to them is potentially akin to that of Sydney

15 June 1993

to the 1988 celebrations. To make sure that the ACT is as fully involved in the celebrations as possible and works closely with the Commonwealth Government, my department is shortly to convene an interdepartmental committee to develop a program of activity leading to 2001, with the aim of maximising any opportunities open to the ACT.

In relation to the issue of Commonwealth-State roles and responsibilities, COAG noted that there was an increasing propensity for the respective roles of governments to become blurred, impacting on the efficient and effective delivery of government services. As a result, it was agreed that a working group would be established to consider existing intergovernmental arrangements and to identify where overlap may exist and clarification of roles and responsibilities is needed. All jurisdictions will be represented on the working group, which will report back to the next meeting of COAG, identifying areas where initial progress can be made.

Turning to the most critical issue addressed by COAG last week, I am disappointed to have to advise the Assembly today that the Council of Australian Governments was unable to settle upon a national approach to the implications of the High Court's Mabo decision. Action at a national level is needed if the disadvantage and dispossession of Aboriginal and Torres Strait Islander peoples throughout Australia is to be comprehensively addressed. The Mabo decision is not about just land administration issues. To treat it as such would ignore the needs and disadvantages faced by dispossessed Aboriginal people for whom the Mabo decision will have no bearing - the people whose native title has been wholly extinguished since white settlement. Rather, the High Court's decision requires governments throughout Australia to consider every aspect of the relationship between indigenous and non-indigenous Australians.

Mr Deputy Speaker, I believe that members would find it useful if I were to outline some of the key elements of the Mabo ruling. In June 1992 the High Court held in the Mabo decision that the common law of Australia recognises a form of native title. The court rejected the view that Australia was "terra nullius", that is, land belonging to no-one, at the time of European settlement. The court rejected the view that land was vested at that time in the Crown. Instead, the court held that native title rights survived settlement in circumstances where indigenous peoples have maintained their connection with the land and where the title has not been extinguished by actions of government, such as legislation or the granting of freehold title over the land. Further, the court found that the content of native title - the rights which it contains - is to be determined according to the traditional laws and customs of the Aboriginal and Torres Strait Islander peoples involved.

The Mabo decision establishes a new entitlement to land founded on the place of Aboriginal and Torres Strait Islander peoples as the original owners of the continent. Due to the provisions of the Commonwealth Racial Discrimination Act, which came into effect in 1975, land legislation and land management procedures put in place subsequent to the Act and which have not recognised native title, or have treated such title less favourably than other forms of land title, may give rise to a claim for compensation by native titleholders. In addition, land legislation and land management procedures currently in operation throughout Australia will need to be reviewed to ensure that they recognise the rights of native titleholders and that they treat such rights appropriately.

Due to the leasehold nature of land tenure in the ACT, which is a consequence of Commonwealth legislation, the implications of the Mabo decision for the ACT are not straightforward. It is very unlikely that existing residential, commercial or rural leases will be affected by a Mabo-style claim. If, however, it were to prove necessary, the Government is prepared to take whatever steps are needed to protect the rights of existing leaseholders. It should be remembered that prior to early 1989 the Commonwealth Government was responsible for land management in the ACT and that the Commonwealth Government continues to have a special interest in the Territory as the home of the nation's capital and as owner of all land here.

With this in mind, whether or not a national approach is eventually agreed to, the ACT Government will need to work closely with the Commonwealth Government to explore the implications of the Mabo decision for existing leases and to address any consequences which may emerge. In addition, the future both of land administration in the Territory and of the issues concerning Aboriginal and Torres Strait Islander peoples will need to be addressed jointly. It is particularly important that we work closely with the Commonwealth Government in relation to land leases issued since 1975, when the Commonwealth Racial Discrimination Act came into effect. It is worthy of note that at the Council of Australian Governments meeting one of the offers which the Commonwealth Government made to heads of government was to facilitate the validation of the leases issued since 1975 and to pick up the entirety of any compensation payments required. I am disappointed that the council's failure to reach agreement on a national response to the Mabo decision has obstructed consideration of this offer by governments.

Against this background I wrote to the Prime Minister on Friday, 11 June, to make the ACT position clear in the aftermath of the Council of Australian Governments meeting. Firstly, Mr Deputy Speaker, I reiterated my belief that a broad and national approach is required. In so doing I supported Premier Fahey's call of the previous day that senior officers of all jurisdictions meet before the forthcoming financial Premiers Conference to see whether obstacles to a national approach can be removed. I also indicated that the ACT supports the terms of the national approach the Commonwealth tabled during the later part of the COAG meeting and that many aspects of it are capable of bilateral implementation in the event that it or an alternative national formula cannot be agreed. I also sought information on the legislation that the Prime Minister has foreshadowed the Commonwealth will prepare, since it is likely to create the framework within which the ACT will need to respond, at least in legal terms. Finally, I have suggested that Commonwealth and ACT officers meet quickly to advance matters.

In relation to future grants of land leases in the Territory, the Government will work with urgency to identify whether any land may be affected by the Mabo decision and whether our land administration procedures need to be amended to satisfy the requirements of the Racial Discrimination Act. This will also involve us in working closely with the Commonwealth Government.

However, as I mentioned earlier, the Mabo decision is not about just land administration matters. Nor does it call for a purely legal response. As Ms House's claim on behalf of the Ngunnawal and other Aboriginal peoples against the Commonwealth, New South Wales and ACT governments illustrates,

15 June 1993

the Mabo decision goes to the heart of our relationship with and treatment of our indigenous peoples. The ACT Government is committed to the social, cultural and economic empowerment of Aboriginal and Torres Strait Islander peoples and to the process of reconciliation.

I am pleased to advise members of the Assembly that the ACT Government has implemented a number of initiatives which contribute to the achievement of these outcomes. In March 1992 we released the ACT's response to the 339 recommendations of the Royal Commission into Aboriginal Deaths in Custody. The response addressed issues such as law reform, policing, health, education and housing, and made a large number of positive and practical commitments to improve services and allow greater access to them by Aboriginal and Torres Strait Islander peoples. In so doing, the response set the agenda for initiatives and reforms to advance the position of the ACT's Aboriginal and Torres Strait Islander communities.

On 10 December 1992 I jointly announced with the then acting chair of the Aboriginal and Torres Strait Islander Commission, Mr Sol Bellear, a package of initiatives worth approximately \$500,000 under the national Aboriginal health strategy. The Government recognises that Aboriginal health is a priority area for action and, through our participation in the health strategy, we are continuing to work towards real improvements in the well-being of Aboriginal peoples and Torres Strait Islanders in the ACT. Members of the Bogong Regional Council played an active role in the development of the package, and their involvement is indicative of the positive and productive links which have been established between the council and the ACT Government.

On 24 March 1993 I announced the formation and membership of the ACT Aboriginal Advisory Council. One of the council's first tasks will be to advise the Government of the form of the proposed Aboriginal keeping place and cultural centre for which the Government has set aside \$2.5m from the casino premium. The council was established to provide an effective mechanism for consultation with the Aboriginal and Torres Strait Islander communities, to address their particular needs, and to enable the community to participate in decisions which affect them. The council advises me on matters relating to the interests and well-being of Aboriginal and Torres Strait Islander peoples in the ACT, and on policies and programs to meet their needs. The council will also play an important role in working with the Government to monitor the implementation of the recommendations of the Royal Commission into Aboriginal Deaths in Custody.

The formation of the council was a major step in the Government's response to the Royal Commission into Aboriginal Deaths in Custody, and was part of the Government's observance of the International Year of the World's Indigenous Peoples. The advisory council met for the first time in April 1993 and has been giving early consideration to the ways in which the international year should continue to be celebrated in the ACT. The advisory council has been working closely with ACT government agencies to discuss details of proposals to celebrate the international year. In involving Aboriginal and Torres Strait Islander peoples through the advisory council in the planning, implementation and evaluation of policies and programs which affect them, I believe that we are well on the way to meeting the aims and objectives of the year. The theme of the international year is "Indigenous peoples - A new partnership", and it is this spirit of reconciliation that the Government also seeks to bring to the issues surrounding Mabo.

Our local Aboriginal peoples also play an important role in the protection and preservation of the ACT's heritage. In 1991 the Assembly passed the Land (Planning and Environment) Act and the Heritage Objects Act, which give protection to Aboriginal places and objects. The Acts require the registration of significant sites and objects, provide guidelines for their protection, and impose a penalty against any person found damaging an Aboriginal place without reasonable excuse. To assist the Government in protecting Aboriginal heritage, an ACT Heritage Council, which includes two Aboriginal representatives, was appointed last year. The Government is also working in close consultation with the Mulanggari sites officer on Aboriginal and heritage matters. In addition, there is now Aboriginal representation on the ACT Environment and Conservation Consultative Committee. The committee advises on the management of ACT parks and reserves, and discussions have commenced with the local Aboriginal people on their involvement in park management.

I am proud of the Government's record in the area of Aboriginal and Torres Strait Islander affairs. It is founded on a commitment to consultation and partnership. With the structures and relationships we have in place, we will continue to consult and liaise with our local Aboriginal and Torres Strait Islander communities as issues develop and new ones emerge. Their involvement in the development of the Government's response to the implications of the Mabo decision will be crucial, and I look forward to involving them in this process through the Aboriginal Advisory Council.

I believe that we must take the opportunity afforded to us by the Mabo decision to continue to improve the position of our Aboriginal and Torres Strait Islander peoples and to further the process of reconciliation between indigenous and non-indigenous Australians. These objectives will, I believe, best be met through the adoption of a national response to the Mabo decision, and the ACT Government will continue to cooperate with efforts to achieve this. If this is not possible, then we propose to work closely with the Commonwealth Government, given the unique nature of the land administration system in the ACT, the Commonwealth's involvement in it, both before and since self-government, and our shared objectives in relation to the resolution of issues arising from Mabo. Mr Deputy Speaker, for the information of members, I table the communique of the second meeting of the Council of Australian Governments and a copy of this statement, and I move:

That the Assembly takes note of the papers.

MR HUMPHRIES (4.42): Mr Deputy Speaker, I want to comment on a few of the issues that the Chief Minister has raised in her paper. Mabo certainly did appear to be an issue that absorbed a great deal of the time and energy of those Premiers and heads of government who attended the meeting in Melbourne. I must say that I was only one of a very great number of Australians who were watching that meeting with great interest to see whether a national approach would be adopted that would successfully guide our nation through what will be, I think, a very difficult period as we come to grips with the consequences of the Mabo decision.

It is perhaps worth noting, however, that in many respects - I think the Chief Minister may have been alluding to this in some senses - it is not the Mabo decision of itself which is being faced up to here; it is not the decision which is causing us to examine our consciences. It is the principle upon which Mabo rests; that is, the need for there to be proper acknowledgment in our system of justice

and of law of the role that Aboriginals played in this country before it was colonised by white people, and in turn the question of what just and appropriate reconciliation there should be between the interests of whites and of Aboriginal people.

Mr Deputy Speaker, I note with interest that the Chief Minister goes through a number of the issues that were part and parcel of that reconciliation in the course of the meeting. I note, for example, that, despite her comments earlier today, that the conservatives, as she put it, were responsible for sabotaging the process of reaching a national approach, she says:

... I supported Premier Fahey's call of the previous day that senior officers of all jurisdictions meet before the forthcoming financial Premiers Conference to see whether obstacles to a national approach can be removed.

Obviously there are conservatives and there are conservatives. It seems to me, Mr Deputy Speaker, that the problems that were inherent in the meeting in Melbourne, the resistance of some States to a particular course or particular courses of action, rested not so much on the political persuasion of the Premiers of those States, but on, if you like, the historical background of those particular States, and on a whole range of factors, some of which were to do with the political affiliations of the Premiers concerned.

Mr Deputy Speaker, we all need to be looking at the issue from all sides. This is an issue with many facets. It is an issue that is not going to be resolved by our calling each other names - and "conservatives" is just one of the many names that people have used in this debate. It is rather a question of using opportunities which are presented and avoiding areas where opportunities will be lost. I believe, Mr Deputy Speaker, that the statement the Chief Minister has made indicates very clearly that there are certainly opportunities to be won and to be lost on both sides of this equation.

I am not at all reassured on the question of the leasehold system in the ACT under Mabo and where that is left as a result of the Mabo decision. The Chief Minister referred to the implications of the Mabo decision for the ACT not being straightforward. Hear, hear! That is certainly the case. As such, it is understandable that the Chief Minister should go on to say that it is very unlikely, rather than that it is impossible, that existing residential, commercial or rural leases will be affected by a Mabo-style claim. It is simply not possible to discern from the seven judgments handed down in the High Court decision just what the position would be with respect to the ACT. I think, with the greatest respect, that the Attorney-General's reference to mining leases, and drawing some conclusion about residential leases or commercial leases in the ACT, is an extremely long bow. Having read parts of the judgments in the Mabo case, I cannot support that very long bow in this matter. The Chief Minister said:

... the ACT Government will need to work closely with the Commonwealth Government to explore the implications of the Mabo decision for existing leases and to address any consequences which may emerge.

That obviously is an important part of the process of working out where we stand. At the same time, we have to recognise that the Commonwealth Government has also closed off, or tried to close off, some options in this debate. I must say that both the Prime Minister and the Minister for Aboriginal Affairs have indicated very clearly that they see many of the claims being made by Aboriginal groups as being extremely unhelpful in this process. The Minister, Mr Tickner, said at about the same time as the meeting in Melbourne that he considered some of the claims to be unlikely to succeed and as being unhelpful to the process whereby reconciliation would be achieved in the long term.

Mrs Carnell: So did the Prime Minister.

MR HUMPHRIES: Indeed, the Prime Minister said the same thing. I must say that I have not heard those same words from the lips of our Chief Minister.

Ms Follett: No; you will not, either.

MR HUMPHRIES: And here we have it; the Chief Minister says, "And you will not, either". That is the unfortunate part. The Prime Minister acknowledges, and his Minister for Aboriginal Affairs acknowledges, that we cannot have a real debate on reconciliation while many, many white Australians feel greatly threatened by the implications of the Mabo decision. While white Australians feel that it is a case of defending their own property, or public property in their State or Territory, against claims by Aboriginal groups, reconciliation will be greatly hindered.

Mr Connolly: And who is stirring them up to feel that way? Who devoted question time to encouraging such feelings?

MR HUMPHRIES: The Attorney-General interjects. I was not the first person to say that these claims were over the top. I recall seeing Robert Tickner say those words, or words to that effect. It indicates very clearly, Mr Deputy Speaker, that there are other Australian politicians, even Labor ones, who acknowledge that some of what has happened in the last few days, from the point of view of claims by Aboriginal groups, has not been helpful.

The fact of life is, Mr Deputy Speaker, that we do have a very serious question hanging over the leasehold system in the ACT. The fact of life is that the Prime Minister, on 8 June, said very clearly that native title could be revived when short-term leases expire. I asked the Chief Minister today in question time what sort of short-term leases that was meant to refer to. Are any of those short-term leases present in the ACT? The Chief Minister, with great respect, had no answer to that question. The Government, with respect, does not know the answer to that question. If there was a 10-year commercial lease in the ACT - I am sure that there would be many - I feel quite sure that it would be considered a short-term lease within the terms of what the Prime Minister was talking about, and the expiry of that lease would be a signal, without legislation having been enacted previously by this Government - there is no indication of it coming forward - that a Mabo-style claim might succeed against that land. The Chief Minister shakes her head, but she was careful in her statement to say that it was very unlikely, not impossible. I think, with respect, that we need more certainty than that.

It is clear from my reading of the High Court's decision that the matter can be resolved in a number of ways. One is by acceding to claims. Another is by legislating. It is made quite clear in the judgment that State and Territory governments - well, at least, State governments - can act to extinguish native title through the passage of laws. That appears, perhaps, an excessive response. But it may be appropriate to indicate at certain points where the debate shall not go; to indicate how far Aboriginal groups should expect, or should not expect, their claims to be able to go. The Commonwealth Government has already done that. It did that in respect of the McArthur River project in the Northern Territory. It did that through the agency of the Northern Territory Government, at the Commonwealth Government's request.

I am saying to this ACT Government: Consider whether it is not appropriate to similarly delimit the extent of any native claim against leasehold land in the ACT. What have we to lose? If the ACT Government is confident that no leasehold will be affected by this claim - the Chief Minister has said that she cannot be certain that it will not be - if she is certain that there will be no claim against leasehold land that would be successful, then legislate to make it absolutely crystal clear. That will assure non-Aboriginal Australians that this debate is not going to range into that question and it will also limit any possible unclarity or lack of indication in the High Court decision that will ensure that this debate stays on the important parts - that is, on areas where I think we can reasonably expect claims to be made and at least considered. An example of an area where that claim might be considered, obviously, would be the Namadgi National Park. Again the question arises: If the ACT Government is not prepared to accept that claim - it gave no indication whatsoever when Mr Westende asked that question in the course of question time - then the question of compensation arises, and we need, again, to have some approach to that.

I must say, Mr Deputy Speaker, that I am greatly disappointed that 12 months after the Mabo decision we have no indication from this Government, with any precision at all, of where it stands on Mabo. Mabo was not decided last week in Melbourne. It was not decided two weeks ago when claims were made against substantial parts of the Australian continent. It was made early in June 1992, and the words of the learned justices of the High Court have been on all our lips since that time. It should have been possible to develop a little more precision and have a few more answers to questions than we were able to receive in question time today. I hope, Madam Speaker, that in the not too distant future we will have answers to some of these difficult questions.

Mr Lamont: It took the High Court only two-and-a-half years!

MR HUMPHRIES: The fact of life is that they are questions of fundamental importance to the future of this Territory. Joke as they might across the chamber, there are many Australians, many citizens of Canberra, who are desperately anxious to know the answer to these questions.

Mr Connolly: And you are stirring them up.

MR HUMPHRIES: It is not just a question of having stirred it up. Your Labor colleagues, Mr Connolly, have warned about the dangers of excessive claims in this process, and we have done exactly the same thing. Labor colleagues of yours have also urged State governments to delineate the extent of debate in this matter, and perhaps your Government ought to do the same thing. There may be a need for the ACT to go it alone if we cannot establish - - -

Ms Follett: We cannot.

Mr Connolly: We administer Commonwealth land.

MR HUMPHRIES: We can certainly go it alone in the sense of being independent of any approach worked out with the States.

Mr Connolly: We must cooperate with the Commonwealth.

MR HUMPHRIES: Just listen and you will find out. It may be that we have to do so in conjunction with the Commonwealth Government, which has considerable interest in the ACT and considerable control over the long-term land use of the ACT; but an agreement between the ACT and Commonwealth governments would certainly, in my humble opinion, be sufficient to resolve this matter in respect of the ACT. I suggest to the Chief Minister that if she cannot get a national position on Mabo she should think about getting a bilateral position with the Commonwealth Government on Mabo.

Ms Follett: That is what I have said. I have written to the Prime Minister about it. Listen to what I say.

MR HUMPHRIES: I did. I made reference to that before, Madam Speaker. I am saying that in many respects the Chief Minister has taken, on some questions, the right approach. I have already commended her several times in this speech on the things that she has got right; but I am also saying that there are some areas where she ought to be considering further action, and I suggest that those areas I have referred to in my speech, if she would care to peruse them, have not been sufficiently ventilated up until now.

I propose not to make any comments on the other issues which have been raised in the Chief Minister's statement, other than to say that I do hope that the issues that have been put forward here will not remain a matter of uncertainty for much longer. They can be settled and they should be settled in the interests of the process of reconciliation to which both sides of this house have made reference in the course of this debate today. It must occur in an environment where there is a certain amount of understanding on both sides about where the debate is heading. At present the debate is completely wide open and it results, I think, in considerable fear in our community.

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

PUBLIC ACCOUNTS - STANDING COMMITTEE
Report on Audit (Amendment) Bill 1993

MR KAINE (4.56): Madam Speaker, pursuant to order, I present the report of the Standing Committee on Public Accounts entitled "Audit (Amendment) Bill 1993", together with extracts from the minutes of proceedings, and I move:

That the report be noted.

Madam Speaker, it was only a short while ago that the Government tabled in this house its Audit (Amendment) Bill 1993. On the face of it, that was a fairly innocuous Bill. If you read it quickly it said, essentially, two things: First, that the Government intended to employ outside financial managers to look after the investment of surplus money; and, secondly, that it amended the Audit Act to remove words to the effect that money in the trust fund could not be invested in this fashion. So, on the face of it, it was not very important.

But at the time that the Bill was initially debated in the Assembly I made it quite clear that it had many ramifications, none of which had been explained by the Government. How were these outside financial managers going to be managed? Who was going to make sure that they managed our money efficiently and effectively and in the public interest, since the Treasury themselves had said, in an explanatory note, that they did not have the expertise to invest this money themselves? What, in fact, were the ramifications of this amendment of the Audit Act that removed the existing constraint on trust fund money? It was my intention at that time, Madam Speaker, that we in the Opposition would oppose the Bill in its present form on the basis that the Government should take it back and fill the gaps, and explain to this Assembly more comprehensively how they intended this new arrangement to work. Fortunately or unfortunately, as the case may be, Mr Moore moved that the matter be referred to the Public Accounts Committee for further examination and review, and we have been carrying out such a review for some time. Our recommendations are now presented.

Our inquiry into this matter, I believe, was an interesting learning experience. For example, when the Audit Act says, as it does at the moment, that money in the trust fund up until this point cannot be invested in this fashion, it begs the question, "What is the trust fund?". If you go to the Audit Act, section 85, it explains what the trust fund is, but it does not really tell you what kind of money is held in that trust account. It describes the trust account, but it does not say what money will be transferred into it or may be transferred out of it. So you are left with a question: What money are we actually talking about, even when you remove the current exception which then allows money in the trust fund to be invested in the ways now being proposed by the Government?

Our investigations - I am still not certain - show how difficult it is, sometimes, first of all, to pose the questions correctly and then to understand the answers that you get. I believe that the money that is currently in the trust fund - Treasury were conveying the impression that this was the money they intended to invest - is in fact superannuation trust fund money. Questioning elicited the fact that there is something of the order of \$120m of superannuation money held in trust by the Government at the moment. That is expected to increase year by year as we become fully funded in terms of our ACT Government Service employees. That becomes more and more important when we look at the potential for establishing our own ACT Public Service in the near future.

On further examination we discovered that in fact, through an account called the ACT Borrowing and Investment Trust Account, some \$400m is invested. So we now have the money that is invested through the trust fund. The balance of the \$400m is only held in the Consolidated Fund by way of provision or reserve of that kind, plus money that is held surplus on other trust accounts. We began to wonder, then, whether simply referring to the trust fund was adequate, since only \$120m out of approximately \$400m is currently invested, and that, no doubt, will change from year to year.

The committee concluded, and we have made recommendations to this effect: First of all, all money to be invested, whether it is from the trust fund, whether it is from the consolidated account, or whether it is from other trust accounts like, for example, the Housing Trust, or some other trust - all of that money that is available for investment - should be processed through the ACT Borrowing and Investment Trust Account and that would account for all of it. That would be the whole \$400m currently available for investment. Secondly, there ought to be a management board set in place to oversight all of the investment transactions that take place in connection with this money. That includes, firstly, the requirement to ensure that there is a proper investment strategy spelt out so that everybody who need to know knows what the ACT Government's investment strategy is. That, I submit, includes members of this Assembly because it is public money we are talking about. Secondly, there is the requirement that there is somebody who is directly responsible for the oversight and management of the investment transactions with this money. Thirdly, there is the requirement that there is somebody immediately responsible for the contractual arrangements under which outside financial managers take care of our business for us.

This is a very important operation - \$400m of public money at the moment. That could increase or it might reduce - we do not know - depending on the level of reserve money and the amount of money held in the various trust accounts from time to time. It is an amount of money that is very significant and it includes a fairly high proportion of money that is regarded as trust money. We, as a body that has to be accountable, collectively - the Executive is accountable in the ultimate extreme - believe that we ought to have a proper management arrangement set in place, with the rules clearly set down and clearly defined so that we know how these people are to work and who is responsible for what. This body, while it is a management and overseeing body essentially, should include the necessary expertise and should draw on the private sector for people with expertise and qualification in the investment of money of this order of magnitude. They can then also, if you like, become an advisory body to the Government in some respects; but they should be primarily a management board. One of the recommendations is that a broadly based management board be established to advise on and oversee the investment operations of Territory moneys through the ACT Borrowing and Investment Trust Account.

Madam Speaker, we are not being too prescriptive in how this might be done. We are merely suggesting to the Government that, in order for the members of this Assembly to be confident that this money is being properly managed, there are some preconditions under which we will approve the proposed amendment to the Audit Act, and they are set out in this report. We believe that it is prudent and sensible to proceed in this fashion, but we are leaving it open to the Government, to some degree, to determine.

You will notice that there are some dissenting comments submitted by Ms Ellis and Mrs Grassby. I do not have their comments before me, having tabled them. Essentially, the question is whether this body is to be an advisory body. The recommendation is quite clear. It is not to be an advisory body. It is essentially to be a management body. But the Government may desire to determine that it also be an advisory body. If you have the kinds of expertise that we envisage would be present in such a management board, it may well be appropriate for the Government to give it an advisory role as well. We are leaving it, in many ways, open to the Government to determine just how the system will be set up; what their investment strategy will be; what sort of contractual arrangements will be in place to determine how these external funds managers handle our money and our trust fund money.

There is only one other aspect, Madam Speaker. There has been some debate, which I guess I precipitated, in terms of the fact that it is intended that some part of this money may be invested in the form of derivatives. There are some who maintain that this is a highly speculative form of investment. In fact we were advised that we should not allow any of this money to be invested in derivatives because of the speculative nature of these devices. We have not entirely accepted that recommendation. We can see that there are some reasons why you might want to invest in some forms of derivatives, using some limited amount of the money, if you like, as a form almost of insurance in some respects; but this is highly speculative. The interest percentage that you can gain through this form of investment is itself indicative that it is a more risky type of investment than many others. When you start moving into higher return on your money there goes with that a corresponding increase in risk.

We do not believe that we should be risking this money at all; so we are recommending that there be a limit of 5 per cent of the amount of money available in the ACT Borrowing and Investment Trust Account that should be invested at any time in these mechanisms called derivatives. We believe that that does allow some scope for their use where it is considered reasonable and prudent and proper, but it does not allow these investment managers outside to get into the business of speculating with this form of money, which we think is totally inappropriate.

Madam Speaker, I think that the committee essentially has agreed that, if the Government is prepared to take seriously the recommendations that we have made to them in this report, we in turn will support the passage of the Bill; but this does require, in one place, that the Government amend their Bill to impose this limit of 5 per cent on the amount of money that can be put into financial derivatives. That does require some immediate action on the part of the Government before the Bill can be passed. Madam Speaker, I commend the report to the Assembly.

MS ELLIS (5.08): Madam Speaker, I rise to speak to this, the first report of the Standing Committee on Public Accounts, and to advise members on why Mrs Grassby and I submitted a dissenting report. In particular, I would like to speak to the second set of recommendations which have been put forward by the majority members of the committee. In effect they represent a set of conditions to be agreed to by the Government.

It is apparent by the way the report and its recommendations are expressed that there is no clear view on the directional nature of these conditions. The first condition - that all investments of the Territory be undertaken through the ACT Borrowing and Investment Trust - is expressed too broadly. Under present arrangements, such Territory entities as the ACT Electricity and Water Authority separately invest their surplus funds. Whether this is appropriate is certainly a very important question, but it is not one that the committee has turned its mind to, nor come to a conclusion on. The next two recommendations, when taken together, point to the confusion within the report as to what should be the role of the management board. On the one hand, there is the proposal that it be advisory, overseeing ACTBIT's operations. On the other hand, it is required to report to the Assembly. Further, in the body of the report, there is the requirement that the board appoint the external fund managers. Madam Speaker, in the evidence presented to us by Treasury it was clear that the issues of accountability and expertise are separate.

On the question of expertise, Treasury advised that it enhances the capabilities of its own staff with the selective use of external advisers. Currently these include the actuarial firm of Towers Perrin and the capital market skills of Commonwealth Bank Advisory Services. This is appropriate and reflects the fact that the financial marketplace is both sophisticated and changing. It is Treasury's role to obtain maximum investment returns within prudent limits. Every dollar earned this way is one more dollar that need not be funded by the taxpayers of the ACT. The proposal to engage external funds managers is a further example of seeking out and securing the best advice available to the Territory. Strict guidelines, limits, reporting requirements and auditing are to be included in the contracts. Again, I consider that this is appropriate.

The separate question is that of accountability. The Audit Act is the definitive legislation in this area and it is clear that the Treasurer is accountable to this Assembly and to the community. In certain circumstances the Treasurer is able to delegate responsibility to officers of the Treasury. An advisory management board, as proposed in this report - I use the term "advisory" in an advisory fashion - is a confusion of terms. The appointment of a broadly based group of experts to advise Treasury will not result in such a group being responsible and accountable for the actions of the Treasury. It is the Treasurer, supported by the Treasury, who must report to the Assembly and who must take executive responsibility for entering into contracts. Madam Speaker, it is with regret that I find the report of the committee to be, at best, indecisive, and therefore I must distance myself from its recommendations.

MR MOORE (5.12): One of the things about the Audit (Amendment) Bill and the committee's response is that it is exactly that - a response to the Audit (Amendment) Bill. The committee worked hard in order to have a response to the Bill back to the Government at the beginning of this sitting, in order to provide the Government with the opportunity to deal with the Bill prior to the break in the middle of the year. That being the case, Madam Speaker, I think it is inappropriate to suggest that we should have gone broader than just the Audit Bill itself, as, I believe, Ms Ellis has recommended. I think that what we have achieved here is an appropriate balance between accountability, on the one hand, and risks, on the other hand.

There is no question that the amendments in the Audit Bill do move us into an area of greater risk in investment than has been the case previously. Madam Speaker, it is appropriate, therefore, for us, as members of the Assembly, to ensure that community assets, particularly assets to do with superannuation, are protected. For that reason I was delighted to support the idea that the Bill be amended to specify that contracts with external fund managers be limited to 5 per cent of all the moneys invested. Even with that 5 per cent, Madam Speaker, it is my understanding that losses well over the 5 per cent, and even beyond that amount again, could be incurred. So I think that that is a sensible amendment - an amendment that would make the community feel far more at ease about investing in this way.

There is another issue that I would like to raise at this point and that I think is of concern to all members who have expressed the desire to see more jobs in the ACT. I think I have heard from almost all members that employment is a No. 1 issue facing all members of the Assembly and our community as a whole. I asked Professor Barton a question about this issue and investment when he appeared before the committee. The question had to do with an interest in investing and in providing jobs. Professor Barton's reply included these words, and I quote from the draft *Hansard* report of that hearing:

... I would certainly argue that they are denying investment funds - the channelling of investment funds into productive investments which are employment generating and benefit the entire community. So, I think it is - it can be a gross misallocation of scarce capital resources.

What Professor Barton is saying, Madam Speaker, is that if we set employment as our highest priority such funds ought not be invested in speculative areas but ought be invested in solid employment opportunities, in productive enterprises. I think that even in supporting this Bill, as the committee has done, it is appropriate to raise that issue so that the Chief Minister, in particular, is aware that in allowing even 5 per cent of moneys to be invested it is actually taking - - -

Mr Kaine: It is \$20m.

MR MOORE: We are talking of \$20m. It is taking that money from productive investment to speculative investment. There is a balance to be struck between that highest priority that we all agree on and ensuring that a superannuation fund does do what a superannuation fund is intended to do, and that is to provide money for people to be able to retire on when the fund is drawn upon by its members. I think we also raise that issue of the protection of people's money when we look at that goal. So already, by allowing this to happen, we have accepted that the highest priority for this percentage of the money is not employment; the highest priority is, in fact, protecting people's retirement benefits. Therefore, Madam Speaker, it is incumbent upon us to ensure that that is done, and that is why we have that recommendation that the Bill be amended.

The second recommendation of the committee, Madam Speaker, is to put in a system whereby the expertise can be brought in to ensure that funds are invested appropriately and with the best possible results. With those few provisos, I think that it is appropriate that we support the Audit (Amendment) Bill, but I would certainly like to see that amendment in the Bill.

MRS CARNELL (Leader of the Opposition) (5.18): I will speak very briefly on this because Mr Kaine and Mr Moore have very adequately covered the position of the majority of the committee. I think that Mr Moore hit the nail on the head when he said that our major undertaking in this area is to protect the superannuation funds of those who have contributed and that that must be the basis upon which all decisions are made. It was with that in mind that the committee, I think, rightly suggested that we should restrict the amount that is invested in derivatives to 5 per cent. I think that is the job of this Assembly.

Ms Ellis's and Mrs Grassby's view that we should not interrupt, in any way, what fund managers may decide is inappropriate, taking into account where this money comes from. It is superannuation money; it is the basis upon which people plan their futures. To put more than 5 per cent into this very speculative area takes huge risks with people's future, with people's retirement, with money that does not belong to this Assembly. I think it is an exceedingly appropriate limit to place on that.

In fact, as Mr Kaine said, we were told by some people who appeared before the committee that 5 per cent was too high; that zero per cent was closer to the truth. It was suggested that to attempt to do better than the market was to overestimate greatly the capacity of any long-term fund manager. You really have to balance people who manage to do better than the market against the fact that an equal number of people are going to do worse than the market. Therefore, in any long-term investment portfolio, particularly one that is based upon people's retirement money, you really have to make sure that you do as well as the market, and then, without risk, attempt to do better.

What was then put to us was that the only way to do better than the market, or at least to do as well, was to have a management board; to have somebody within our own Treasury, within our own ACT Government, to keep an eye on what was happening with these external fund managers. It was put to us very strongly that without that sort of management board there was nobody out there keeping a very definite eye on long-term investment strategy. I strongly suggest to the Government that they look at these recommendations appropriately. They have been looked at - - -

Ms Follett: We certainly will; don't worry.

Mr Berry: Very appropriately.

Ms Follett: Rest assured.

MRS CARNELL: I am sure that you will. They have not been come to lightly by the Public Accounts Committee. We have spoken to a number of people who have expertise in this area. I commend the report.

MRS GRASSBY (5.21): I rise to speak on the report by the Standing Committee on Public Accounts. As members will be aware, I and my fellow member Ms Ellis have advised the chair of the committee of our dissent from this report. Madam Speaker, my fundamental concern is that the majority view of the committee reflects the underlying but as yet unclassified concerns of those members. As a consequence the recommendations, particularly those relating to the proposed management board, are far from clear.

15 June 1993

I will take the recommendations in turn, Madam Speaker. First is the question of amending the Bill to specify a 5 per cent limit on the use of derivatives by external fund managers. The evidence presented to the committee by Treasury was that derivatives were a financial management tool which, if used prudently, could improve the financial performance of a portfolio and provide an insurance protection against losses. It was clear from the evidence that the contracts intended to be entered into between Treasury and the funds managers would provide detailed specifications of the investments and strategies, limitations on portfolio structures, including limitations on the use of derivatives, reporting requirements and audit arrangements. In developing these contracts, Treasury was being advised by its consultant actuaries, Towers Perrin, and its capital market advisers, Commonwealth Bank Advisory Services.

I am satisfied, Madam Speaker, that these matters are being professionally handled, and that the Territory's interests are being properly protected. The actual level of a portfolio which could be applied to derivatives is not a question that can be readily answered by the Public Accounts Committee, at arm's length from the marketplace and from the current contracts negotiated. Nor should it be enshrined in legislation forever. I can assure members of the Assembly that the financial marketplace is volatile and that the Territory is best ensuring that its investments and borrowings are professionally managed within the opportunities and the circumstances that the marketplace presents. Given this, I would rather have the Government give a commitment to this Assembly that it will limit the use of derivatives to, say, 10 per cent of its portfolio, and that it will specify its limits in the contracts with the external funds managers. These contracts and limits should be reviewed after several years and amended to reflect the circumstances of the Territory and the marketplace at that time. At all times the Territory should act prudently and cautiously. Most importantly, the contracts, in keeping with the Audit Act, will specify that derivatives cannot be used for speculative purposes and may be used only to protect the investments.

On the second set of recommendations, my concern is that the concept of a board which the committee chairman has in mind is not yet clearly developed. The report, as presented to this Assembly, vacillates from proposing an advisory entity to requiring that the board appoint the external funds managers and that it report directly to the Assembly. Clearly this report is not a definitive piece of research and advice from which the Government can derive a clear direction. We do not really have direction on how a board should report. This needs to be made much clearer before we can decide on this.

Debate (on motion by **Ms Follett**) adjourned.

**SCRUTINY OF BILLS AND SUBORDINATE LEGISLATION -
STANDING COMMITTEE
Reports and Statement**

MRS GRASSBY: I present reports Nos 9 and 10 of 1993 of the Standing Committee on Scrutiny of Bills and Subordinate Legislation, and I ask for leave to make a brief statement on the reports.

Leave granted.

MRS GRASSBY: Report No. 9 of 1993, which I have just presented, was circulated when the Assembly was not sitting on 10 June 1993, pursuant to the resolution of appointment of 27 March 1993. Report No. 10 of 1993 contains the committee's comments on one piece of subordinate legislation. I commend the reports to the Assembly.

Sitting suspended from 5.26 to 8.00 pm

**DRUGS - SELECT COMMITTEE
Final Report - *Alcohol and Youth - A Rite of Passage?***

MR MOORE (8.00): I present the final report of the Select Committee on Drugs entitled *Alcohol and Youth - A Rite of Passage?*, together with the minutes of proceedings. I move:

That the report be noted.

It is with great pleasure that I rise tonight to speak to this report. The history of this committee goes back to the First Assembly; the Select Committee on Drugs really took over from where the Select Committee on HIV, Illegal Drugs and Prostitution left off. That first committee concentrated particularly on illegal drugs, whereas the second committee, although we did do a report on methadone, has concentrated on legal drugs, particularly in the report on benzodiazepines and now the report on alcohol. It is important to mention to members that the work I personally have done on illegal drugs will continue. The study trip I undertook was to carry out further work with the Australian Parliamentary Group on Drug Law Reform. Shortly I will be circulating to members a copy of the charter of that group, and members may consider it appropriate to become part of that group. I am looking forward later this week to the response of the Government to the benzodiazepine report, and in due time to the Government's response to this report.

It seems to me that, although there is a great deal of harm and a great deal of expense associated with the way we deal with illegal drugs, the greatest harm that can most easily be identified in our society is the harm associated with the legal drugs, that is, tobacco and alcohol. The Minister for Health has already taken quite strong steps, and I commend him for the work he has done, with regard to the killer drug tobacco, and I hope that some of that work will continue. I also hope that in a small way this report will help us to minimise the harm associated with alcohol, particularly in dealing with youth.

When we looked at the situation of young people and alcohol, the anecdotal evidence from a lot of people was that the situation was much worse than when we were children. People even older than I were saying such things. It seemed to me and to other members of the committee that there was no evidence to support that. In fact, when we questioned people individually about what they did as young people in terms of alcohol, we found that a very similar picture emerged. I imagine that it would not take too much research to find out that binge drinking, as we now define it, was something in which many of us participated in our youth.

Perhaps that is one of the reasons why we subtitled this report *A Rite of Passage?*, with a question mark. That question mark is particularly important because it raises the questions not so much of whether it is a rite of passage but rather of whether it ought to be a rite of passage, and how we are going to deal with this problem of young people and alcohol. The immediate notion, and the easy concept, is to use those words of Nancy Reagan, in particular: "Just say no". The trouble with that is that we know that it is not going to work. That being the case, we have a choice: Whether we simply bury our heads in the sand, or attempt to make some moves towards trying to seek a situation where young people can deal with alcohol in a sensible and rational way.

We have presented a number of recommendations to the Assembly through this report. The first and most important ones have to do with education strategies and what we can do in terms of encouraging young people to recognise alcohol as a drug with significant side effects. The recommendations in terms of that education go on to binge drinking and then to a proof of age card. The committee was very conscious of arguments presented on the proof of age card, and the recommendation we have finally come to is that a proof of age card, sometimes referred to as a pubcard, be issued on voluntary application by people who have attained the age of 18 years. I am aware that Mrs Grassby, in her additional comments, has discussed further that particular issue, and I will leave her to continue with that. The arguments, as the majority of members saw them, are clearly set out in the final report, and they take into account arguments presented to us by the Chief Minister's Department and the difficulties we saw with those arguments. I do not think that is the biggest issue. A much more important issue is to do with liquor licensing hours and a proclaimed place.

The committee did two really important things, as I see it. The first of those was to visit a series of colleges and private schools around Canberra and talk to students in years 11 and 12. We had a fantastic opportunity to hear very frankly what the students felt about the current situation with liquor and what they thought would happen if the liquor laws were tightened or if we took some of the other measures that were suggested. The issue of a proclaimed place came out of those discussions, but also from a visit this committee made to Manly in 1992. Hence we have made recommendations that are consistent with what we saw working in New South Wales.

We also raised the issue of liquor licensing hours. It was an issue that members felt that it was important to raise because, in developing a restriction on licensing hours, we are attempting to use the same method that Mr Berry has been using in attacking the harm associated with tobacco, and that is to bring some restriction to the use of alcohol. It seems to us, from reports from the police and from our own visits through Civic with the police force, that it is unnecessary to have liquor outlets available between 4.00 am and 8.00 am.

Another issue that will probably be of some interest to members is recommendation 21, which reads:

That the Liquor Act 1975 be amended to allow young people, under the age of 18 years, to be served alcohol on licensed premises, solely in those circumstances where those young people are both:

(a) in the company of a parent or guardian -

and that means just those who are with a parent or guardian, not an adult friend -

and

(b) are being served with a meal.

It requires those two provisos. The idea originally came out of the discussions we had with school students, and it was echoed by quite a number of college students. When the issue was raised publicly there was some objection to the idea of young people being able to get liquor freely when they were with somebody who might be able to claim that they were a parent. We felt that the restriction of making alcohol available to young people when a meal was involved was an important restriction. It presents to young people the whole idea of using alcohol in an appropriate way, and I think that that is part of the whole education process - an education process based on a philosophy of harm minimisation.

It is important for me to thank the other members of the committee, particularly Mrs Grassby, the deputy chair, and Mrs Carnell. I also extend my thanks to the secretary of the committee, Ron Owens. As an aside, I mention that Mr Owens is actually delivering one of the keynote speeches at a conference in Brisbane later this year on philosophy and drug law reform. The fact that he was in a position to be able to do that, both through his own studies and through what he has learnt on this committee, is a credit not only to him personally but also to this Assembly and to the Assembly secretariat and committees.

Mr Wood: That is right. He has his quote in, too. He has his usual quote.

MR MOORE: Mr Wood draws attention to the quote at the beginning of this report, as has been the case in all the interim reports of both drugs committees. In this case, for those of you who cannot read Greek - and that includes me - there is a translation just below:

Socrates it is said is guilty of corrupting the young and of not recognising the gods recognised by the city, believing in other deities.

It may well be appropriate, even if a little esoteric, for us to apply that to this report.

It is with some mixed feelings that I will retire as chair of a committee looking at drugs. For almost the entire time that I have been a member of parliament, with the exception of a few months at the beginning of the First Assembly, I have held a position that has fulfilled that responsibility. It has been something I have enjoyed immensely. With those few words, Madam Speaker, I present the report of the Select Committee on Drugs.

MRS GRASSBY (8.14): I would like to say, being the deputy chair of the Drugs Committee, that it was a very interesting committee to be on, particularly that aspect relating to under-age drinking, which really is a problem, in spite of what we would like to believe. One of the greatest parts of this committee was being able to go to schools and speak to students and hear their ideas. These students were 18; we did not speak to a lot of students who were under 18. Interestingly, most of them said that yes, they had participated in binge drinking before they were 18, but they felt that once you turn 18 there is no reason for it because you are able to drink legally and you become part of the norm. They did say that there were students who did not quite get over that and that became a problem. I think we have to look at the people who fail to get through that stage Mr Moore was talking about, what he and others went through as students; at the age of 18, when it became the norm to be able to drink, they did not think it was such a smart thing to binge drink. However, there are those people who go on doing it.

Visiting the schools was very good, and we are very grateful to the Minister for Education for allowing us to do this. We visited, I think it was, three colleges and one Catholic private school. Grammar would not allow us to come and talk to them; I do not know why. We got both sides of the fence - a private school and state schools. They both said that binge drinking was something that was done before you were 18 because you should not do it; you were not allowed to do it, so you did it. When we asked them how they got hold of it, they said that it was very easy. One of the things we asked was whether they thought we should lower the drinking age from, say, 18 to 16 or 15? They said, no, that if you lower the age to 15 they will start binge drinking at 12. We also asked them whether they thought we should raise the age to 21 and they said no, that 18 was correct.

We then came to the subject of a pubcard and what was important about a pubcard or an identification card. Most of the people we spoke to who were under age and who drank said that they got most of their alcohol from supermarkets. Although they were asked for proof of age to buy cigarettes, they were never asked for proof to buy alcohol, which is a bit of a worry. If they were, they said that you could always get somebody else to buy it for you. So it came to the point of whether a pubcard was the answer, if you can get somebody else to buy it for you. When I was doing the tour of the clubs, one of the people said that often somebody would come to the bar and order five or six drinks - tequila sunrises and odd drinks like that. You would ask for their identification because you were not sure that they were really 18 and they would say, "Oh, just a moment; I will go back and get it". He said that they would not come back, but somebody else would come back and order exactly the same drinks, which meant that the person was under 18.

The point is that the pubcard will not do the job to stop under-age drinking. It will be there to help the people who own the outlets; it will make it easier for them, so that they do not get fined. They are the ones who are going to welcome it. That is the impression we got when we spoke to the people who own the liquor outlets. They were the ones who really wanted the pubcard because it would make it easier for them, and I can see their point. I owned a hotel once. The young ones would be very cute and would bring birth certificates with other people's names on them. They would know the birth date off by heart, so you could not catch them. I learnt a way to catch them. I used to ask them what their star sign was, and they would always give their own star sign and not what was on the birth certificate, so you would know that it was not their birth certificate.

However, they soon found that out and they tried another way. A pubcard is just another type of ID card. It is virtually a catch-22 situation: If you can prove that you can get a pubcard, you can prove that you can get a drink. I could not see how a pubcard was going to fix this. Many of the workers in the liquor industry felt the pressure on them to serve drinks when they knew that the person was drunk, and this was a problem.

A lot of things came out of this inquiry, other than the problem of under-age drinking, and I think we need to look at these things. We cannot just say that there is binge drinking and it is a problem. It boils down to education, and I think places such as the Life Education Centre are very good. We have to look at ways of teaching in the schools, with cooperation from all the schools. We have to involve the unions. After all, in the liquor business you have a lot of people working who belong to the liquor trades union, although we did not get around to asking what they thought should be done. I think there should be more training for the people who are serving alcohol - not only the owners but also the people who work in the industry. We should be working with these people to look at this problem.

When I was overseas, and I have mentioned this before, I looked at a program at Stanford University called Desire. It did not look just at binge drinking and drugs and things like that; it looked at a child from day one at school to find out whether that child might be one who would fall through the net. The child could have a problem at home with a parent who drinks or a father who beats the child too much. It might be a child who is a slow learner and is never going to quite make it at school. These are the children we are going to have problems with. If they fall through the net and do not get help when they are young, these are the ones who will become the alcoholics, these are the ones who will go on to drugs, these are the ones we will have problems with.

Instead of looking only at the problem now, as we did on this committee, by going and talking to students in college who are already 18 and able to drink, talking to teachers, to people who own liquor outlets, to a few of the people who serve the liquor, we have to look at children at a very young age. We have to find out what makes children do this and what leads them into it. Some of them do it for a bit of fun and they get over it and it is all right. Some of them do not, and they are the ones who end up costing us a lot of money in hospitals. They are the ones who have problems later on in life with drinking, drugs and so on.

We need a lot more counselling in schools. We need to spend money on centres that teach young people about alcohol and drugs. We looked at the 18-year-olds, and I am very glad that we did. Having done the tour of the clubs with the police and looked at what goes on after 2.00 am, I agree with the committee that there should be some hours when the outlets, the nightclubs, are closed, so that people have to go home, instead of their being open 24 hours a day, with people able to drink from sun-up to sundown.

We need to look at the question of hours, and in that regard one of the very positive recommendations in the report relates to liquor outlets. It is important to say that there needs to be a time when they are closed. As the police told us, most of the problems start after 2 o'clock at night. Up until then, people act responsibly and do not get into a lot of trouble; the trouble starts after 2 o'clock. I am well known for going home from a party at 2 o'clock, and I think that for most people who enjoy themselves, that is about the time they decide to call an end to it.

15 June 1993

Mr Wood: I am dead by then, Ellnor.

MRS GRASSBY: Bill tells me that he goes home a lot earlier than that.

Mr Wood: I am a bit older than you.

MRS GRASSBY: Fair enough, Bill; I can understand that.

Mr Cornwell: Is that am or pm, Ellnor?

MRS GRASSBY: I know that you never go home. I have been to the casino with you; you never go home. I think that was one of the best recommendations, and we should be looking at it. I suggest to the Chief Minister that they look into that area, as this is part of the problem.

I was not really convinced on pubcard. All it does is look after the people who serve alcohol, the owners of the nightclubs, the owners of the supermarkets, the owners of the liquor outlets. It makes it easier for them, so that they will not be prosecuted, and I do not think it takes care of the problem. If it is brought in, it will be just another card. I am not sure that it cannot be beaten. I am not sure that there is not a way around it. The youth of today have a lot of ability, and I am sure that they will find some way of getting around a pubcard. They did virtually tell us that at the schools. They thought that if there was a system they could beat it. They will just find this another one to beat. I cannot really see the advantage of going into that.

I would like to see this Government looking at spending more money in the education field. It will cost money to produce a pubcard. I know that we talked about charging for it, but we would not be able to charge enough, I do not think. We should be looking at putting that money into teaching children more about life, about their bodies and so on.

I, too, thank the members of the committee, particularly Michael Moore, who has been the chairman of the two drugs committees. I have been a member of both, and they were most enjoyable. Whatever Michael does, he does with enjoyment. Kate Carnell was a new member to the committee, and I quite enjoyed working with Kate. We disagreed on certain things, but we did it in the nicest of ways. Ron Owens did a very good job on the committee, and I know that he enjoyed being on it. I think he was sorry to see the committee come to an end, but all good things have to come to an end. I understand that Michael will be carrying on a lot of his work in this field, and I am sure that we will be hearing about it from time to time in this house.

MRS CARNELL (Leader of the Opposition) (8.26): It is with great pleasure that I stand to address the final report of the Select Committee on Drugs entitled *Alcohol and Youth*. One of the things the committee came to grips with while putting this report together was the magnitude of the problem. It is very easy to say that all young people drink and they will get over it. Once we started to have a look at the problem, we realised that there is responsibility for government in this area. The statistics show that 35 per cent of boys and 20 per cent of girls under 18 drink at least weekly. Of those, 25 per cent will have more than five drinks in any drinking day - those are the ones they actually own up to.

The committee came to grips with the fact that this problem is one that upsets the lives of many young people, and there is no simple solution. Mrs Grassby is quite right in saying that the pubcard on its own is not a solution, and the committee did not suggest that it was. The more the committee looked at the issue, the wider it believed the solution to be and the more lateral it had to be as it addressed the problem. That is why the recommendations address a wide range of areas, from the educational areas such as on-the-job training for bartenders and for those involved in serving alcohol, and education for parents and young people, through to ensuring that people know their rights in this area, so that young people as well as bartenders and others know exactly what they can expect from the system.

On the proof of age card, or the pubcard, as it is more appropriately called, the thing that was most interesting to me was the quite dramatic support this card had from the young people we spoke to. I think there was only one exception, and that was one young lady who suggested that she did not really think a pubcard was a good idea because it would make it harder for her to get into the club she frequents. That seemed to me to be a pretty good reason for having a pubcard.

I accept Mrs Grassby's comments that the pubcard would make it easier for people who own bars, clubs, and so on, but I think that is a good thing as well. When Mr Moore and I went out with the police to see what Canberra was like after midnight, it was very interesting to see long queues of young people lining up to get into certain nightclubs, with their birth certificates and other documentary evidence of their age. That seemed to be an incredibly inappropriate approach. Obviously, there is a need for some sort of card with a photograph on it. Those 18-year-olds who do not have a drivers licence, and there are a number of them, are placed in an uncomfortable situation. Having to prove their age without a drivers licence, without any documentary evidence of age, is very difficult. Many people do not even have their birth certificate, unless they have had another reason to get one.

The privacy issue was raised, and I think that has been addressed in the report. The matter that neither of my colleagues addressed at length is the recommendation that a working party should be set up to look at establishing a proclaimed place, certainly in the Civic area and then in other parts of Canberra. The committee was very interested, when we went to the Manly area of Sydney, to look at the proclaimed place that is run by the Manly council. We were impressed because it was an area in which young people obviously felt particularly comfortable, an area that kept young people out of the criminal justice system, out of the cells overnight, and so on. Anything we as a society can do to achieve that amongst under 18-year-olds who may have had a few too many to drink has to be a very good idea. In Manly, they did not use the proclaimed place only for drying out purposes, they used it also for counselling. The people who looked after it after hours were often off-duty policemen. They established a substantially better relationship with the young people involved, many of whom did not have a tremendously good relationship with the criminal justice system and with the police force as such. It can be used in a much more wide-ranging way than just as a proclaimed place.

15 June 1993

The changes to liquor licensing hours my colleagues have addressed appropriately. Certainly I know that the police call 2.00 am or 3.00 am the witching hour, after which partying becomes a little more unpleasant. People who up until then have just been having a few drinks with friends become violent in many cases. We looked at it at length, because no member of this committee was happy to suggest extra regulations. I think everyone in this Assembly would be aware of that from other things this committee has recommended. We thought that in this situation, taking into account the gravity of the problem, there was a need to look again at whether it is appropriate for alcohol to be available after 4.00 am and before 8.00 am. We believe that it is necessary for the Government to take some very definite steps in this area.

The recommendations on restaurant laws are interesting as well. The committee is suggesting that it is important for young people to learn to drink in public, that there really is not a huge difference between the day before you are 18 and the day after you are 18, and again that brings in the name of the report - *A Rite of Passage?*. The committee believes that a rite of passage does exist for young people in terms of how they drink alcohol, but we believe that it was up to us to recommend ways in which that rite of passage could be accomplished with as few casualties as humanly possible. I commend the report as being a way for government to do its job, to make that rite of passage as safe as possible for our young people.

Debate (on motion by **Ms Follett**) adjourned.

RATES AND LAND TAX (AMENDMENT) BILL 1993

MS FOLLETT (Chief Minister and Treasurer) (8.34): Madam Speaker, I seek leave to present the Rates and Land Tax (Amendment) Bill 1993.

Leave granted.

MS FOLLETT: I present the Rates and Land Tax (Amendment) Bill 1993.

Title read by Clerk.

MS FOLLETT: I move:

That this Bill be agreed to in principle.

The range of budget matters before the Assembly today, including the debate on the Supply Bill and the introduction of amendments to the Rates and Land Tax Act, provide an opportunity to review the budget strategy I announced in the lead-up to the last budget. The key elements of the strategy were: Achieving a balanced recurrent budget in each of the three years; achieving expenditure reductions which minimise any adverse reduction in services and which allow resources to be devoted to priority areas; minimising borrowings for specific purposes, to ensure that debt servicing does not place undue pressure on future budgets; pursuing urban renewal; and increasing revenue collections where necessary and sustainable to fund government priorities.

A continuing focus on at least a three-year timeframe is essential, given the long-term structural nature of the budget adjustments required if the ACT is to remain financially viable. As a responsible government we have provided, and will continue to provide, the truly disadvantaged in our community, and especially the victims of the recession such as the long-term unemployed, with the just response expected of a compassionate society. But as a responsible government we must also make budgetary choices that ensure that we do not get out of our depth through excessive resort to borrowing, as some States have done. The experience of those States demonstrates only too clearly the disastrous financial and economic consequences of such policies, which are the antithesis of social justice.

Since the 1992-93 budget was introduced, the forward estimates outlook has significantly deteriorated. A key factor in this deterioration has been the significantly more adverse outlook for future Commonwealth funding following the recent review by the Commonwealth Grants Commission. As indicated to the Assembly on 13 May 1993, I have undertaken negotiation with the Commonwealth to ensure a more acceptable and achievable pace of transition to State-like funding levels.

I should remind the Assembly that, in all cases where the Grants Commission's reports on new relativities have adversely impacted on the smaller States and Territories in the past, the Commonwealth has provided special revenue assistance. This has usually been provided on a basis which maintains Commonwealth funding at the same money levels as in the previous year. This same money guarantee has not been afforded to the ACT, and since self-government we have faced great uncertainty on a year-to-year basis as to the outlook for Commonwealth payments.

The magnitude of reductions in Commonwealth funding, and the uncertainty faced each year, have made the task of formulating and planning budgets in the ACT extremely difficult. The budget strategies the Labor Government has implemented have been designed to protect the ACT's future in the face of this level of uncertainty and ever-reducing financial assistance from the Commonwealth. Each of the budgets the Labor Government has introduced has been able to combine an open consultative approach and a commitment to social justice values with a high degree of financial responsibility. Our achievement in sound financial management has been reflected in ABS comparisons of State and Territory finances and the high credit rating achieved by the ACT. Our commitment to social justice has been reflected in the success we have had in progressively implementing our election platform and pursuing employment and training initiatives for groups most adversely affected by the recession.

I have undertaken budget consultations with peak community groups, and there is broad recognition of the enormity of the financial hurdles the ACT will face in 1993-94 and in future years. In the face of this scale of budget adjustment, a continuing commitment to social justice and financial responsibility demands that budget measures must include a balance of new revenue initiatives, expenditure savings, and borrowings. The Government has already imposed a greater degree of constraint on recurrent outlays than the States as a whole. This is reflected in ABS comparisons. The Government has no option but to continue and, to some extent, increase the efforts being made to reduce the cost of service delivery for all program areas.

The forward estimates require continuing real reductions in outlays. The Government proposes that this be set as an objective to be maintained over the following three years. Savings already incorporated in the forward estimates will need to be augmented by further restructuring and by a commitment to maximise efficiency in the delivery of services. Savings will also need to be found in areas of lower priority to provide scope to meet emerging community needs within the constraint of achieving an overall reduction in recurrent outlays.

Our strategies of financial management enabled the 1991-92 budget not to require any new borrowings. The outcome for 1992-93 will also see the ACT not resorting to new borrowings. The savings from these strategies will benefit future budgets. They place the ACT in a stronger position than otherwise would be the case to undertake a responsible borrowing program in 1993-94. This will be needed to fund capital works, which provide a long-term benefit to the community, the land release program, and restructuring and other initiatives which will generate future savings or revenue.

Whilst major savings initiatives must await the budget itself, the Government has decided to take significant revenue measures to improve revenue performance over that implied by the forward estimates. The Government has sought to balance the impact on the community of increasing taxes with the need to respond to the reduced level of funding from the Commonwealth and address the overall budget gap the ACT faces in 1993-94. Municipal rates and land tax contribute approximately \$100m, or about 20 per cent, of all revenues raised in the ACT. The new property values assessed by the Australian Valuation Office to apply in 1993-94 show very substantial changes from 1992-93. The total value of land has increased by 8.7 per cent, from \$7.57 billion to \$8.23 billion. Total residential property values increased by over 12 per cent, whilst commercial valuations fell by just over 7 per cent. No change in the current rate incorporated in the Rates and Land Tax Act would result in an average 8 per cent increase in rates payable in 1993-94.

The budget position of the ACT demands very hard decisions. Accordingly, the Government has decided to adjust the rate to limit the increase in general rates payable to 5 per cent. The rates bill for the average non-commercial property will increase by \$55, or 8.7 per cent. The rate for rural properties will continue to be set at half the general rate. The differing growth in valuations between the residential and commercial sectors will result in rates revenue from the commercial sector falling by 10.6 per cent. The shift in the rates burden reflects the continuing effect of the recession on commercial property values throughout Australia. The new rate will reduce the budget gap by \$2.9m in 1993-94.

The Government is conscious of the increasing rate burden being borne by the residential sector. To redress this increasing imbalance, the Government proposes the introduction of a progressive rate of land tax on a similar basis to that operating in all the States. The graduated scale would maintain at one per cent the current rate of land tax on all properties with an unimproved value of under \$100,000. For that part of land values between \$100,000 and \$200,000, the land tax rate will be increased to 1.25 per cent, and to 1.5 per cent for that part of the unimproved value over \$200,000. This measure will reduce the budget gap by a further \$6.1m in 1993-94. It will at the same time provide some equity in the tax burden borne by the residential and commercial sectors. It will also bring the ACT's revenue raising effort for land tax more into line with the States.

In addition to these increases in rates and land tax, Ministers will be arranging notification of a range of new fees and charges to apply from 1 July 1993. Amongst these, parking fines will be increased by 10 per cent overall, with a 100 per cent increase in the fine for unauthorised parking in disabled persons spaces. Motor registration fees will be increased by 3 per cent, in line with the CPI, with effect from 1 August 1993. New drivers licence fees are also proposed in order to align with the graduated licence scheme in New South Wales. ACTION bus fares are proposed to increase by 3 per cent. Overall, the new fees will raise an additional \$3.8m in 1993-94 compared to the forward estimates, which will broadly maintain real values.

These revenue measures are unavoidable. They reinforce the need for the utmost constraint on outlays. In this context, I expect the forthcoming budget to be the most difficult of all the budgets since self-government. The community cannot be expected to bear increased fees and taxes to maintain inefficient and low priority services. New spending initiatives will need to be supported by savings either within the program or across other programs. Similarly, areas of remaining inefficiency resulting from past work practices, duplication or overservicing will be curtailed, to avoid placing further burdens on the taxpayers.

The tax measures to be introduced today therefore must be seen in the context of the medium-term strategy the Government embarked on last year. This followed two Labor budgets which both made substantial inroads into the high cost of ACT services. The forthcoming budget will build on that base. Whilst I trust that the Commonwealth will provide special revenue assistance, as for other States in similar circumstances, the long-term requirement for the ACT is clear cut and unavoidable. The ACT must live within its means. This will require major changes to the scope and cost of services previously provided under Commonwealth administration. It will require significant changes in the community's expectations if the ACT is to avoid the high debt position which has proved disastrous in other States.

In conclusion, I commend the Rates and Land Tax (Amendment) Bill 1993 to the Assembly as an essential money Bill and an integral component of our difficult budget task. I realise that time is short for members to consider the Bill, and I repeat my offer of full briefings on this Bill. I present the explanatory memorandum for the Bill.

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

SUPPLY BILL 1993-94

Debate resumed from 20 May 1993, on motion by **Ms Follett**:

That this Bill be agreed to in principle.

MR KAINE (8.46): I think the Chief Minister, in introducing the Bill she has just tabled, has clearly indicated the dilemma the Government is in this year in terms of its revenues and expenditures. Under these circumstances, more than any other, the Government has an obligation to tell the taxpayer and the consumer of services out there what they can expect next year. It has been long suspected that

this was going to be a tough year. The Grants Commission recommendation has merely reinforced that, and we have not yet had one word from the Government to tell us how they are going to cope with next year's budget. The message seems to be: Keep them in the dark, tell them nothing, and they will not notice when the bills go up and the services are reduced.

I believe, and I have tried to emphasise this to the Government for some time as the nature of the problem has become more and more apparent, that there is a need for full and complete disclosure by this Government, so that everybody knows the nature of the problem and what they can expect to bear in order to bridge the gap. It should not be necessary, certainly with a government that claims to be a consultative government, to have to extract information from it almost under the effects of a full anaesthetic. You simply can get nothing out of them in response to questions, and they volunteer nothing.

Within the next two sitting days the Public Accounts Committee will be tabling a report on budget supplementation, and one of the things we will be highlighting is the inability of almost everybody to know how the Government is managing its budget. Even with the reports that are required to be tabled under the Audit Act and other legislation, it is impossible to set those reports down side by side with the original budget appropriated by this Assembly and find out what the Government is doing with the money. There is a total exercise that runs throughout the entire fiscal year where the Government obscures the facts. They are not prepared to tell us. They are not even prepared to tell this Assembly how they are managing. If you do not believe me, try asking the Minister for Health a couple of questions about how his budget is going.

Mr Berry: You get a good answer.

MR KAINE: We never get an answer from the Minister about what he is doing with the budget. Why is it that the Government seems to have embarked on a deliberate program of obfuscating the issue, denying people information about what they are doing with the taxpayers' money? Why can they not answer a simple question in question time? Why can they not table from time to time a report that tells us what is happening? No, that is not the way they work. If you do not believe me, have a look at the Supply Bill.

The Chief Minister tabled the Supply Bill three weeks ago, and she tabled it with what has to be one of the shortest speeches on record - less than a page in the proof copy of the *Hansard*. What is the bottom line of this Supply Bill? She is expecting the Assembly to approve \$643m, in round figures. Does the Government tell us what they want the money for? Absolutely not. Members may remember back a year ago, when the last one was tabled. The Treasurer tabled it with, again, almost the shortest speech on record. There was a little statement in the middle of it that led to some considerable debate. The Chief Minister then told us, and I quote from *Hansard* of Thursday, 21 May 1992, page 687:

The amounts for each program represent approximately five months' expenditure ...

If you go to the *Hansard* where we debated this, you will discover that I challenged the Government to tell me what it was. Five months' worth of what? Was it five months' worth on the basis of last month's expenditure or five months' worth of the expected expenditure in this current fiscal year? No matter how you did the sums, you could not come up with it being five-twelfths of anything.

This year the Chief Minister has got smart. Although the speech is almost verbatim from the one she used last year, the five months bit is left out. Now we do not even know, according to the Chief Minister, that it is supposed to be approximately five months' worth of expenditure. Let us do the same sort of analysis that I did last year. Just what does it represent? If you have a look at the Government's own forward estimate for this year, and I quote from last year's budget overview statement, their budget estimate for this year is \$1,216m, in round figures. That includes around \$12m provision carried forward, so the net appropriation for this fiscal year we are about to go into is somewhere around \$1,205m, according to their own forward estimates. That was before the Commonwealth was going to chop \$80m off and we got a few other little problems.

Ever since the year 1990, when I as Chief Minister and Treasurer introduced the concept of making a budget statement at about this time of the year, the Chief Minister has followed the fashion. This year she does not. What is her budget strategy this year? We do not know. The Government is sitting in their bunker up on the fifth floor in an absolute blue funk because they do not know how to bring in a budget that is going to be balanced, and even this close - in June, two months away from the time the budget is going to be on the table - they cannot or will not tell us how they propose to close this budget gap. Again, obfuscate the issue, do not tell anybody anything, keep it all under the table, and with a bit of luck it will all work out all right.

This year the amount sought in the Supply Bill is \$643m. Compare that with the \$1,205m that the forward estimates tell us we can expect. We know that it will be a bit more than that because that does not include new policy initiatives, although whether they are going to have any money to afford any new policy initiatives this year remains to be seen. The \$643m is well over half the estimated budget - not five-twelfths, not five months' worth, but well over half of any budget we can expect this Government to bring down this year. If it is supposed to cover just the expenditure until the Appropriation Bill is passed in November, why is it more than half the maximum expected budget that we can see the Government bringing down this year? Does the Government explain it? Not on your nelly, they do not. There is absolutely no explanation at all. We are supposed to take the Government on faith: "We need \$643m, but just give us the money and we will take care of it. We do not need to tell you what we want it for".

If you compare that with previous years, in 1991-92, when the budget was \$1,275m, the Supply Bill was only \$581m approximately. In the next year, 1992-93, the budget increased by \$20m; it went up to \$1,295m. But the Supply Bill went up by \$40m. It went up to \$619m approximately. This year, with the budget expected to drop considerably - and let us use the round figure of \$1,220m; it will be somewhere about that - what does the Supply Bill do? It goes up by another \$23m. So the budget is going down, but the Supply Bill is going up. Why?

Let us have a look at the figures that appear in the Supply Bill and compare them with last year's Supply Bill. If you run down the figures, most of them match up okay. Environment and conservation last year was \$15.4m; in the Supply Bill this year it is \$15.2m - a minor downward adjustment. It sounds all right. Mr Wood sounds like he is doing his job right. He has reduced his supply period expenditure marginally. Housing and community services is Mr Connolly's area. Last year it was \$45.5m; this year it is \$45.4m. It looks good, does it not? But then you get to public works and services. What is happening with public works and services? Last year the Supply Bill figure was \$101m; this year it is only \$75m. Something is going sadly wrong, is it not? Our public works and services expenditure in the five months period is going to drop by \$26m - by one-quarter.

Mr Connolly: I cannot get approval to build that courthouse.

MR KAINE: We will come to your capital works program in a minute, Mr Connolly. You cannot blame the courthouse for everything. When you get down to the hospital budget - Mr Berry should listen carefully - last year the Supply Bill estimate was \$105m; this year it is \$123m. So Mr Berry is going to spend \$18m more in the first five months of this year, by the Government's reckoning, than he did last year.

Now let us look at his capital budget, because that \$123m expenditure includes only \$800,000 - thousand, not million - of capital expenditure. This is in our health system. Lord knows what is happening with the hospital construction program. For five months they are not going to spend any money on it, presumably; yet his budget for the five months has gone up by \$18m. That \$18m represents a nearly 17 per cent increase in his supply money compared to last year. He is not spending it on capital, so now we know that his health budget is really blowing out. If you took last year's supply period and added to it a reasonable percentage of the \$10m blow-out that he has already presented this year - added a fair slice of the \$10m blow-out that he has already acknowledged this year - it still does not get you within a bull's roar of \$123m for the first five months. In other words, his health budget has blown out completely.

Otherwise, why does he not explain why he wants \$123m for the first five months? He has not given us one piece of information about why he needs it, and we are expected to take it at face value. I will not attack only Mr Berry for his poor management - - -

Mr Lamont: Well, you failed there.

MR KAINE: I have not done too badly. Can you explain the \$18m, because it is not in these papers? Of course, \$18m is nothing to you, Mr Lamont. Just give ACTION another \$18m; no problem. Your old TWU mates love you for it. Let us have a look at Mr Wood.

Mr Wood: You explain what a Supply Bill is, Mr Kaine. How about going back to taws?

MR KAINE: Mr Wood wants to debate me one to one, Madam Speaker. He will get his chance, I am sure. If you look at last year's Supply Bill for the whole education budget - the whole education budget covers the Institute of Technology, government and non-government schooling and higher education and training - the provision was \$144m. This year it is \$165m. Can you explain to me how a five-month budget for the Education Department can be \$165m? That means that your total annual budget is going to have to be about \$320m.

Mr Connolly: On the assumption that it is pro rata.

MR KAINE: Why do you not tell us that it is not pro rata? Why do you not explain to us why you need \$165m in the first five months? As always, you do not. You try to obfuscate the issues, do not tell us a thing, just give us a bottom line figure of \$643m, and you think we are mugs enough to buy it without asking you a question. Mr Wood, you have your chance. You explain to me why, with very little capital works program for the Education Department - very little, like Health; his is only \$800,000, yours is a little bit more, I have to concede - your recurrent budget for the first five months of the year is \$165m, or darn close to that.

Mr Wood: Pro rata, Mr Kaine? Check your dates.

MR KAINE: If it is pro rata, and you work it out on the basis of a full year, it is over \$320m.

Mr Wood: And you know that that ain't right, don't you?

MR KAINE: I do know that it is not right, and I would like you to tell me why you want \$165m for five months' worth of expenditure. That is your job. I am asking the questions. It is your job to answer them.

If we look at the individual items there, some of them seem to have gone right out of whack. As usual, the Government does not give us any explanation, and that is the point I am making. It may well be right that Mr Wood needs \$165m for five months' worth of education; but, if he needs it, why does he not tell us why? This is an absurdity, unless he has some damn good reasons. If you look at the bottom line of this document, no matter how you calculate the expected budget for this coming year, \$643m is over half what we would expect the budget to be, yet it is supposed to be for only a five-month period. Madam Speaker, I think I have made my point. I went through this last year.

Mr Lamont: Equally tediously, I might add.

MR KAINE: I challenged the Chief Minister to explain to me how she calculated it. She did not answer the questions last year, Mr Lamont. Go and read the *Hansard* and see what an unsatisfactory response we got last year. I suspect that you cannot answer it this year, yet you have the effrontery to put that sort of document before us and say, "Just give us \$643m". If you take the noughts off the end, \$643m does not sound much, does it? I would like the Government to tell us why they need this amount of money. I do not think they should assume that this year, given that we gave them a chance last year and they did not come to the party, they are necessarily going to get that amount of money in their Supply Bill without explaining it to us most satisfactorily and comprehensively - - -

Mr Connolly: Ooh! You are going to block supply.

MR KAINE: We can amend your Supply Bill. We do not have to deny you supply. We can give you \$230m and say, "Just get along with that until we decide whether you need any more". We are not obligated to give you every cent you ask for. We are not obligated to give it to you just because you ask. Oliver Twist asked for more and he did not get it, necessarily. We will have to start calling the Treasurer Oliver, I think.

To come back to where I started, it is incumbent upon this Government to start explaining to people what they are doing with their money. It is \$1.2 billion a year, in round figures, and has been ever since self-government. It is taxpayers' money. How about you start telling us what you are doing with it. Do not ask us to administer a full anaesthetic and to perform surgery to get this information out of you. We should not even have to ask. If you had any sense, when you put that Bill on the table you would give us a comprehensive statement of why you want it, not a 10-line statement. There it is - it is not even a full page, and that is double spaced.

Why do you not tell us what you want it for? Why do you not do us the courtesy of explaining to us why you want \$643m? If you did that, you would get a very courteous response. I am known for my courtesy. I am known for giving credit where credit is due. I have even told Mr Connolly that he is doing a good job once in a while. All you have to do is meet us halfway and we will not tell you that you are wrong and we will not tell you that you have not got it right. We will not even criticise you for not having a budget strategy if you tell us what you want to do with the money.

MS SZUTY (9.05): Madam Speaker, I intend to take a very similar line to that taken by Mr Kaine in his speech. I would like to ask the Chief Minister to address a number of issues in her speech in reply to this debate. The difference between the 1992-93 Supply Act appropriation and that for 1993-94 in this Bill is, as Mr Kaine pointed out, some \$23m, and the Assembly is entitled to ask the reasons for this increase in supply over a 12-month period.

It is even more interesting for me to note that the ACT Treasury has lost nearly \$2m on the amount it received last year in the Supply Act. The environment and conservation area of the Department of the Environment, Land and Planning is spending \$231,000 less. Again, as Mr Kaine has pointed out, housing and community services has tightened its belt to the tune of \$135,000; city services drops a massive \$4.75m; fire and emergency services loses \$610,000; public works and services, a large spending portfolio area, loses almost \$26m - about 25 per cent of last year's Supply Act allocation; and government corporate services is down \$300,000 on last year's Supply Act appropriation. I will be pleased to hear from the Chief Minister how and why these changes have come about and where the savings have been made.

I note also that the Treasurer's Advance has risen by some 50 per cent. The Chief Minister may also wish to explain this further. One of the big winners in this year's Supply Bill, accounting for about 25 per cent of the Supply Bill's increased appropriation from Consolidated Revenue, is the capital allocation for corporate development for the Department of Urban Services - an amount of \$5.85m, which must surely equate to some major overhaul of technology in the department. I would be interested to hear what type of improvements are being made in the department and over what time period the department is looking at recouping this capital expenditure.

I look forward to hearing the Chief Minister's explanation on the areas of change from last year's Supply Act to the 1993-94 Bill. Such an explanation will give the Government an opportunity to place before the community more information about government priorities and programs. In building the reputation of the Assembly as a parliament which is fiscally responsible and which is able to justify its spending priorities, it is important to make the maximum effort to ensure that the ACT community also understands these priorities. In conclusion, I would like to say that I take pleasure in supporting the Government's 1993-94 Supply Bill, once again renewing the pledge I made to the electorate before the 1992 election to guarantee stable government by guaranteeing passage of the Supply Bill.

MS FOLLETT (Chief Minister and Treasurer) (9.08), in reply: I thank members for the comments they have made on the Supply Bill. Can I say at the outset that I believe that my speech introducing the Supply Bill is about the same length as Mr DUBY's at the time he was Mr KAINE's Minister for Finance. In 1991, when he introduced the Supply Bill, it was also a very brief statement. They have traditionally been quite brief statements.

I would like to address the issues that members have raised. On the general question of why the estimates for some programs are more in 1993-94 supply and for some programs are less, the supply estimates are based on the Government's policies that exist at the time the Supply Bill is drawn up. Therefore, it is really not appropriate to compare supply estimates in one year with those for another year. When preparing their supply estimates, all agencies actually have regard to the cash requirements for each program, taking into account the most up-to-date forward estimates that are available to them. This includes policy changes that were announced in the budget after the previous year's supply was introduced and passed and policy changes that have been made since the budget and forward estimates were actually published.

Agencies also take into account the timing of payments in developing the supply estimates, and that is a big factor for this current Supply Bill. As program managers are dealing with a wide variety of contractual arrangements, changes in payment arrangements can be expected from one year to the next. Other timing issues such as the delivery dates of major items of equipment cause the supply estimates to differ from one year to the next. For example, the scheduling of delivery dates for the bus replacement program has resulted in a capital cash requirement of \$7.9m for public transport in 1993-94, which compares to \$5.3m in 1992-93. That is a timing issue.

In addition, each budget and forward estimates has a number of one-off payments which fall due for payment during the supply period. An example of this is the capital works, for which \$70m is provided in the 1993-94 Supply Bill compared to \$92m in the 1992-93 Supply Act. That reflects the impact of the accelerated capital works program which the Government adopted last year. Many programs have been allocated funding for 13 pays, given that the first payday falls on 1 July 1993. We should bear in mind that this is a 27-pay year. Normally there would be an expectation of 12 pays in supply; this year there are 13.

As the supply estimates are prepared on current policy, the decisions made in the budget will impact on the supply estimates as well. These include decisions to devolve functions from a central program to a number of other programs. It is just not possible to do a reconciliation between supply estimates from one year to the next. Rather, it would be possible, but it would be an extraordinarily labour-intensive exercise, and I think it would assume that the changes reflected changes in government policy.

I would like to address a couple of other issues that members have raised. First of all, Mr Kaine referred to the supply figure being five-twelfths. I did not refer to its being five-twelfths, nor has any previous Supply Bill put forward by my Government. It is an approximation, and I think it is quite incorrect to attempt to extrapolate information from the Supply Bill into a full-year picture, because there are variables. I have been through some of them and I will go through some more. The Supply Bill does provide for expenditure for the interim period between the commencement of the financial year and the passage of the Appropriation Bill, which traditionally in this Assembly has been in November, usually fairly late in November. So the amount specified for each program provides for expenditure in that period, in accordance with existing policies.

In this year's Supply Bill, in addition to the matters I have outlined, there are some other funding issues to which I would draw members' attention. There is, as I said, provision for salary expenditure for 13 pays. We have also included in supply the full-year payments for all Comcare premiums. We have included the full amount for payment of the 1992-93 prisons bill for ACT offenders who are held in New South Wales prisons. We have included the full-year provision for expected expenditures on redundancy payments. We have included the full payment of the outstanding amount for the purchase of Macarthur House. That is the item referred to under "Corporate Development for the Department of Urban Services" that Ms Szuty raised.

In addition, expenditure for the capital works program is skewed towards the first half of the financial year, and that is, again, as a result of contractual commitments. Funding for the remainder of non-salaries areas of expenditure has generally been provided for anticipated costs for the first five months of the year; that is, they are anticipated on a current policy basis. There has been no provision made for policy changes, and that is the usual practice. Even Mr Duby did that. Policy and other changes will, of course, be addressed in the formulation of the budget.

Mr Kaine addressed a couple of other issues. First of all, should the supply figure be extrapolated out? No, it should not, and I have addressed that in all of the remarks I have made. There are special arrangements, special contractual timing issues, that are addressed in supply and which mean that you cannot just extrapolate the supply figure, call it five-twelfths of the total figure, and come to some other full-year figure. That does not work. Mr Kaine also asked about health. The changes in the health supply figures in the schedule indicate the change of administrative arrangements for the Department of Health. As members will recall, Health's own bank account has been closed and now, rather than netting off their revenue as occurred in previous years, their revenue goes to Consolidated Revenue. So the Supply Bill has to provide to them the full amount of anticipated expenditure for the period. There is also the question of capital. The health capital costs actually come out of the public works and services amount, which is some \$70m in the schedule; so that explains that one.

Mr Kaine asked also about education. The twenty-seventh pay is an issue for education, and also the fact that the first pay is due on 1 July 1993. The education amount also includes some increased Commonwealth payments by way of specific purpose payments. Under the Canberra Institute of Technology there is a capital amount which is considerable. That is a provision for expenditure on the international hotel school. It is a provision; we are not sure whether that amount will be required in the supply period or not, but we have made provision for it.

Madam Speaker, I think those are the major issues that the two speakers have raised. I do not agree with Mr Kaine that the budget is not open to scrutiny. Of all parliaments, this one has had probably more open budget processes and more scrutiny than any other I know of. Certainly, with the Estimates Committee processes, with the tabling of financial reports on a quarterly basis, with Treasurer's reports and so on, there is a lot of opportunity for members to query how the budget is going. I take Mr Kaine's point that at this stage of the year the next opportunity for members to scrutinise these matters will be after the close-off of this budget, when we get our end of year figures and work out exactly how everybody did go in the budget sense. We are very close to that point now and, again, members will have the opportunity, through the estimates process, to scrutinise all of those expenditure areas. I am sure that they will take up that opportunity with vigour, as they have done in the past.

I commend the Supply Bill to the Assembly. I will take on board members' comments about providing more information in the future. I think that is a matter that could well be considered. I take their point that, where there are major variations, it might be worth a comment in the introduction.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

BETTING (TOTALIZATOR ADMINISTRATION) (AMENDMENT) BILL 1993

Debate resumed from 20 May 1993, on motion by **Mr Berry**:

That this Bill be agreed to in principle.

MR DE DOMENICO (9.18): Madam Speaker, let me say from the outset that the Opposition will be opposing this Bill. We will be opposing it most vehemently because, to sum it up in a few short words, "If it ain't broke, don't fix it". It is not broke. I do not know why Mr Berry has his cotton-picking fingers mixed up in this; he should leave it alone.

Let me give some background first, Madam Speaker. On 13 December 1990 the Gaming and Liquor Authority of the ACT was abolished. The totalisator function previously carried on by the authority was transferred to a new entity called ACTTAB Ltd, and a public company incorporated under the corporations law.

Mr Kaine: A very good decision, too; a first-rate decision.

MR DE DOMENICO: Mr Kaine, I agree. That was a very good decision, a first-rate decision made by a first-rate Liberal Party section of an Alliance government. A package of legislation was passed which, in effect, created ACTTAB Ltd as the first Territory owned corporation pursuant to the Territory Owned Corporations Act. The philosophy behind the creation of TOCs was efficiency, profitability and enhanced revenue generation. I will repeat that for those who did not listen. The philosophy behind the creation of the Territory owned corporation was efficiency, profitability and enhanced revenue generation.

It was emphasised by the then Chief Minister, Mr Kaine, when he introduced the Bills, that Territory owned corporations were about corporatisation in the interests of efficiency, not about privatisation. Corporatisation was about efficiency, not about privatisation. The concept of the accountability of Territory owned corporations to the Legislative Assembly was not abandoned. It was not abandoned at all. Territory owned corporations generally were to be accountable to the Commonwealth as corporations regulated by the corporations law and to the Legislative Assembly pursuant to the Territory owned corporations law. So there were two ways of being accountable: To the Commonwealth through the Companies Act, in other words, and to the Assembly, through the Territory owned corporations law. In addition, Madam Speaker, to its accountability as a corporation, ACTTAB was specifically made accountable to the Assembly by its memorandum and articles, the Territory Owned Corporations Act and the betting Act. So there are five ways in which ACTTAB Ltd is accountable.

Mr Berry puts forward as his rationale for decorporatising ACTTAB the following:

... I believe that the current legislative framework limits the Government's ability to exercise a more positive role in ACTTAB's operations. For the Government to have more direct involvement and responsibility for ACTTAB's operations, the most appropriate structure is for ACTTAB to operate as a statutory authority.

That is what Mr Berry said in his ministerial statement to this Assembly on 15 December 1992. Mr Berry went on, though, and I will quote him once again. On 8 January 1993 he wrote a letter to the *Canberra Times* in which he said:

Given the importance of the racing industry and the amount of income generated, it is a high priority for the Government to ensure that the ACTTAB functions in a manner which achieves the maximum benefit to the Government, the racing industry and the people of the ACT.

He went on to say:

The proposed change is one of accountability under machinery of government arrangements ... The major change is that the Government and the Assembly, as the ACT's elected representatives, will have a closer role in the management of the ACTTAB.

In the presentation speech for this Bill on 20 May he said:

The measures provided for in the legislation will provide for greater accountability of ACTTAB operations.

Mr Berry argues that decorporatisation will increase accountability and maximise revenue. I will deal with these arguments separately. Let us have a look at accountability. A comparison of the measures of accountability, before and after the Bill if it happens to get through, can go this way. Right now, before the changes that Mr Berry wants to promote, ACTTAB is a public company. The board are accountable as directors under the corporations law and the latest law on directors' duties. Under a statutory authority, though, the board is not accountable under the corporations law. That is a matter of fact.

Let us have a look at some other areas. Right now, under the current situation, the company is accountable under the corporations law and the Territory Owned Corporations Act to prepare and table a statement of corporate intent. Under Mr Berry's proposed situation, as I said before, it will not be accountable under the corporations law; there will be no requirement to file a statement of corporate intent; it will not be liable to pay taxation to the ACT Government. As it is currently constituted, it is liable to audit; it has to present an annual report; it is liable to pay taxation to the ACT Government at the corporate rate; and it is subject to direction from the shareholders. That is in section 17 of the Territory Owned Corporations Act.

Who are the shareholders, Madam Speaker? There are only two shareholders, and they happen to be - surprise, surprise - the Chief Minister, Ms Follett, and the Deputy Chief Minister and Minister for Sport, Mr Berry. So the situation is this: There are two shareholders in this company - the Chief Minister and the Deputy Chief Minister - and, if the two directors want the TAB to bet on cockroach races in Manangatang, that is what the TAB has to do, because it is now subject to the direction of the two directors. There are only two directors, as I said before - the Chief Minister and the Deputy Chief Minister. Both of those Ministers are eminently accountable to this Assembly, notwithstanding what they do, because they are elected members of this group. For Mr Berry to stand up here in this room and try to convince us that he wants more accountability is utter nonsense.

Let us have a look at the revenue side. Mr Berry seems to think that if ACTTAB is decorporatised this will maximise the revenue earning potential of ACTTAB. This argument will not stand examination, Madam Speaker. ACTTAB's last filed statement of corporate intent shows that ACTTAB achieved a profit ratio of 10.8 per cent on turnover. That is not too bad for times as tough as these. In other words, Madam Speaker, for every \$100 bet, \$10.80 was distributed to the Government and the racing industry in that year. This amount does not include retained profits or reserves, which at 30 June 1992 amounted to \$12.6m. If you want to see the figures, let us look at the ACTTAB Ltd annual report for 1991-92. Cash reserves held by ACTTAB from profits previously made amounted to somewhere around \$5.3m. So, Madam Speaker, ACTTAB as a corporation has been able to sustain high levels of turnoff without having recourse to its reserves. In the 1992 financial year the total amount payable for distribution from a turnover of \$85m was almost \$10m.

Mr Kaine: The Minister will soon have his hands on that \$17m of reserves.

MR DE DOMENICO: That is right, Mr Kaine. That is why we on this side of the house are worried stiff - and so should members opposite be, by the way. Madam Speaker, this is not an indication that ACTTAB needs fixing by applying more governmental control. On the contrary, it is an indication that ACTTAB is operating efficiently and effectively without day-to-day fetters upon its activities. So on the two bases that Mr Berry puts up, accountability and revenue, his arguments are not sustainable. One thinks, "Why, then, does Mr Berry want to put his hands on ACTTAB?".

Mr Kaine: Because he wants the \$17m to balance next year's budget.

MR DE DOMENICO: That might be right, Mr Kaine. Let us look at the politics of the situation. If we did not look at the politics we would be remiss. Let me suggest this scenario: Why should Mr Berry want to touch ACTTAB if he did not make some sort of political promise to someone? We know what faction Mr Berry comes from. Mr Berry, we know, has this philosophical bent that precludes him from saying that anything that is corporatised is doing a good job. He has this block in the mind; that just because it has been run efficiently and profitably by a private-enterprise-type scheme it is no good. Well, the figures belie this belief.

I call this Bill, Madam Speaker, the Simon and Garfunkel Bill - "Now here's to you, Mrs Robinson" - because it seems to me that the only person in this town who wants anything like this Bill to go through happens to be someone who is advising Mr Berry from time to time. One might think that perhaps that is one way of getting onto the National Executive of the Labor Party; or perhaps Mr Berry is proving his machismo to the left wing that supports him by saying, "Listen, we will get this Bill through by hook or by crook". I am told, by the way, Madam Speaker, that even the Chief Minister had reservations about this Bill, but Mr Berry assured her of support from various Independents, and here we are debating it tonight. How do we know that? A lot of things leak to us from time to time.

Talking of leaks, Madam Speaker, it is interesting that from time to time members of this Government stand up and talk about that wonderful word "consultation". They consult with everybody; it is all hunky-dory; they are loved by everybody out there in the community. Let us have a look at what Mr Berry said in his Cabinet submission on this Bill. I quote paragraph 18 under the heading "Consultation". Whom did Mr Berry consult? He went into the Cabinet meeting and told his colleagues this - - -

Mr Berry: I am sorry; 19, Tony, on that one.

MR DE DOMENICO: No, 18. Paragraph 18 says that he consulted with the ACT Treasury, the Chief Minister's Department and the Government Solicitor's Office. Mr Berry, for your edification - it is your Cabinet submission - paragraph 19 says:

There has been no consultation with the racing industry including the ACTTAB.

Mr Berry: How long ago?

MR DE DOMENICO: It does not matter how long ago it was. This is the Cabinet submission that you took into Cabinet, saying, "We need to change the world. This is why". Whom did you talk to, Mr Berry? He said that he talked to the Treasury and the Chief Minister's Department, but he did not talk to the racing industry or the TAB. If this is not about racing and the TAB, Mr Berry, I do not know what it is about.

Let us look at consultation again. Mr Berry, gung ho, macho and all that left-wing stuff, says, "Gee, I am good; I have the numbers on this one". Obviously you would think that the racing industry is in agreement, as are the trots, the greyhounds, the TAB owners and licensees; that everybody is in agreement and that is why he has come in here to pass this legislation. That is not so. I can now quote from another document, of 11 December 1992, a letter signed by Mr Bartley, deputy chairman of the ACT Racing Club Incorporated, a Mr Cooper, the president of the Canberra Harness Racing Club Incorporated, and Mr Manwaring, the chairman of the Canberra Greyhound Club. For the purposes of the record, Madam Speaker, I quote from this letter. It says:

Dear Mr Berry,

Members of the ACT Racing Industry are alarmed at the statement in today's *Canberra Times* that the Government now proposes to change the structure of the ACT TAB after only two years of operation as a Territory owned corporation. In this very short period ACT TAB Ltd has, notwithstanding the current economic recession, made many improvements for customers and has increased TAB turnover. Notwithstanding the introduction of the Casino from 14 November, TAB turnover has (although marginally) increased, the reverse to what has occurred in other states following the introduction of a casino where the circumstances were similar.

Mr Lamont: What has happened in the intervening six months, Minister?

MR DE DOMENICO: You will have a chance to reply to this later, Mr Lamont. I continue to quote:

The racing industry in the ACT is almost wholly dependent on the successful operation of the TAB and any suggestion that the present successfully operated organisation be summarily changed, -

these are the operative words, Madam Speaker -

and without consultation with the industry, is unacceptable. TAB turnover provides the lifeblood of the industry and the employment and the livelihood of a large number of - - -

Debate interrupted.

15 June 1993

ADJOURNMENT

MADAM SPEAKER: Order! It being 9.30 pm, I propose the question:

That the Assembly do now adjourn.

Mr Berry: I require the question to be put forthwith without debate.

Question resolved in the negative.

BETTING (TOTALIZATOR ADMINISTRATION) (AMENDMENT) BILL 1993

Debate resumed.

MR DE DOMENICO: As we can see, Madam Speaker, there was no consultation with anybody. Mr Berry might stand up and say, "Listen, that was on 11 December. A lot has happened since that time". That is not true. I believe that even as late as last week, Mr Berry, the same organisations that wrote to you then wrote to you in a similar vein saying, "Listen - - -

Mr Berry: And I have written back to them.

MR DE DOMENICO: You have written back? At least this time you have given them the courtesy of your response. Well done, Mr Minister. Let me also say, Mr Berry, that when you presented some amendments this afternoon we had a look at them. Once again, consultation. A phone call was made to various people representing those industries this afternoon. You said, "Drag them into the Secretary of DELP's office this afternoon because we will consult". This is after the event has happened.

Mr Humphries: This afternoon?

MR DE DOMENICO: Yes, this afternoon, Mr Humphries, at five o'clock. At five o'clock he summoned them into the secretary's office. He does not do his own dirty work; he gets the public servant to do it. Then he says, "Listen, this is what consultation is all about". How dare you! What a shameful thing it is to say that that is consultation. It is not so, Mr Berry. So one wonders why you want to change the TAB? As you know, Madam Speaker, we will be moving a motion later. We think this Bill should not go ahead tonight because there has been no consultation with anybody else. I will let the Assembly know that when the Bill is agreed to in principle I will be moving that it be referred to an Assembly committee.

Mr Lamont: Which committee?

MR DE DOMENICO: Let us have a look at the motives behind this change to the TAB. Just wait and see, Mr Lamont. Patience is a virtue, let me tell you. Why are we doing this? Perhaps Mr Berry said to himself, "If I appoint some of the people I want to appoint under the current structure they are going to have to have some sort of expertise in business. Under the Companies Act you have to

appoint people who know what they are talking about when you are running an \$85m enterprise". That is what it means to the people of the ACT. Now you can appoint anybody you like. It has nothing to do with the Corporations Act any more; you can appoint anybody you like and therefore in come those people that Mr Berry is very friendly with and perhaps wants to appoint.

Let me also say, Mr Berry, that, should we happen to be unsuccessful in our move to refer this Bill to a committee, we will be moving an amendment to suggest that any appointments made by you to this board of the TAB, or as chief executive, ought to be disallowable by this Assembly. To be quite frank with you, Mr Berry, we do not trust your judgment in the way you appoint people. It is not only just us, because I can - - -

Mr Berry: Not even to my personal staff, by the sound of it.

MR DE DOMENICO: No, that is right. I can state what the *Canberra Times* said in its editorial on 8 January. It said:

One could, therefore, only speculate as to Mr Berry's real motives. As a corporation, appointments to the board and the executive must be made on business merit. If it were a statutory authority Mr Berry would have a wider class of people to choose from - namely anyone. Once before, Mr Berry made an appointment to a body that caused considerable unease among the professionals involved.

I am sure that Mrs Carnell will recall that. It was an appointment to the Pharmacists Board. With that track record, people in the racing industry are rightly fearful of appointments Mr Berry might make to a TAB constituted as a statutory authority. Not only people in the racing industry are fearful, Mr Berry, I am suggesting. People who happen to run TABs throughout the suburbs in the ACT are also. Let me also tell you, in case you have not spoken to them, that they also are against what you are trying to do. It is not only for those reasons that we are opposing this Bill.

Let us have a look at some of the other matters, Madam Speaker. Apparently it has been suggested that ACTTAB Ltd be converted - God help us - not back to its usual statutory authority structure but to a corporate sole structure without a board, responsible directly to a Minister and subject to the Public Service Act.

Mr Berry: Who suggested that?

MR DE DOMENICO: Who suggested that? I am glad that you asked that question. Let me refer to another "Cabinet in Confidence" document, Mr Berry. I will not mention the name of the person who suggested that, but there it is.

Ms Follett: It is not quality stuff.

MR DE DOMENICO: It is quality stuff, because they are your own documents, Ms Follett.

Mr Berry: We might have them tabled.

MR DE DOMENICO: You can have them tabled. I was expecting that anyway.

15 June 1993

Mr Berry: You will not mention the name. We might as well have a look.

MR DE DOMENICO: Okay, I will, after I have finished. I will mention the name if you like. It was a Mr Peter Burnett, assistant secretary, Management Improvement Branch. This is dated 20 November 1992 and it says this at point No. 3:

More detail is necessary on the form of a new authority and the transitional arrangements which will be required. A threshold issue needs to be addressed, however, if a shift to a statutory authority is to be proposed. That issue is whether it is necessary to continue with a Board overseeing the management of ACTTAB. The contribution of the Board to the performance of the TAB, particularly in achieving returns to the Government, relative to the costs of having such a Board warrants critical appraisal.

It goes on and point No. 4 says:

In particular, there is the possibility that Boards are liable to capture by industry interests at the expense of the broader community interest. There has been some indications of this in the draft ACTTAB Statement of Corporate Intent 1992-5 where the primary objective stated was to increase turnover.

As if it is a sin to increase turnover to the people of the ACT, for heaven's sake. It continues:

This benefits the racing clubs but at the expense of returns to the Government which are based on profits.

Mr Kaine: Heaven forbid any management improvement that would increase turnover.

MR DE DOMENICO: That is right. It goes on to say:

Tighter ministerial control and redirection of resources in the best interests of the community in general could be achieved without the need for a Board.

So here is another confidential Cabinet document saying, "Once we appoint this board you can get rid of it. Get rid of it and let it report directly to Mr Berry". I will table that, Madam Speaker, with the approval of the Assembly, of course.

Leave granted.

MR DE DOMENICO: Let us talk about another issue that Mr Berry is interested in, the industrial relations area. Look at ACTTAB Ltd. It has its own industrial agreement, Madam Speaker, negotiated with the Federated Clerks Union, which is based upon conditions applying in other Australian TABs. Mr Berry is all in favour of mirror agreements. We actually mirror the agreements put into place in other Australian TABs. The agreement has been in place for many years, as Mr Berry is well aware, and has the support of the company itself, ACTTAB Ltd, the staff, and the union, as an appropriate basis for TAB employment.

So we have the perfect enterprise bargain. The staff say that it is okay; the employer says that it is okay. The only two people who happen to disagree with this are the two shareholders, namely, Ms Follett and Mr Berry. Everybody else is happy. But blow that; don't you worry about that. Just because everybody is happy, it does not mean that we have to agree with you.

I could go on and on. There is morale and the public perception of the thing. Morale in the ACTTAB is very low. Wastage is another thing. We have spent a lot of money to make it into a corporation. We spend more money now to take it back into the dark ages. Why? Because of some ideological bent of Mr Berry's. Madam Speaker, the Liberal Party will not be supporting this piece of legislation. It is not good legislation. It is not needed. Every resident of the ACT, whether interested in racing and gambling or not, Madam Speaker, has an interest in the efficient running of the ACTTAB. It must be in a position to respond quickly to competition. It can do this far more effectively as a corporation than under the dead hand of ministerial control and public service procedures.

MR BERRY (Minister for Health, Minister for Industrial Relations and Minister for Sport) (9.38), in reply: Thank you, Madam Speaker, for the opportunity to talk on this issue. Mr De Domenico said this on 25 February, among other things:

That is, ACTTAB should remain as a Territory owned corporation which it is now, or, better still, as recommended by the professional advice sought by her Under Treasurer, she should accept the advice and privatise it.

Mr De Domenico was not the only one who was thinking about that, it appears. This Government wants to make it very clear to the community out there that ACTTAB is not for sale. It is not for sale, and the Government's actions are about making sure that the punters' interests are secured. There was not one expression of interest about the punters' interests by Mr De Domenico. We are making sure that the community's interests are secured and, of course, that the racing industry's interests are secured. That cannot be done, Madam Speaker, by selling 50 per cent of it, as was proposed, or, as was proposed by Mr De Domenico, selling all of it.

Mr De Domenico: I take a point of order, Madam Speaker.

MADAM SPEAKER: Yes, Mr De Domenico?

MR BERRY: Not a point of order, I do not think, young fellow. You might as well sit down.

Mr De Domenico: Madam Speaker, I am assuming that you are still the Speaker and that Mr Berry does not respond to points of order. Madam Speaker, Mr Berry suggested that I said, "Sell all of it". I do not believe that I said that, Madam Speaker, and I ask Mr Berry to - - -

MR BERRY: Madam Speaker, I quote from *Hansard*, page 524:

... she should accept the advice and privatise it.

15 June 1993

I suggest that that means all of it. There is some more misinformation which has been attempted by Mr De Domenico in relation to this. He talked at length, Madam Speaker. He used other words, but he probably meant jobs for the boys and girls. If he had taken a look at the legislation, it becomes very clear. Of course, he would not want to read it, because the truth hurts in some of these matters.

The Bill states:

A member shall be a person having appropriate qualifications and experience having regard to the functions of the Board.

This legislation, Madam Speaker, makes it very clear that it is a requirement for the Government to ensure that people with suitable qualifications are put in place to make sure that this board is managed properly. Mr De Domenico, of course, also casts slurs on other people around the Assembly. I noticed in particular that he drew attention to the Pharmacists Board. I would not draw attention to that because your leader bears a great deal of shame about this disgraceful event. One of her colleagues, a pharmacist in this town, properly qualified, who nominated and accepted appointment to the Pharmacists Board, was defamed, Madam Speaker, by the Liberals and in fact never worked in pharmacy in this town after the representative for pharmacies got at him. Let us make a few things clear.

Mrs Carnell: I did not say one word.

MR BERRY: What about the ring-around, Mrs Carnell? Do not deny it. I think we need to point out the lengths to which some people opposite will go to attack individuals who might seek to take on public jobs which are of benefit to the community. That is why, Madam Speaker, I raise with you Mr De Domenico's comments about appointment to the board. He also raved on about the Government having some sort of hidden agenda which would lead us to some other sort of management structure which would delete the board. I say to you, Mr De Domenico, that you are trying to pull somebody's leg. It did not work on me. The Bill makes clear the Government's intentions - a board, and a board with qualifications. So let us have no more misleading statements which are intended to cause instability out there in the community.

Madam Speaker, I also read with interest a letter which was sent to me today. I have to say that you will have to watch this space because I see that Mr De Domenico is the man in charge of the Liberals. Mrs Carnell is running a very bad second here at the moment. So the war is not yet over, Mr De Domenico.

Mr Humphries: No, she is on the right, the superior position.

Mr De Domenico: She is on the right, the superior position on the right.

MADAM SPEAKER: Order, please!

MR BERRY: Watch this space. Tony has not forgotten yet. He went on and he did mention in his speech that there had been insufficient community consultation, notwithstanding the fact that he drew it to our attention that the matter has been around for at least eight months, according to the so-called leaked Cabinet submission which he says he has in front of him, and that the

matter was drawn to the attention of the Canberra community in December last year. So it has been around for a long time. There has been a great deal of consultation on the part of those who are interested in the matter, but I would have to say that there has not actually been a line of people trying to get in my door to say that they disagree.

Mr De Domenico: That is not true.

MADAM SPEAKER: Could we have some order, please!

MR BERRY: The racing clubs have written to me and have said that they disagree. I accept that they disagree, and I accept that they will never agree. I can accept that they will never agree.

Mrs Carnell: So who agrees?

MR BERRY: One hundred per cent of the shareholders agree. Let us reflect on this ridiculous situation. The shareholders, the Chief Minister and I, were each handed a cheque from ACTTAB for \$60,000, made out to us personally. What a silly thing to happen in a government controlled - - -

Mrs Carnell: Why? What did you do with it?

MR BERRY: It was nonsense, and dangerous as well. Of course, it was given to Treasury. But what a stupid thing to have happening in an institution which is a monopoly in the Territory. Madam Speaker, that sort of stupidity will stop with this legislation.

The Betting (Totalizator Administration) (Amendment) Bill will establish the ACTTAB as a statutory body operating on a similar basis to all other TABs throughout Australia. We know, or we hear, that the Victorian Government is interested in considering selling off certain parts of its TAB, as are Western Australia and New South Wales. Who wants to be like any of them? Who wants to be like Western Australia, selling the silver? Who wants to be like Victoria, selling off the family silver? Who wants to be in the trouble that New South Wales is in? Who wants to be a Liberal? All they are interested in is selling off the profitable parts of government instrumentalities to their mates. There is no question about it. It is clear.

Madam Speaker, the Alliance Government made the ACTTAB into a Territory owned corporation, as has been said. The ACT was the only State or Territory to take this step towards privatisation of an organisation with such a high turnover. Mr De Domenico has already tabled a letter which set out a proposed deal to sell off 50 per cent of it, a deal conjured up by people interested in selling off part of the Territory owned body. Madam Speaker, this is an organisation with a high turnover - \$85.8m last financial year. Since the Liberals have taken over office in Western Australia and Victoria, all of a sudden there is this abiding interest in selling off the family silver. Well, this Government is not interested - - -

Mr Cornwell: That is because the Labor Party ran up so many debts.

MR BERRY: Well, we have not. We do not have to sell our family silver.

Mr De Domenico: No-one is selling anything.

15 June 1993

MR BERRY: Mr De Domenico reckons that it ought to be privatised, and so do some other people.

Mrs Carnell: Who?

MR BERRY: Mr De Domenico tabled the letter himself. It is dated 30 September and is signed by somebody by the name of Frank Burke. I do not know who was behind this proposal to - - -

Ms Follett: Someone called Draft?

MR BERRY: Yes, that is the draft letter. I do not know who was behind this particular proposal, but it was somebody who did not have the approval of the shareholders, I can tell you. The change to a statutory authority will ensure that those concerns which I have talked about will no longer be concerns well into the future. It will also mean greater accountability to the Government and to the Assembly in that the Bill requires all directions given by the Minister to be tabled in the Assembly and reported on in the ACTTAB annual report. I should point out to you, Mr De Domenico, that ACTTAB is not currently subject to the Audit Act. The amendments will make ACTTAB subject to the Audit Act. The Bill will also require ACTTAB to make quarterly reports to the Government. ACTTAB will now be accountable to the ACT Government and this Assembly. These provisions ensure that the elected representatives of the people of the ACT can have access to the Government's directions to ACTTAB, with an explanation of how these directions have been effected. That makes it clear.

There will be improved reporting to the ACT community on ACTTAB operations. The Bill provides for quarterly reports to the Minister, together with an annual report. ACTTAB will report under the provisions of the Audit Act 1989, as I have already said. The Bill also requires ACTTAB to seek ministerial approval to enter into contracts in excess of \$250,000. I would have to say that with ministerial control of this issue nobody will be going out there talking about privatisation of ACTTAB. It just will not happen. There will be no speculation about this issue. There will be no destabilising of ACTTAB in the ACT by people who wish to secure these privatisation aims. That sort of destabilisation will not occur. In fact, that very act caused this Government to take very swift action and kick the legs out from under it. We have to have a stable environment for the TAB to operate here in the ACT. Mr De Domenico seems to be doing everything he can to undermine it.

The Minister will also consult with the board in determining what part of any operating surplus in the financial year shall be paid to the Territory. Apart from the improved reporting mechanisms, there are a number of other changes to the management of ACTTAB. As it will no longer be a company, ACTTAB will no longer be directed by shareholders. The relevant portfolio Minister will be the Minister responsible for ACTTAB operations. Directors of the board will be appointed by the Minister, and the chair and the deputy chair of the board will also be appointed by the Minister. Currently the board appoints those positions. So they will be more accountable to the Government and to this Assembly. The Minister will also appoint the chief executive officer, in consultation with the board. The chief executive officer is currently appointed by the board.

Madam Speaker, the legislation allows for ACTTAB to provide the same level of service to its clients in the racing industry. It will be business as usual. There will be no noticeable change. All staff of ACTTAB and assets and liabilities will transfer to the new authority under existing conditions. The new arrangements for ACTTAB are directed at ensuring better accountability and control while maintaining the current standard of service to its clients and racing codes. Madam Speaker, in making it clear that ACTTAB will be more accountable to the Government and to this Assembly, of course we have to take note of an amendment which has been circulated by Mr Moore. I will come back to it later on, in the detail stage, but it talks about disallowable instruments - - -

Mr Moore: No. It is Mr De Domenico's amendment.

Mr De Domenico: It is my amendment, in fact.

MR BERRY: I am sorry. It talks about disallowable instruments in relation to appointments - - -

Mr Moore: It was distributed by Mr De Domenico.

MR BERRY: I apologise. It talks about disallowable instruments in relation to appointments to the various boards. We just heard Mr De Domenico launch into individuals in this place, and I expect that that is behind the amendment which he has proposed. As I have said, we will need to come back to that issue. Whilst the Government wants to make sure that the board is more accountable to the Assembly, under Mr De Domenico's system I will bet that he will still want the Government to take the blame for the actions of the board.

Madam Speaker, this proposal from the Government does what I have said that it will do. It will ensure that stability is restored to ACTTAB. It will ensure that the community is very clear on the ownership of the TAB.

Ms Follett: Do you want an extension?

MR BERRY: I do not need one. I could go on for ages.

Mr De Domenico: Sit down, then.

MR BERRY: And I can do it once or twice. It also ensures that the racing industry, as I have told them in writing, will continue to be supported by the Government and the TAB.

MADAM SPEAKER: Your time has expired, Mr Berry. The debate has concluded, has it not?

Mr Cornwell: No.

MADAM SPEAKER: Mr Berry responded. Seek leave, Mr Cornwell.

15 June 1993

MR CORNWELL (9.54): I seek leave to speak.

Leave granted.

MR CORNWELL: Thank you, Madam Speaker. I think it is important to bring us back to the debate. The real question that we are looking at this evening is consultation. It is very obvious that this Government has failed to consult in relation to this legislation with any of the people who are directly involved. The lack of consultation must therefore lead inevitably to a lack of confidence in what this Government is doing in relation to this legislation. It stands to reason. Indeed, there is plenty of evidence to indicate that there is considerable confusion in what the Government is planning to do.

Mr Berry: Rubbish!

MR CORNWELL: All right. I will just pause here, Mr Berry. We might have a look at some of the confusion. First of all, on 15 December 1992 Mr Berry made a ministerial statement on racing industry legislation. He said in that statement:

I believe that the current legislative framework limits the Government's ability to exercise a more positive role in ACTTAB's operations.

How is that if there are only two shareholders? One of them is the Chief Minister and the other is the Deputy Chief Minister. How can the current legislative framework limit the Government's ability to exercise a more positive role in ACTTAB's operations? I do not understand. Is there a faction fight? I do not know. Perhaps there is. It does not make sense. Either your statement on 15 December does not make sense, or your subsequent actions, in bringing in this legislation, do not make sense. They simply do not match.

Mr Berry: Or they both make sense.

MR CORNWELL: No, that is highly unlikely, Mr Berry. He went on to say:

For the Government to have more direct involvement and responsibility for ACTTAB's operations, the most appropriate structure is for ACTTAB to operate as a statutory authority.

Again, no explanation whatsoever was given as to why this should be. He then went on to talk about ACTTAB becoming a body corporate, and then he stated:

I believe that it is essential to maintain a board of directors to provide a broad perspective for the day-to-day management of the authority.

How does this match up with this statement in the Bill:

A member shall be a person having appropriate qualifications and experience having regard to the functions of the Board.

How does that fit in with providing a broad perspective for the day-to-day management of the authority? It does not make sense at all. He then made perhaps the most absurd and confusing statement of all. I quote:

Some degree of distance from government is appropriate, given the commercial competitive nature of ACTTAB operations ...

This is the man who now wants to turn this into a statutory authority. Some degree of distance!

Mr De Domenico: Lengths away, I would suggest.

MR CORNWELL: Lengths away, yes; in fact, so many lengths that I think we would have to have a photo finish to bring in the concept. May I go on to express additional concern for what this man is talking about. I refer, of course, to this famous leaked document. My colleague Mr De Domenico has already explained the consultation process of this Government that purports to listen and to talk to the community and that believes in community consultation. The best they can manage on this important matter - there was only a turnover last year of \$86m! - was to discuss and consult with the ACT Treasury, the Chief Minister's Department and the Government Solicitor's Office. It was all very chummy. Mr De Domenico has referred to this. Then there is point No. 19, as Mr De Domenico said, which reads:

There has been no consultation with the racing industry including the ACTTAB.

Mr Berry subsequently confirmed this when he said that what had happened was that the racing clubs had written to him to disagree. He had not asked them for this. They had, in fact, taken the initiative themselves to disagree, having read, as my friend Mr De Domenico suggests, about this in the newspaper. The interesting thing is that point No. 19 goes on to say:

While there may be initial concern expressed by the industry, these concerns can be allayed by assurances that there will be no major change to the day-to-day operations of the TAB ...

We are just going to change it from a corporation to a statutory authority, but "these concerns can be allayed by assurances that there will be no major change to the day-to-day operations of the TAB and no effect on the racing industry in relation to distributions". I have here an amendment to be moved by the Minister for Sport, which we received this afternoon, that states:

Payments to the Racecourse Development Fund

"7A. Section 8 of the Principal Act is amended -

(a) by omitting from subsection (1) '0.75%' and substituting '0.5%';

..."

I quote again:

... and no effect on the racing industry in relation to distributions.

15 June 1993

How can you believe this man? How can anybody believe him? You have made a categorical statement there, sir, and you now, at the eleventh hour - - -

Mr Berry: When was that?

MR CORNWELL: This is your famous leaked document, your "Cabinet in Confidence" sheet. Now, at the eleventh hour, you produce this. Let me ask you, Mr Berry: Why, when this legislation was introduced on 20 May, was this not also introduced? What is the matter with you people? Can you not get your legislative act together? What sort of confidence do you instil in the community? What sort of confidence do you instil in the industry when you are coming in at the last minute with very significant amendments which simply indicate that your earlier comments have no basis of fact and far less truth? You can understand, therefore, why there is considerable confusion out there in the community as to just what you people intend to do in relation to this matter.

Well may the *Canberra Times* question what will happen following your track record in relation to appointments to this statutory authority when it comes, because there is confusion as to whether you are going to have people with broad experience or whether they are going to have to follow the appropriate qualifications for being on this board. You bring in legislation at the last minute. You talk about the current legislative framework limiting the Government's ability to exercise a more positive role; yet you have not changed the shareholders. You still have the same two. This is total confusion.

Mr Berry: They will be gone.

MR CORNWELL: You two? You are going to step down, are you?

Mr Berry: No, we will not be the shareholders.

MR CORNWELL: How very interesting! That is probably the best news any of us have heard all day, if not all week. Nevertheless, you can understand the concern and the confusion out there in the community. You have failed to consult, and therefore you have threatened, quite realistically and properly, the confidence of the people out there. We therefore believe that the only way to retrieve this mess is to refer the matter to an Assembly committee for further investigation and report, to see whether they can unravel the mess and the contradictions that you people have put forward in relation to this legislation. I would strongly urge the Independents to support this sensible course; otherwise we may have a considerable financial disaster on our hands.

Question resolved in the affirmative.

Bill agreed to in principle.

MR DE DOMENICO (10.03): Madam Speaker, pursuant to standing order 174, I move:

That the Betting (Totalizator Administration) (Amendment) Bill 1993 be referred to the Standing Committee on Tourism and ACT Promotion for inquiry and report.

MR BERRY (Minister for Health, Minister for Industrial Relations and Minister for Sport) (10.03): Madam Speaker, the Government will be opposing this move to adjourn debate on this issue. It is too important to ACTTAB to delay progress on the matter. It is a piece of legislation which will, as I said in the in-principle debate, bring stability to ACTTAB and - - -

Mr Cornwell: Do you mean that it is unstable now?

MR BERRY: There is an element of instability, Madam Speaker, and it has to be cleared up.

Mr Humphries: Well, what is it?

Mr Westende: What is it?

MADAM SPEAKER: Order!

MR BERRY: Once this legislation is passed, stability will return. The suggestion that the matter be drawn out will add nothing to the quality of services delivered by ACTTAB. It may give the Liberals more opportunities to undermine it. As far as the Government is concerned, this Bill has been around for eight months, and it was not until this very day that a proposal to delay it came from the Liberals.

Mr De Domenico: How long has this Bill been around?

Mr Cornwell: It was introduced on only 20 May.

MR BERRY: I am sorry; I withdraw that. If we refer to the documents that have no standing at all that have been referred to by Mr De Domenico, they are about eight months old.

Mr De Domenico: You disown all those documents, do you? On the record, do you disown all those documents?

MR BERRY: They have no standing. Whose signature is on the front of it? They have no standing.

Mr Kaine: You ought to be careful. Some of them have your signature on them.

MR BERRY: The documents that you refer to as Cabinet documents have no standing. My signature was not on the front of it. Was my signature on it? No siree. Madam Speaker, this legislation has been around since December.

Mr De Domenico: May. You introduced it on 20 May.

MR BERRY: I am sorry; this position has been around since December when we first announced it, seven months ago. There has been plenty of notice for the Liberals to move down this path if they had thought it was a good idea in the past. Madam Speaker, following its introduction there were no moves by the Liberals to do anything about it. This is merely a stunt and has to be ignored.

MRS CARNELL (Leader of the Opposition) (10.06): We put forward a proposal this morning - I accept that it was this morning - to refer this, I agree, important piece of legislation to a committee for a number of reasons. The first and most important one is that it became patently obvious to anybody who has bothered to speak to any of the interested parties in the industry that they really feel that they have not had an opportunity to tell anybody, to tell us, the Assembly, or the people of Canberra, what they believe is their point of view on this issue. One of the great things about our committee structure - this is something that I think all the MLAs here agree on - is that it works well. It works in a non-partisan way and it gives members of the community an opportunity to be heard. This is a Bill which many people in the community feel exceedingly strongly about. It is a Bill on which no consultation, as we have found out from Mr De Domenico's leaked documents, has been entered into with any part of the industry. We also find out that there have been no impact studies, no feasibility reviews, no work whatsoever, to find out just what will happen in financial terms for the ACT if this Bill is passed today. We also have no idea whatsoever whether it will have any detrimental effect on the ACT Racing Club's bid to become a principal club.

Mr Berry: It has nothing at all to do with a principal club.

MRS CARNELL: That is what you say, Minister, but it is not what people in the industry say. Quite seriously, it seems logical to those on this side of the house that if there are a lot of people out there who feel strongly about an issue, who feel that they have not been heard, who feel that they have a point of view that needs to be put, the appropriate way to go is to refer this piece of legislation to a committee. You have constantly claimed that there will be better accountability and control under this change, but that, patently, is not true.

Corporate responsibility is exceedingly far reaching, as I know Mr Connolly knows. I am surprised that Mr Connolly has not told you about it; that he has not told you that corporate responsibility means that the directors who are there now are responsible under corporate law. That, quite seriously, is substantially more accountable than they ever can be under the Minister's proposed changes. You are quite right in saying that the current shareholders, meaning the Chief Minister and her deputy, can appoint or remove a director at any time. That means that they have total control. They have control, but the directors are accountable. That is an appropriate way to run anything. It means that everybody in the chain is accountable and responsible and is in a position where they have to personally care for and be responsible about what happens in the TAB. This has to be a substantially better way to approach any corporation or any enterprise that the ACT Government is involved in. I and my colleagues have been very interested that Mr Connolly has not brought forward similar changes to Totalcare.

Mr De Domenico: That might be next, though.

MRS CARNELL: It is very hard for us to really comprehend why this could be the case, except possibly - - -

Mr Kaine: Then they will not need a Bill to allow them to lend money to them.

MRS CARNELL: That is right. Maybe it is that we - - -

Mr Connolly: The TAB is very different. It is a monopoly supplier of services.

MRS CARNELL: Why? The TAB makes money and Totalcare did not when the ACT Government ran it. If that is the only reason - - -

Mr Connolly: The ACT Government still runs it.

Mr De Domenico: It still runs the TAB, too.

MRS CARNELL: It still runs the TAB, too. It is totally appropriate that this Bill be referred to a committee. It will allow this important issue to be handled in a non-partisan way. It will be an opportunity for those who wish to be heard to be recorded in *Hansard*, and it will give us, as an Assembly, the opportunity to actually be a credible force and to come forward with a proposal that would actually work.

MR HUMPHRIES (10.11): Madam Speaker, I support this motion because I think that this Bill is a vagrant Bill - it has no visible means of support. It is devoid of the cold, hard logic which I think ought to underpin any piece of legislation that comes before this house. I have not seen fully enunciated in the presentation speech, or anywhere else for that matter, arguments which support the change that is going to take place, and this is an increasing feature of legislation brought down by this Government. This presentation speech - it was presented last month, not eight months ago - describes what the Bill does without saying why it does what it does.

Mrs Carnell: Because there is no good reason.

MR HUMPHRIES: Because, as my colleague Mrs Carnell says, there is no good reason. At least none has been presented. I searched hard through the speech that Mr Berry gave for cold, hard logical reasons why this change should take place. I was disturbed by the amount of prattle I heard from him in the course of his speech. He rambled from the Pharmacists Board to the position of MLAs' names on letters, to having received a cheque for \$60,000 by mistake, and all these sorts of issues.

Mr Berry: No, it was not by mistake; it was deliberate.

Ms Follett: That is the company structure.

MR HUMPHRIES: Well, it was a mistake for you to receive the cheque, presumably; it should not have been sent to you. Madam Speaker, we have all these sorts of issues ranged across by the Minister, but nothing that indicates why he is proceeding with legislation which is not sought by the industry it affects, which is not required by the performance of the corporation concerned and which is not being sought by the general public of the ACT in what constitutes a kind of ground swell of public opinion in favour of some change to correct some problem. Nor is it being sought by the legislature or, necessarily, by even all the elements of the Government. It seems to me, Madam Speaker, to be very much the baby, the protege, solely of the Minister for Sport, Mr Berry. He wants this to happen and he is going to make sure that it happens, irrespective of whether the arguments in favour of it stack up in the least fashion.

Mr Berry did mention privatisation. In fact he practically spewed privatisation forth at every available opportunity. I think that the repeated use of that word indicates the ideological flavour of this debate.

Mr Berry: Tony De Domenico used it first.

MR HUMPHRIES: We did not introduce legislation to deal with this principle. We did not bring forward legislation to make sure that any question of privatisation of this particular government corporation should be ruled out. The question has to be asked: Why is it that Mr Berry feels that he needs to entrench some arrangement in place to prevent the privatisation of this body? Why is he acting to preclude someone from taking these steps?

Mr Kaine: Particularly when they had advice not long ago that they should privatise it.

MR HUMPHRIES: Indeed. Is he trying to pre-empt his government advisers, hoping that they do not eventually persuade enough of his colleagues to change their minds and to support privatisation? Is he worried that the Opposition might become the government very soon and make that happen? Not according to his own rhetoric. If there is one thing that Wayne Berry stands against in this place, it is privatisation. Now, that is great. It might not be in accordance with his colleagues on the hill; it might not be in accordance with most other progressive Labor thinking in this country, if such a thing exists. It might not accord with moves to do with Qantas, or the Commonwealth Bank, or maybe Telecom in the future. Who knows? It does not accord with any of that; but it does accord with Mr Berry's own personal philosophy, and the philosophy seems to be under threat from some quarter that we have not been told about. Someone is trying to privatise his precious TAB and we have not been told who. I think, Madam Speaker, we ought to know who, before we support this cockamamie legislation that has been brought forward by Mr Berry.

He has said that he wants to ensure that ACTTAB is properly managed, but he will not say, despite repeated invitations from this side of the chamber, that it is not being properly managed at present. Mr Berry, answer this question: Is ACTTAB at present being run satisfactorily? If it is not and if you come to this place and show evidence of it not being run satisfactorily, I assure you that if evidence is present we will support you in making some change to affect the management of ACTTAB, whether it is changing the membership of the ACTTAB board or its structure or whatever. We will support you if we can see evidence of bad management. But is there bad management? The answer clearly is no, there is not. By the silence of the Government, ACTTAB clearly is being run at the moment very adequately, if not, very well, and in those circumstances you have to ask why this Government is proceeding with this course.

Mr Berry mentioned, not in his substantive speech but in response to the motion moved by Mr De Domenico just a moment ago, that there is an element of instability in ACTTAB's operation. Where is the element of instability? What is the instability in ACTTAB at the moment? The only instability facing ACTTAB is this legislation, and the Minister could easily remove that by pulling the legislation off the notice paper. He might also allay it by acceding to Mr De Domenico's motion and having this matter referred to an appropriate committee. Mr Berry has an onus on him, Madam Speaker. He has an onus of proving the basis on which he wants to bring this legislation on, and that should be either evidence of the instability that he has referred to or evidence of bad management. Put up or shut up. If you cannot show those things you have a moral responsibility to forget this legislation, to trash it.

What conceivable measure of control in the management of ACTTAB is presently lacking from the Government's hands? What can the Government not do which affects the good management of ACTTAB which it would want to do under this legislation? I would suggest, Madam Speaker, very little. Madam Speaker, I have to repeat the question, too: Where does this Bill leave Totalcare? Why is Totalcare not re-established as a statutory authority when ACTTAB is? I have heard the reason put across the chamber - because ACTTAB does not face any competition, it is a monopoly, and Totalcare does.

Mrs Carnell: But it does compete with other TABs in the other States.

MR HUMPHRIES: Precisely. It does face competition. It is not a monopoly, in effect. Apart from all of that, what does being a monopoly have to do with the establishment of a statutory authority? Again, we expect reasons. We expect some argument, but we are not hearing it. It is just not there.

Madam Speaker, I think that the time has come for the Government to recognise that its image is at stake. Madam Speaker, the Chief Minister is very assiduous about protecting her image. The image she presents of this Government is of a pragmatic and consultative government. This legislation is neither pragmatic nor consultative. The Government has ignored the interests of the community which are affected by this Bill. It has ignored the very plaintive and very logical and coherent arguments put forward by those in the industry who say that this Bill is not necessary. This Bill is counterproductive. What is more, it smacks of a hardline ideological stance. Mr Berry is the ideologue of this Government. He wants control over these things for control's sake, but he has not justified that control in any meaningful sense. For that reason, Madam Speaker, we should support the motion put forward by Mr De Domenico.

MR MOORE (10.21): Madam Speaker, I find many of the comments made by the Liberals with reference to this committee ironic, to say the least. On 29 November 1990, Madam Speaker, Mr Kaine tabled the Territory Owned Corporations Bill 1990. Just two weeks later, on 11 December 1990, that Bill was pushed through this house by the then Alliance Government using its numbers. The question that could well have been asked then was, "What are going to be the ramifications of this?". All those questions that have been asked here could well have been asked then, Madam Speaker. I did not see the members of the Alliance Government rushing to get that issue before a committee.

There is a big difference as well. Returning the TAB to its pre-November or December 1990 state will cause very few difficulties. There is some evidence as to what will happen. There are some significant advantages, as cited by Mr Berry, not the least of which is the risk and the uncertainty about privatisation. That is not the least of them at all. For some of those people who were part of that Government - in particular, Mr Humphries, whom we just heard - to say that we cannot possibly make this kind of a change without sending this issue to a committee really is hugely ironic. The issue was discussed at length. During the January break, in particular, there was a series of articles in the media about the pros and cons. In fact, Mr De Domenico quoted from the *Canberra Times* just a short while ago. Obviously there was very public debate and discussion. After all that, Madam Speaker, it seems to me that it is inappropriate for us to send this to a committee. I am quite happy to lend my support to this Bill in principle.

MR STEVENSON (10.24): It has been my intention for some little while to get a little card that I could read out at the start of each of these debates and to talk about inadequate or no community consultation, because it happens again and again. Mr Berry mentioned that this Bill has been around since December.

Mr Berry: The first announcement was in December.

MR STEVENSON: "The first announcement", he said. The Bill was tabled on 20 May. The tabling of the Bill is the relevant time. Then, and only then, can people understand what the exact proposal is. You certainly cannot take any notice of what is said in the media at different times about different proposals. Even after a Bill is tabled we can get an amendment very late in the piece that can change it in a major way. People may not even have seen it. That can actually be voted in on the same day. That is something that we need to address in this Assembly.

Mr Berry has been asked, on a number of occasions, why the Government is doing this. What are the supposed benefits of the proposal for ACTTAB? You do not get any indication as to any benefit from speaking to the people involved, because there has not been adequate consultation; but there are concerns being expressed by various groups. Mr Cornwell presented documents that showed conflicting information. Mr Berry asked, "Which document is that?". Mr Cornwell said, "The leaked document". Mr Berry asked, "Was it signed?". I do not know whether that is all that relevant. Is not the only relevant question, "Is it correct"? If it was not correct, would not the Minister have said, "That is not correct. I have never seen it, have never had anything to do with it, do not know anything about it, and it is all nonsense"? But he did not say that. He said, "Was it signed?". I am not sure of the particular relevance of not signing documents until they are tabled in case they go out the door and people get them. Then you will not be able to say, "Was it signed?". The question I would ask Mr Berry is, "Was it correct?".

Mr Humphries asked a question that was highly relevant: "Is ACTTAB well managed at this time?". There has been no relevant suggestion that it is not. Once again, we get back to the question: "Why make the changes?". There certainly has not been adequate consultation. The committee proposal would allow that consultation. It would not only allow consultation but also allow members of the Assembly to examine the proposals. It would give Mr Berry an opportunity to put forward the various reasons that he has - he must have reasons - for introducing the Bill. So I support Mr De Domenico's motion. I think it will be unfortunate indeed if his motion is not passed. People and groups in this community have every right to have sufficient time to understand proposals that are made in this parliament.

MR DE DOMENICO (10.28), in reply: Madam Speaker, in closing the debate on this motion, I think there is a lot that has been said by previous speakers that needs reflection. Mr Moore made some salient comments. His major concern as to why he would not be supporting referring the Bill to the committee was the possibility of privatisation. That is something that Mr Berry mentioned. Once again, let us talk about this word "privatisation". I will quote what I said, because I have it written down here in front of me. I said, "It was emphasised by the then Chief Minister, Mr Kaine, when he introduced the Bills, that the Territory owned corporations were about corporatisation in the interests of efficiency, not about privatisation". I think, on reflection, I repeated myself. I said "not about privatisation" again.

Mr Berry: No. You said, "... or, better still, as recommended by the professional advice sought by her Under Treasurer, she should accept - - -

MR DE DOMENICO: Mr Berry refers to what I said at a previous time about a certain leaked letter that once again he disowns because it happens to be a draft and it happens to be unsigned; but he still has not said that it did not exist, because here it is here. This letter is dated 30 September, and yes, it is unsigned. It is addressed to a person, the Acting Under Treasurer, and it says:

When we met last Thursday, we discussed a number of issues relevant to the ACT TAB. As a consequence of that discussion, I undertook to provide you with this summary of the issues which I believe could form the basis for an ongoing appraisal of the flotation prospects of the TAB.

Unless one assumes that this bureaucrat took it upon himself to approach the stockbroker in Sydney over a casual conversation at lunch to talk about the future flotation prospects of the TAB - - -

Mr Cornwell: Highly unlikely.

MR DE DOMENICO: Highly unlikely. Thank you, Mr Cornwell. I do not care whether it is signed or unsigned. The fact that the meeting took place and that that was the discussion must mean something. Mr Berry has not denied that. We still do not know whether the meeting took place, but we assume that it did.

Mr Stevenson: Would you give him leave to?

MR DE DOMENICO: I have already tabled it, Mr Stevenson. It was tabled months ago.

Mr Stevenson: To comment, though? He has not commented.

MR DE DOMENICO: He will not, either. The other salient thing was said by Mr Humphries. Quite correctly, he said, "Where is the evidence of the instability in ACTTAB? Where is the evidence of bad management?". Under the current structure of the TAB, should there be any evidence of instability, should there be any evidence of bad judgment, the two shareholders have a responsibility under the Companies Act and under the Territory Owned Corporations Act to do something about it. They have a direct responsibility right now under the current structure. So you cannot use that argument either, Mr Berry.

Mr Moore referred to the Bill being introduced in September 1990. I cannot even remember where I was in September 1990. Mr Moore said, "Even then we did not get a chance to debate the thing properly. It was rammed through because you had the numbers, Mr Kaine, and we were not to know what was going to happen under this legislation". I am suggesting to Mr Moore that we now know what happened under this legislation. Under this legislation ACTTAB is now turning over \$85m to \$86m a year. It is returning substantial sums of money to the Government, and it is returning substantial sums of money to the racing industry and the racing codes - greyhound, trotting and horseracing. It is not using any of its accumulated reserves. It is no impost whatsoever on the taxpayers and the ratepayers of the ACT. In fact it is returning money into the pockets of the ratepayers of the ACT. So, Mr Moore, that is what the legislation did. It has been proved a success.

15 June 1993

Not enough has been said also, Madam Speaker, about the fact that the ACT's legislation, the Territory Owned Corporations legislation and the TAB are now being held high by other States and Territories.

Mr Berry: Liberals.

MR DE DOMENICO: No. Mr Berry, that is where you are wrong again. I can tell you that even Carmen Lawrence, the former Premier of Western Australia - remember her? - and even Joan Kirner - remember her? - who no longer is the Premier of - - -

Mr Kaine: They barely preceded this Government.

MR DE DOMENICO: They barely preceded this Government; that is correct, Mr Kaine. They started the train rolling on the selling off and corporatisation of TABs in Victoria and Western Australia. Your own colleagues did that. Much has been said about the word "privatisation".

Mr Berry: We are not going to sell it off.

MR DE DOMENICO: Mr Berry, let me also tell you that you happen to be the only Labor Government in this country that does not believe in corporatisation. Have a look at what your colleagues on the hill are doing about Qantas and Australian Airlines, as Mr Humphries mentioned. So that argument does not make sense either.

Mr Berry also suggested that all this has been out in the open since November - for six or eight months. Mr Stevenson, Mr Cornwell and others correctly said that this legislation was introduced on only 20 May. Mr Berry made various statements and various announcements, making everybody shudder, by the way, after he made them because no-one knew anything about it until they read it in the newspapers. He said, "Listen, obviously the racing industry had their go. They disagreed". Let me quote a document of more recent times than September. This is dated 11 June, which was last week, I believe, and it is addressed to you, Mr Berry. It is from the chairman of the ACT Racing Club, the president of the Canberra Greyhound Racing Club, and the president of the Canberra Harness Racing Club. Last week, on 11 June, they said:

Dear Mr Berry.

It has now been six months since your intention to decorporate ACT TAB was announced.

As representatives of the racing industry in the Australian Capital Territory, we are well placed to both assess the general feelings of racegoers and the financial impact on those directly involved in racing, which flows from the proposed change. Our regular contact with industry participants and many on the fringes of racing (eg the media) in the past six months has given us the opportunity to assess your move in light of these discussions.

They consulted with the people who matter, the people who go to the races, the people who go to TABs and actually spend the dollar that afterwards ends up in your pocket as a director of the company. What do they say? This is worth quoting:

We are unanimous in our assessment that the racing industry does not want ACT TAB to revert to a statutory authority. Common among views expressed to us about the performance of ACT TAB Ltd are that corporatisation has provided:

- (1) healthy turnover growth at a time when there was every reason to expect turnover to fall;
- (2) managerial flair in the delivery of the betting service and marketing of betting products;
- (3) an escape from the rigidity imposed on the ACT TAB under public service procedures;
- (4) flexibility in reacting quickly to changed circumstances.

We stress that these views are widely held to the point that support for a counter position cannot be found within the industry.

In other words, no-one in this Territory who goes to the races, the greyhounds or the trots or who bets at the TAB has been kicking your door down saying, "Hey, change it all because it ain't working". In fact, it is working, and this is what is being said. You have yet to tell this Assembly why you want to change the way things are. You have every control that you want right now. As one of the two directors of this company, you can do whatever you like right now, without changing one iota, without changing one skerrick of legislation. All you have to do is sign a piece of paper, or even not sign one. All you have to do is pick up the telephone, ring up Mr Neck or someone on the board, if there is anyone left on the board, and say, "Hey, listen, I want you to do such and such a thing". You can do that right now; you do not need this legislation. That makes us believe, once again, that you want to do it only because of some ideological bent that you have in your mind. Now, that is fine.

We hear about Mr Berry saying, "The elected representatives will have their say". Okay, Mr Berry, put your money where your mouth is. Let the elected representatives of this Assembly have their say on this Bill. Let us refer it to the committee. Let us hear all in the racing industry and everybody else who wants to have their say, because you have not given them an opportunity yet. Let them come to the Assembly and say, "Okay, this is what our views are". We hear about this word "consultation" from the Independents as well; we hear it from all sorts of people. We have diagrams sent out to schoolchildren saying that a Bill is drafted and then we have consultation with interested groups. Hogwash! Baloney!

Mr Stevenson: Is that in there?

MR DE DOMENICO: That is in there. That went out to all the schoolkids who participated in the parliament here. There is consultation after the Bill is drafted. What humbug! What hogwash! There has been no consultation. You have this philosophical bent against this. You want to prove how macho you are. You are going to do it notwithstanding what arguments are put before you. I plead to the Independents: If we really want the committee system and if we believe in the committee system, let us test it out one more time. Every time we have put it to the test, it has worked. There is no reason why it will not work this time either.

15 June 1993

Question put:

That the motion (**Mr De Domenico's**) be agreed to.

The Assembly voted -

AYES, 7

Mrs Carnell
Mr Cornwell
Mr De Domenico
Mr Humphries
Mr Kaine
Mr Stevenson
Mr Westende

NOES, 10

Mr Berry
Mr Connolly
Ms Ellis
Ms Follett
Mrs Grassby
Mr Lamont
Ms McRae
Mr Moore
Ms Szuty
Mr Wood

Question so resolved in the negative.

Detail Stage

Clauses 1 to 5, by leave, taken together, and agreed to.

Clause 6

MR DE DOMENICO (10.39): Madam Speaker, I ask for leave to move two amendments together.

Leave granted.

MR DE DOMENICO: I move:

Page 4, line 29, proposed new section 5G, after proposed new subsection 5G(5), insert the following subsection:

"(6) An instrument of appointment under paragraph (1)(b) is a disallowable instrument for the purposes of section 10 of the *Subordinate Laws Act 1989*."

Page 7, line 26, proposed new section 5U, after proposed new subsection 5U(4), insert the following subsection:

"(5) An instrument of appointment under subsection (1) is a disallowable instrument for the purposes of section 10 of the *Subordinate Laws Act 1989*."

Madam Speaker, very quickly, what the amendments do is make the instrument of appointment of the board and the chief executive a disallowable instrument for the purposes of section 10 of the Subordinate Laws Act 1989. Mr Berry said that the elected representatives will have their say. Mr Berry, if these amendments get through, it is true that the elected representatives of this Assembly will have their say.

Mr Berry: No. You do not appoint people; you just knock them off.

MR DE DOMENICO: No. The elected representatives of this Assembly, Mr Berry, will have their say, notwithstanding your intemperate comments to me just then. The amendments will prevent Ministers and members, of whatever political persuasion, from not doing the right thing and appointing people with the necessary expertise. After all, we are talking about a company, for want of a better word, that is turning over \$85m a year; and the money is going directly to the people of the ACT, who are putting money in by betting and doing other things.

We believe that what we propose is a responsible way of doing it. There are precedents for this sort of thing. We also believe that perhaps it is something that the Government ought to look very closely at in appointing whomever they want to appoint to all sorts of boards and instrumentalities. These amendments mean that the elected members of the community, the members of the Assembly, will finally have a say as to what happens. No-one in their right mind would disagree with the amendments that I am so happy to move.

MR BERRY (Minister for Health, Minister for Industrial Relations and Minister for Sport) (10.41): Madam Speaker, the Government will be opposing these amendments because they are, in principle, bad law. Just work out how these people opposite think. All they are interested in is knocking people off the board, not in going through the process of appointing people as is required by the legislation, which states:

A member shall be a person having appropriate qualifications and experience having regard to the functions of the Board.

The Government is given the responsibility for appointing those people. All that members opposite want is the ability to knock them off. They do not share any of the responsibility of appointing people. All they want to do is to be able to knock people off.

Mr Kaine: It is funny. We always consulted with you about these appointments, and you thought that was all right.

MR BERRY: Not once. All you want to do is knock people off. The amendments refer to the Subordinate Laws Act, which refers to instruments of a legislative nature, not to appointments of individuals to manage government instrumentalities. Appointments are an entirely different matter and cannot be seen to be in the same boat. It is entirely inappropriate to use a law which is designed for legislative matters to undo appointments which are made by the Government. If you want to make good law, go about it in a different way. Draw up a new piece of law which deals with the issue, but do not use inappropriate laws.

Appointments are matters of an executive nature. The only case where this has been done before is in relation to appointments under the Electoral Act 1992. It was appropriate then because of the subject of the Act. That was an entirely different matter, you will all agree. In practice, Madam Speaker, it would be an administrative nightmare if these amendments were carried. When would an

appointment commence? Have you turned your minds to that? In practice you would have to date an appointment to take effect well in advance to cater for the possibility that an instrument may be disallowed in the Assembly. This, Madam Speaker, is a totally unnecessary fettering of executive powers, for no appreciable benefit.

The Bill provides for the appointment of a chief executive officer in consultation with the board. If this appointment were subject to a disallowable instrument no people of a high calibre would apply for this prestigious position. We have just been through this process with the Board of Health. High calibre people resigned from the Board of Health because of the political interference by the Liberals. If we put in place procedures which invite the Liberals to attack appointees, what can we expect? I know what we can expect - more interference, which would mean that these processes would become unmanageable.

Members opposite do not care about it in opposition. How could the alternative government - they see themselves as the alternative - take this position? You do not seem to understand what you are doing.

Ms Follett: They do not expect ever to be in government. It is easy.

MR BERRY: That is probably right. All they ever expect to do is to be on the negative side, bowling people over. Similarly, board members need to be appointed on the basis of merit and ability to contribute to the operations of ACTTAB. Such appointments would not be assisted by the lengthy administrative process proposed by the amendments.

These processes would discourage high calibre people from putting their names forward. That is the real problem. We know the tomfoolery of Mr De Domenico. He sledges individuals outside of this Assembly. We just heard him do it in the course of the debate. What would you do in relation to appointments to boards if they did not suit you? How could we attract anybody with expertise to these sorts of positions, bearing in mind the way you behave?

This proposal, Madam Speaker, is inconsistent with the appointment processes for other statutory bodies. It would also create an unacceptable degree of uncertainty for the TAB. I have said before, and I will say it again, that it is most important that the TAB be provided with stability. If we put this sort of a process in place we will ensure that instability is inherent in the appointments. We would be throwing the ball into the court of the Liberals opposite so that they could play fun and games with appointments. They would knock people off. They would take no responsibility for the selection of people who had appropriate qualifications and experience. All they want to do is to be able to bowl people over.

Mrs Carnell: We will put names forward.

MR BERRY: Your proposal does not say that you will put names forward; it says that you will knock people off. It is irresponsible for this so-called alternative government to propose these amendments. Quite obviously, it does not see itself as a real alternative. Mrs Carnell ought to watch out, because I see that Mr De Domenico is on top in the letter. I think these amendments blow the Liberals' credibility and show very clearly how little the Liberals understand the

need for credible people to be involved in the administration of these important funds. The TAB raise considerable funds for the ACT, they provide a service to the punters and they support the racing clubs. You people do not care about all of those facets of this legislation. You are interested only in providing yourself with an avenue to politicise the appointment of people.

It is very interesting that the people opposite should put this proposal forward in relation to this particular board. When Mr Kaine was the head of government he did not want to have this sort of proposal - - -

Mr Humphries: He was not asked to.

MR BERRY: It is your idea, I presume. It is not our idea. It is your idea; it is your philosophy. Therefore, why do you not carry it through at all times? This is spoiling of the highest degree; and it is bad law, as I have informed you. It serves to destabilise. Even those who oppose the Government's position in relation to this legislation would be strenuously opposed to this sort of proposal which you are putting forward. People who understand business, unlike the Liberals, would be strenuously opposed to this sort of a proposition. It is just ludicrous.

MR STEVENSON (10.48): Mr Berry protests against amendments that would give more power to this Assembly, although not necessarily at the expense of the Executive. Mr Berry says - and if members stop throwing things at each other I can continue - "How could we attract people of quality to positions if they feel that there could be a veto power?". One could look at it another way. If the Government knew that they were going to be held to be more accountable they might think of appointing someone else - not that anyone here would suggest that positions would be filled politically and not sensibly - - -

Mr Berry: Madam Speaker, I raise a point of order. Mr Stevenson drew attention to members throwing things at each other. I do not think there is any evidence of that, and his comment should not be on the record. If somebody picks up the record later on and sees that Mr Stevenson said that people were throwing things at each other, we will look like a bunch of cowboys. Withdraw it.

MADAM SPEAKER: Mr Stevenson, I will trust your judgment on this.

MR STEVENSON: I am happy to make the point that as someone walked across the middle of the chamber a paperclip went flying across the room. I do not doubt that it was accidental, and it was somewhat of a joke.

Could it not be that, the more you held people accountable for their jobs, the more sensible decisions you would get? I think some people would say so. Mr Berry says that the Liberal Party just want the right to knock someone off the board; they do not want to put names forward. Let us have a look at that statement. First of all, the power is indeed a veto power and not a power to propose, nominate or appoint members. Mr Berry said that the Liberals do not want that power. I heard Liberal after Liberal saying, "Yes, we would love it. Give it to us". If Mr Berry's concern is that they want to be in only at the veto stage and not at the proposal stage, I think the Liberal members have certainly stated - and they are nodding - that they are certainly happy to nominate people.

Mr Lamont: They are going to sleep, Mr Stevenson.

MR STEVENSON: Mr Lamont says that they are going to sleep. I cannot ignore that comment. I think it is a good comment. What is the real reason that Mr Berry does not want this Assembly to have the right to look at nominations and the right of veto? I suggest that the real reason has to do with power, not with attracting good people to fill posts, not with whether or not the Liberal members or any other members would like to propose appointees to posts, as I am sure they would. The truth of the matter is that it has to do with power. Mr Berry feels - and it should not be the case - that these amendments would remove executive power. If it did, it would be a good thing too.

MR MOORE (10.52): Madam Speaker, the similar amendment to the Electoral Act has not caused the sorts of problems that the Labor Party seems to suggest that these amendments will cause. It did not bring an end to democracy as we know it, and it certainly has not meant that people involved in the Electoral Commission have suffered the sorts of problems that Mr Berry flagged. The reason for that, Madam Speaker, is that the Chief Minister took care to consult with the members on the people she wished to appoint. What these amendments will require is simply that that consultation process proceed also on prospective members of the ACTTAB. Madam Speaker, I think that is a quite appropriate way to deal with appointments to such important positions as these. For those reasons I am delighted to support these amendments.

MS SZUTY (10.53): I, too, support the amendments as proposed by Mr De Domenico. I support them for the reason that they give the Assembly greater scrutiny of the Government's appointments to the TAB. I also share Mr Moore's view that it really is up to the Minister, Mr Berry, to consult with members in this Assembly about appointments in the first place, which I am sure he will do, as Ms Follett has done with the appointments to the Electoral Commission.

I cannot see any problem whatsoever with the amendments as proposed by Mr De Domenico. I have not taken part in this debate up until this point. I feel that the Assembly and the community have had enough time to scrutinise the Betting (Totalizator Administration) (Amendment) Bill as proposed by Mr Berry. I do not have any difficulty whatsoever with what is being proposed. I have not had presented to me any cohesive argument which would indicate that the Bill is in any way deficient. I was not prepared to support Mr De Domenico's move to refer this Bill to the Standing Committee on Tourism and ACT Promotion, because I believe that the Assembly has had sufficient time to consider the issues. In addition to supporting the amendments as proposed by Mr De Domenico, I wish to indicate to the Assembly that I will be supporting the amendments to be moved shortly by Mr Berry.

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services) (10.55): Madam Speaker, members opposite, both Opposition and Independents, were scoffing somewhat when Mr Berry said that the passage of these amendments would make, or could make, government unworkable. Let me tell members that I have just come back from two weeks in the United States. The system there is the best example of why this sort of proposal would make government unworkable. The system whereby, for all executive appointments, you have to go into the legislature and get a form of confirmation - and that is what the proposal here is about - has made appointment to executive office in the United States virtually unworkable.

Just from a cursory perusal of the Australian press and the reporting of US domestic politics that gets filtered through the Australian press, we see that Supreme Court appointments, Cabinet level appointments and administrative level appointments become a vicious political bunfight in which the out group throw every bit of dirt that they can find at any appointment made by the in group.

Mr Stevenson: That has not happened here.

MR CONNOLLY: Mr Stevenson, are you suggesting that people do not make grubby little allegations under privilege in this place about members of the administration? Mr Stevenson, that would never happen here? Mr Stevenson, that sort of thing would not happen under this system?

Madam Speaker, this process is fraught with danger. I can see the attraction of it. I can see why Independent members may say, "This makes things more accountable". But the consequences of going down this path will be that every appointment to every executive position has the potential to spark a major partisan political bunfight, and members of the community would be reluctant to serve. Mrs Carnell, for example, was appointed to the Board of Health under a Liberal administration. Nothing was said at the time. Mr Westende's spouse was appointed to the ACTEW board. Again, she served with distinction on that board.

You would expect the Labor Party to scream about those sorts of appointments, were they to happen again, if you had a Liberal government in office. You would expect Opposition members, of whatever party, to challenge all appointments and to get the appointees before committees to cross-examine them. Depending on which party was in power, they would ask, "Were you ever a member of the Labor Party?" or, "Were you ever a member of the Liberal Party?". That sort of scrutiny of every appointment is what happens when you make all executive appointments subject to this sort of partisan attack.

Ms Follett: Remember Aliprandi.

MR CONNOLLY: Indeed, as the Chief Minister says, remember Aliprandi. You people have a track record of trying to do this sort of thing in opposition. Let us face it; if we are in opposition and you are in government, and this sort of thing becomes established, we will use the same tactics. Potentially, we are creating a mechanism to make government unworkable. When Mr Berry said that, you laughed; but you would have to acknowledge that this system, as it is operating in the United States, has made government unworkable. Under this system it would be very difficult to get people to take appointments. If you were prepared to serve in an executive position, you would be brought before a Legislative Assembly committee, your entire personal history would be scrutinised and all sorts of vicious smears would be made under parliamentary privilege by the partisan opponents of whatever party happened to be making the appointment. It is a very dangerous course of action.

If there have been any suggestions about improper appointments in the past, there have always been forums to deal with them. By and large, those forums have not been used, because, by and large, parties have accepted a fair level of tolerance in acknowledging that the government of the day has the ability to appoint whom it wants to these sorts of offices, unless there is some serious conflict of interest or unless somebody of doubtful character is being appointed.

15 June 1993

By and large, it is not an issue for partisan political debate under our system. To create this proposed regime would be to say that the appointment of every person to an executive office - to a statutory authority, to a board, to an advisory board - would become fair game for partisan political debate.

In a community as small as Canberra, where virtually everybody knows everybody else and where most people with some sort of public profile who might be expected to serve on various boards have at some stage had some connection with Liberal members or Labor members, or whatever - - -

Mr De Domenico: Or both.

MR CONNOLLY: Or both. We would have a system under which everyone was subject to attack from the opponents of the government of the day.

Mr De Domenico: Speak for yourself.

MR CONNOLLY: Your speech tonight was an attack on a member of Mr Berry's staff. This sort of ad hominem attack is common from the Liberals. Mr Stevenson, of course, has distinguished himself - if that is the word - with this sort of go-for-the-person attack. It is a very dangerous proposal. I can understand that you are annoyed that the Independents are not supporting you on the TAB Bill and you are annoyed that your argument on the merits of the TAB Bill is going to be knocked off. But you are retaliating late in the evening with a proposal that is really fraught with danger.

Members opposite who have experience of serving in government, I really question whether you would have been comfortable with the sort of process that you propose. If you decide to use this for partisan political advantage in the future by running these sorts of attacks, as you inevitably will, you will be going down a very slippery slope to the creation of a system of public administration which is unworkable. Any commentator on the American system at the moment would say that one of the fundamental problems is the way this process of partisan attack on appointments has got right out of hand. It means that ordinary citizens are very reluctant to take up any role in government, because they know that they are going to subject themselves to a whole process of character assassination and smearing.

Madam Speaker, if I learnt anything when I was overseas, I learnt that. I thought how fortunate we are in this country that we do not have such a stupid system, only to come back to the first day back in the Assembly and see the Liberals proposing just this sort of stupid system in the Assembly. I know why you are doing it. It is all a part of being upset about the TAB Bill, which will be passed. But what you are proposing is a very dangerous course of action which can lead to really serious consequences for public administration of this Territory. No other jurisdiction in Australia, or indeed in the Westminster system, adopts this course of action. It is very much the American system, and it is a very bad and dangerous system in that jurisdiction.

MR KAINE (11.02): Madam Speaker, Mr Connolly just showed that a little knowledge is a dangerous thing. You send him to America for 10 days and he is suddenly an expert on American politics. Everything that he said was dead wrong. First of all, the sorts of officials who are put through the griller in the American system are not people appointed to boards; they are people appointed as secretaries of departments.

Mr Connolly: No. There are about 3,000 of them.

MR Kaine: They are senior public servants and Cabinet officers. He has totally ignored the fact that for every person who achieves some notoriety - - -

Mr Connolly: We get only the Cabinet ones reported over here.

MR Kaine: Madam Speaker, may I be protected from the Minister? He has just had his go.

MADAM SPEAKER: Yes, Mr Kaine. Order, please!

MR Kaine: He has totally ignored the fact that, for every potential public official who is put through the griller because of something that might be suspect about their past life or their past performance, there are thousands of public officials appointed in the United States without that sort of process at all. The entire upper echelon of the American administration right across the country is replaced by appointment when the administration changes. Because one or two or three people at the very top level of the administration are subjected to the sort of scrutiny that they are, Mr Connolly says that that is a bad thing. I do not think it is a bad thing at all. But the other point is that that is not what we are talking about here. We have no committee system to put potential public service appointees on the griller.

Mr Connolly: As soon as the first disallowance is moved you will get one.

MR Kaine: Just listen carefully, Mr Connolly. I listened to you. The only experience we have of this kind of thing that Mr De Domenico is proposing is in the Electoral Commission. It worked well there because the Government came out of its cubbyhole, its bunker up on the fifth floor, and for once discussed with other members of the Assembly what it intended to do. It having done that, there was no problem. Those of us who participated in the discussion agreed without reservation with the appointments the Chief Minister wanted to make.

That is the very point. While you hide in your bunker and you make secret appointments that nobody finds out about, even the appointees themselves, until weeks after the appointments are made, you are going to get this kind of problem. But it is you who create it, not us. If you come clean, put your cards on the table and tell us what you want to do, then you will get agreement. If you do not get agreement, Mr Berry, there will be good reason for it, and it will be private disagreement. But if you are going to play this game of hiding in your bunker, making the decisions unilaterally and not telling anybody, when we discover that you have made a bad decision we will tell you about it - and we will tell you about it publicly.

Mr Connolly: That is exactly my point. It will become a partisan political issue.

MR Kaine: Not if you talk to us decently. You have missed my point, Mr Connolly, as you always do. If you would listen you would get the point. Discuss these things with us before you make your decisions, let us into your secrets - they are not deep dark secrets, or they ought not to be - and we will agree with you, just as we did with the appointments to the

15 June 1993

Electoral Commission. Play the game that way and you will get no public hangings, you will get no public criticism and you will get no public disagreement. But play the game your way, and continue to play it that way, and of course you will - and you will invite it.

Do not call on American experience. The American system is not our system. You can draw all the analogies you like, but it cannot and it will not be our system. Let us develop our own system. That is what we are on about. Let us develop a system and all agree to the rules. It will not matter whether we are in government, which we will be, or whether you are in government, which you will not be for much longer. We will all be players in the game and the community will be better off.

Mr Lamont: Do you know something that Mr Moore and Ms Szuty do not know, Mr Kaine?

MR KAINE: Mr Moore and Ms Szuty will be let in on it, too, as they were with the Electoral Commission, Mr Lamont. They were consulted on the appointments, just as we were. They know what is going on, and we will make sure that they do, even if you do not want them to know.

MR STEVENSON (11.06): Mr Connolly says that the system proposed in these amendments has made the US Government unworkable. I had to look at the amendments again. I thought that the amendments being referred to could not be the amendments that I had read a little while ago. I looked at them again and I saw that they refer to the Assembly being able to disallow an instrument of appointment. Mr Connolly said that that is the sort of thing that has made the US Government unworkable. I would suggest that it is perhaps one or two other things - to put it mildly. Nevertheless, Mr Connolly, if we are to take him at his word, said that that was the reason. He railed against the proposal, but what did he then say? He poured heaps of invective on it and then said, "In opposition we would use the same tactic". What does that say about the Minister? What does that say about the character of Mr Connolly? It does not say much at all.

Mr Connolly: Dennis, we know that you do not like me. You constantly move censure motions against me. Just get to the next point.

MR STEVENSON: Mr Connolly says that I do not like him. That is not correct. I do not mind him. It is his actions that stink. I do not take people personally. I look at the individual and I make a decision - - -

Mr Berry: Only people outside of here that you can sledge with parliamentary privilege backing you up.

Mrs Grassby: Just remember, Dennis, that a fox always smells his own smell first.

MADAM SPEAKER: Order! Mr Stevenson, please continue.

MR STEVENSON: Heavens above! The Labor Party are very poor losers. If you had watched their behaviour over the last few minutes you would have seen that Mr Connolly was very angry. He is slumped in his chair and he has been drumming on a sheet of paper, most concerned. You ask yourself, "Well, what is it? Is it the end of their rule, the divine right of the kings to rule? What is it that he is so concerned about? What has decimated them?"

Why do they look so bad?". It is simply that the Assembly has suggested that they should have a little bit of a say. After the goings-on in here this morning, I think it is probably a damn good idea. The more of it that we can have, the better.

Mr Lamont: Until we abolish it.

MR STEVENSON: Until we abolish it. Indeed, Mr Lamont.

Mr Lamont: I thought I would get that in to help you out, Dennis.

MR STEVENSON: Thank you. Most of the time it is taken as a gimme, and I mention it only when someone brings up some other nonsense.

Mrs Grassby: Why are you still here?

MR STEVENSON: Why am I still here? Give me some time one day and we will have a bit of a debate over the ACT Legislative Assembly, its State-like powers and whether or not the people of Canberra - - -

MADAM SPEAKER: Mr Stevenson, address your remarks to the Chair and to the amendments, please. Please do not be distracted.

MR STEVENSON: We will debate whether or not the people of Canberra will benefit by having their members able to disallow certain appointments. It is a perfectly reasonable - - -

Mr Lamont: Madam Speaker, could I ask that the air-conditioner be turned back on? At least the noise would drown out some of the words.

MADAM SPEAKER: I think it has died of its own accord, Mr Lamont.

MR STEVENSON: That was not kind, Mr Lamont.

Mr Moore: Accurate, but not kind.

MR STEVENSON: I do not think it was accurate, either. Madam Speaker, the amendments are perfectly reasonable. It is unfortunate that the Labor members do not accept the proposals in the way that they are made. Mr Kaine made the point perfectly. If the point he made was incorrect, let Labor members stand up and rebut the point. The point was: "Give us an opportunity to comment on the appointees. Give us that chance, and then where is your problem?". Mr Berry has a smile on his face, perhaps, and he might like to answer the question.

Mr Humphries: Is that a smile?

MR STEVENSON: I was not sure. I said "perhaps". You might like to answer the question. Where has the problem been when there has been consultation? The trouble in this community, the trouble in this Assembly, has been that there is little or no consultation. You have plenty of time. Let us make the point. Answer the question, because that is the valid question on this debate. The valid question is not whether the world will end, whether the US Government will come down or whether the ACT Government will come down if these amendments are passed. The question is: If there were fair and adequate consultation with other members of this Assembly, where then would the problem be? Let us hear the answer to that.

15 June 1993

MR DE DOMENICO (11.13): Madam Speaker, I will be quick, because I think Mr Kaine said it as eloquently as anybody else I heard speak on the topic. My amendments make eminent sense. I thank the Independents for seeing how sensible the amendments are. I look forward to the proposal working very well, as it has in the past with the appointment of the electoral commissioner. I feel strongly that it will work very well in the future.

Amendments agreed to.

MR BERRY (Minister for Health, Minister for Industrial Relations and Minister for Sport) (11.13): Madam Speaker, I present a supplementary explanatory memorandum and move:

Page 8, lines 25 to 27, proposed subclause 5Y(1), omit all the words after "Officer" (last occurring).

My amendment to clause 6 of the Betting (Totalizator Administration) (Amendment) Bill 1993 gives effect to the concerns raised by the Scrutiny of Bills Committee in report No. 9. It is the intention to rely on the provisions of the Interpretation Act relating to acting appointments. The Interpretation Act lays down the conditions in relation to the appointment of persons to act in a position. The amendment calls for the omission of all words after "Officer", last occurring.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 7

MR BERRY (Minister for Health, Minister for Industrial Relations and Minister for Sport) (11.16): Madam Speaker, I seek leave to move two amendments together.

Leave granted.

MR BERRY: Madam Speaker, I move:

Page 9, lines 32 to 34, omit the clause, substitute the following clause:

Payments to the Territory

"7. Section 6 of the Principal Act is amended by omitting '6%' and substituting '5.75%'.

Page 9, after clause 7, insert the following new clause:

Payments to the Racecourse Development Fund

"7A. Section 8 of the Principal Act is amended -

- (a) by omitting from subsection (1) '0.75%' and substituting '0.5%';
- (b) by omitting subsection (2)."

The amendments seek to omit the existing clause 7 of the Bill and to insert a new clause 7 and a clause 7A. Clause 7 will amend section 6 of the principal Act by omitting "6%" and substituting "5.75%", and clause 7A will amend section 8 of the principal Act by omitting from subsection (1) "0.75%" and substituting "0.5%" and by omitting subsection (2). I am moving these amendments to enable ACTTAB to reduce the commission rates deducted from win and place pools from 15 per cent to 14.25 per cent.

Madam Speaker, ACTTAB currently combines its win and place pools with the Victorian TAB. The South Australian, Western Australian, Northern Territory and Tasmanian TABs are all joined in this link, which is now called Super TAB. TABs which combine pools must use the same rate of commission deductions. This is part of ACTTAB's agreement with the Victorian TAB. If it does not follow suit, the ACTTAB will have to drop out of the linked pools. Madam Speaker, the Victorian Minister has advised me that he intends to reduce the Victorian TAB commission rate to 14.25 per cent, in line with the New South Wales rate, on 1 August 1993. The other members of Super TAB are able to meet this timetable. I am advised that the ACT is the only party required to amend its legislation to achieve the reductions.

The commission levied from ACTTAB turnover from win and place pools is currently 15 per cent. The "first charge" distributions are 6 per cent to the Territory, 3.5 per cent to the ACT race clubs, 0.75 per cent to the Racecourse Development Fund and the remaining 4.75 per cent to the ACTTAB for payment of operating costs, including 2 per cent agent fees. It is proposed, Madam Speaker, that the ACT Government reduce the "first charge" distribution rate by 0.5 per cent to follow the Victorian move. The adjustment is 0.5 per cent, not 0.75 per cent, because the win and place betting accounts for 67 per cent of ACTTAB turnover. This comprises 3 per cent of pools not linked to the Victorian TAB, mainly on Canberra meetings, and 64 per cent of pools linked with the Victorian TAB. Madam Speaker, if commission on 64 per cent of ACTTAB's turnover is reduced by 0.75 per cent, then the reduction in overall revenue, when expressed as a proportion of turnover, is 0.48 per cent and therefore 0.5 per cent has been used.

Madam Speaker, there is evidence that lowering commission deduction rates will result in an increase in turnover, with greater financial returns offsetting any decreased percentage rates. An increase of 5 per cent would more than offset the proposed reduction. Madam Speaker, this Government has decided to achieve the 0.5 per cent reduction in distribution rates through sharing the 5 per cent equally between the Racecourse Development Fund and payments to the ACT Government. The amendment provides that the changes be achieved by reducing the Racecourse Development Fund's percentage of ACTTAB's turnover by 0.25 per cent to 0.5 per cent and the Government's stated percentage of ACTTAB turnover by 0.25 per cent to 5.75 per cent.

This amendment is consistent with what applies in other States and Territories linked to Super TAB, where government and the racing industry will share the effects of the reduction in commission rates equally. The Government would still be able to compensate for the proposed financial reduction with the expected increased returns to Consolidated Revenue if turnover increased as projected.

VicTAB has advised that its calculations show that an increase in percentage turnover in ACTTAB operations can be expected. It expects this to be up to 7 per cent in the case of the ACT. A 5 per cent increase would more than make up for the reduction in funding to the Racecourse Development Fund and to the Government. There will be no reduction in percentage payments to the racing clubs or to the ACTTAB. Madam Speaker, I believe that the reduction in commission rates will enable the ACT to recover some of the leakage to New South Wales win and place pools, resulting in a financial benefit for the Government, the ACT race clubs and the ACTTAB.

MR DE DOMENICO (11.21): Madam Speaker, the Liberal Party, the Opposition, will not be supporting these amendments, for one simple reason. When it suits Mr Berry to say, "We have to do what New South Wales and Victoria do", he stands up and says it.

Mr Berry: No, you do not understand.

MR DE DOMENICO: I do understand, Mr Berry. Then all of a sudden he says, "We have decided that we are going to share the burden between the Government and the Racecourse Development Fund".

Mr Lamont: No. It is going to force us out of the pool.

MR DE DOMENICO: You can have your chance later on. If you wish to get up and rebut whatever I have to say, you will have every chance to do it. Madam Speaker, the situation is this: Members of the Racecourse Development Fund - the racing people, the trotting people, the greyhound people - were summoned to the office of the Secretary to the Department of the Environment, Land and Planning and were told that this was what the Government was going to do.

If this is going to affect the revenue - and it is - to the tune of hundreds of thousands of dollars for the Racecourse Development Fund, you would think that those people would have been consulted before the Government made a decision to do it holus-bolus. That is all we are saying. We are saying, "Talk to people first". You may find that they agree with you, if you talk to them. Give them a chance to put their point of view across to you. You will find that things go through smoothly. Again, you have not done it. For that reason we will not support your amendments.

MR CORNWELL (11.22): Madam Speaker, I rise to support my colleague Mr De Domenico in opposition to these amendments. I do it for another reason, however. I want to make it quite clear, Mr Berry, that your purported supplementary explanatory memorandum is a contemptuous document to present to this Assembly. In relation to this particular amendment, it runs to eight lines. The amendment itself runs to 11. How can you expect anybody in this house to understand what the devil you are talking about when your amendment No. 2 - - -

Mr Berry: I reduced it to the smallest amount possible so that the Liberals could understand it and retain it.

MR CORNWELL: On the contrary, Mr Berry, your behaviour in relation to this is contemptuous. I would suggest that you talk to your staff and make sure that this sort of nonsense is not presented to this Assembly again in explanation of an amendment, even if it is at the last minute.

Amendments agreed to.

Clause, as amended, agreed to.

Remainder of Bill, by leave, taken as a whole, and agreed to.

Question put:

That this Bill, as amended, be agreed to.

The Assembly voted -

AYES, 10

Mr Berry
Mr Connolly
Ms Ellis
Ms Follett
Mrs Grassby
Mr Lamont
Ms McRae
Mr Moore
Ms Szuty
Mr Wood

NOES, 7

Mrs Carnell
Mr Cornwell
Mr De Domenico
Mr Humphries
Mr Kaine
Mr Stevenson
Mr Westende

Question so resolved in the affirmative.

Bill agreed to.

PERSONAL EXPLANATION

MR HUMPHRIES: Madam Speaker, I seek leave to make a statement under standing order 46.

MADAM SPEAKER: You have my leave. Please proceed.

MR HUMPHRIES: In the course of the debate on the Betting (Totalizator Administration) (Amendment) Bill Ms Follett interjected in response to a comment from Mr Kaine that she and her Opposition, as they then were, were never consulted about appointments by the then Government, the Alliance Government. Ms Follett may have forgotten that I - and I cannot speak for any of my colleagues - frequently consulted with Ms Follett about appointments that I proposed to make.

Mr Berry: What about me?

MR HUMPHRIES: I held all consultations through Ms Follett. For all the appointments relating to anything in my portfolio I consulted through Ms Follett.

15 June 1993

Mr Berry: You never came near me.

MR HUMPHRIES: If she did not convey them to you, that is your problem, Mr Berry. Certainly, Madam Speaker, there was consultation with the then Opposition and in particular with the then Opposition Leader. That occurred frequently. For Ms Follett to suggest that that did not take place is a serious misrepresentation of what in fact occurred during the time of the Alliance Government.

LEAVE OF ABSENCE TO MEMBERS

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

That leave of absence from 19 June to 9 August 1993 inclusive be given to Mr Moore.

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

That leave of absence from 27 June to 2 August 1993 inclusive be given to Mr Westende and from 19 June to 7 August 1993 inclusive be given to Mr Humphries.

ADJOURNMENT

Motion (by **Mr Berry**) proposed:

That the Assembly do now adjourn.

Member's Tie

MR MOORE (11.27): Madam Speaker, I would just like to draw attention to one thing. Mr Humphries this evening is wearing the tie of the Royal Canberra Hospital. Madam Speaker, it is surprising to me that he does not choke on it.

Member's Tie

MR HUMPHRIES (11.27): Madam Speaker, if Mr Lamont and Mr Berry can wear the tie of ACTTAB, I can wear the tie of the Royal Canberra Hospital with pride and impunity.

Member's Lapel Badge

MR DE DOMENICO (11.28): While we are talking about satirical things, I note that Mr Connolly has on his lapel a badge which displays the Australian flag, that great Australian flag with the Union Jack. It is an ALP badge, I think. One wonders what Mr Connolly's view is on what happened in Sydney at the weekend.

Member's Lapel Badge

MR CONNOLLY (Attorney-General, Minister for Housing and Community Services and Minister for Urban Services) (11.28): Madam Speaker, I purchased the badge some time ago. It is about to be updated when we change the logo, so I thought I would get some wear out of it while it was still current.

Question resolved in the affirmative.

Assembly adjourned at 11.28 pm

15 June 1993

Blank page.

ANSWERS TO QUESTIONS

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

Question No 506

Government Service - Enterprise Bargaining Agreement

Mr De Domenico - Asked the Chief Minister upon notice on 24 March 1993:

In relation to a phased salary increase of 4.9% over two years from 17 December 1992 as endorsed by the Industrial Relations Commission as part of a work place bargaining agreement that Commonwealth public servants work under and which will also apply to ACT public servants in which the agreement is that 4.9% phased salary increase will be in return for local workplace reforms leading to productivity increases in the ACT public service:

1. Who will administer the process of achieving increased productivity?
2. What is the value of a phased 4.9% salary increase over two years?
3. What savings, in dollars and cents, will be made from productivity increases?
4. What measures are in place to achieve these productivity increases?
5. What time frame has been set to achieve productivity increases?
6. Will this affect planned 2% across the board savings as announced by the Government in its 1992 budget.

Ms Follett - The answer to the members question is as follows:

1. A Central Co-ordination Group (CCG) is being established to oversee the process of implementing increased productivity measures and to stimulate and guide the further process of local productivity bargaining. This CCG will comprise representatives of the central Government Agencies having responsibility in industrial relations, public administration and budgetary areas, and representatives of the Trades and Labour Council.

1867

15 June 1993

2. The value of the phased 4.9% increase over two years, as reflected in the estimated level of Budget supplementation is as follows:

- \$7.4m in 1992/93 (part year effect), made up of;
 - the initial 2% pay adjustment applicable to all staff groups covered by the agreement (effective 17 December 1992)
 - the introduction of a Senior Officer Allowance effective from that same date, and performance pay for the Senior Officer group which is payable during 1992/93. There is also an additional superannuation liability in relation to performance payments made to Senior Officers included in the above figure
 - the first of the two "economic" adjustments of 1.4% applicable to all staff groups covered by the agreement (estimated cost of \$3.7m per annum, effective 11 March 1993).
- \$12.9m in 1993/94 and \$13.0m in 1994/95. These figures include the above elements, performance pay for the Senior Executive Service, which is payable after June 1993, and the second of the two "economic" adjustments of 1.5% applicable to all staff groups covered by the agreement (estimated cost of \$4m per annum, effective 11 March 1994).

3. The initial 2% productivity pay adjustment will be supplemented fully only over the first 12 months of the Agreement and then to the extent of 50% over the second 12 months. From that point it will cease to be supplemented at all and all costs must be off-set fully by the Service-wide efficiency measures agreed upon. Hence the savings, in dollars and cents, will at least equate to the value of the 2% adjustment which is estimated at \$5.6m per annum. Any local productivity measures further, agreed must be in addition to this, and hence deliver quite separate efficiencies.

4. The measures to achieve productivity increases set out in the Agreement include a range of -sector-wide reform measures which are immediately available to be used. Advice has already issued to agencies on the streamlining of redeployment and redundancy arrangements, and the greater use of Joint Selection Committees for bulk selection exercises. Another sector-wide improvement which the Agreement delivers involves a number of changes in relation to part-time employment, including a doubling of the available proportion of part time positions in the area of coverage of the Public Sector Union, and a joint review of the usage and the need for permanent part-time work in the physical and technical grades. Other agreed changes relate to accelerated inefficiency procedures, strategies to reduce absenteeism by

1868

a target of 20% over the life of the Agreement, competency based training and assessment, and award rationalisation.

In relation to the Senior Officer and Senior Executive Service structures, the Agreement also introduces performance appraisal and pay arrangements.

In recognition of the industrial benefits flowing from the long term nature of the Agreement the parties have further agreed on a set of procedures for the avoidance and settlement of any disputes over matters covered by the agreement, based on the provision of information and explanation, consultation, co-operation and negotiation. The agreement also spells out a joint commitment to essential personnel management and conditions of service issues, such as antidiscrimination, Equal Employment Opportunity and Industrial Democracy.

5. The ACT Public Sector Enterprise Bargaining Agreement runs for two years from 16 December 1992. As noted in the response to - Question 3 above, it is expected that the Service-wide efficiency measures will be implemented fully during the course of the Agreement. Additional local productivity measures will be implemented as and when agreed in local negotiations during the course of the Agreement.

6. Savings arising from workplace reform measures will be in addition to general budget saving measures.

1869

15 June 1993

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

Question No 673

Media Monitoring Service

MR HUMPHRIES - Asked the Chief Minister upon notice on 11 May 1993:

- (1) What is the cost (on a monthly basis) to the ACT Government for the service providing the daily TV and Radio News Summary and accompanying audio tapes to MLAs.
- (2) From which Department and program are the funds provided.
- (3) What is the name of the company which has the contract to provide the service.
- (4) If an item listed on the printed summary is not provided on the audio tape, and a transcript is requested, who bears the cost of this transcript.
- (5) Are charges incurred by the Department if a subsequent audio tape is provided where an item has been left off the original audio tape; if so, who bears the cost.
- (6) Is the service provided by the company named in answer to (3) the most competitive contract for such a service; if no such comparisons have been made, why not.
- (7) How many individuals are on the distribution list as recipients of this media service.

MS FOLLETT - The answer to the Members question is as follows:

- (1) The average monthly cost to provide daily Tv and Radio News Summaries and tapes to MLAs is \$1566.
- (2) The service to Ministers is funded through the Chief Ministers Department, Program 2, Sub-Program 2.2, Government Business Coordination. The service to other MLAs is provided through the Legislative Assembly, Program 1.2.

1070

(3) Media Monitors Pty Ltd.

(4)(5) If an item listed on the printed summary is not on the audio tape, inquiries should first be made to the Government Relations Section in the Chief Ministers Department before a transcript is ordered. On some days there are more items than will fit on a double sided audio tape (generally only one or two). In this case a single extra tape is provided to Government Relations by Media Monitors Pty Ltd to save the extra cost of providing a second tape with only one or two items on it to all recipients of the service. Inquirers may obtain/borrow a copy of the second tape if it is needed.

Infrequently, an item is left off, perhaps because of a short tape; in this case, Media Monitors Pty Ltd will provide a tape or a transcript at no cost to the inquirer or the Government. However, if a transcript is required in addition to the tape it is charged to the office ordering.

(6) Media Monitors Pty Ltd won the contract on a competitive basis. This contract has now expired, however, and the company is being retained on the same terms and conditions pending a broader internal review of public affairs functions generally in the Chief Ministers Department following the abolition of the Public Affairs Branch.

(7) There are 19 individuals on the distribution list for this service, including the 17 MLAs, the Chief Ministers Media Advisor, and the Head of the Chief Ministers Department.

1871

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

Question No 693

**Employment and Training Grants Program -
Pre-Vocational Training for Women**

MR CORNWELL - Asked the Chief Minister upon notice on 11 May 1993:

In relation to your reply to question on notice No. 389 listing amounts made available to various organisations for pre-vocational training for women

- (1) If Sistertrust is assisting 82 low income women at \$500 per person ie \$41,000, for what purpose is the balance of the \$75,000 to be applied.
- (2) Why is a similar amount per person assisted not provided for Caloola Farm - Tuggeranong Link (\$7,308) and Caloola Farm itself (\$25,000).

MS FOLLETT - The answer to the members question is as follows:

- (1) Sistertrust was funded \$75,000 under the 1992/93 Employment and

Training Grants Program to provide financial assistance and mentoring support to low income women to undertake vocational training at the Canberra Institute of Technology or with other training providers. Of the total grant allocated, a minimum of \$39,000 was to be used on financial assistance to women and \$4,150 on administration costs of the program. The balance of funds, up to \$31,850, was to be used to employ a part-time administrator and a full-time coordinator and mentor. The provision of on going mentoring support to participants is a major part of Sistertrusts program. To date all participants, with one exception, are continuing studies or have found employment.

Caloola Farm and Tuggeranong Link requested funding to provide shortterm (five to eight weeks) part-time pre-vocational training courses for women wishing to re-enter paid employment. These programs do not provide on-going mentoring support or financial assistance. Funds are provided according to the particular needs identified and the way in which these needs are to be addressed and not on a per capita basis.

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

Question No 706

Business Development

MR WESTENDE - Asked the Chief Minister upon notice on 12 May 1993:

- (1) Would the Chief Minister outline briefly the main problems experienced by business in the ACT.
- (2) What steps are being taken by the Government to set in place an environment conducive to attracting business to the ACT.
- (3) Has the Government made any assessment of the impact of the Canberra Region Campaign on business in the ACT and how does it measure this impact.

CHIEF MINISTER - The answer to the members question is as follows:

- (1) .The Beddall Report in 1990 identified a number of problems common to businesses nationally. These include complexity of government regulations and licensing procedures, the often conflicting approach of State and Territory Governments to franchising and retail tenancy and uneven delivery of management training and advice to small business proprietors. Major problems experienced by ACT businesses based on contacts with the business community (eg through the operation of the Business Services Centre) are: . the lack of initial capital;

difficulties in competing with interstate suppliers for Commonwealth and ACT Government contracts; the size of the local market compared with other centres; lack of experience and-expertise in business management; and. cross-border issues affecting particular= business operations.

- (2) The Government set up the Economic Priorities Committee of the ACT (EPACT) last year to advise on ways in which the ACr Government can provide assistance to attract business to the ACT. I tabled the Business Development Strategy in the Assembly on 18 May 1993. .

Some of the specific measures taker by the ACT Government to make the environment conducive to business include:

establishment of the Business Services Centre to provide information, referrals and counselling services to the business community;

15 June 1993

the Canberra Investment Promotion Program launched in March this year to promote Canberra as a business/investment destination, both interstate and overseas;

a Business License Information Service (BLIS) established to promote a one-stop system, so that users can receive all ACT, NSW and Commonwealth Government licences, permits, approvals or registrations;

the ACT Supply and Tender Agency, set up to assist local businesses to take full advantage of opportunities to competitively supply goods and services to the Government;

the National Industry Extension Service, in which the Government has assisted over 60 ACT companies in areas such as. business planning and strategic planning;

Quality Assurance seminars being run to inform local businesses how to be more internationally competitive by meeting client needs, streamlining . operations and reducing costs; .

co-ordination of Commonwealth. Government development programs such as the Business Skills Migrant Program,. the New Enterprise Improvement Scheme, Jobskills and other national industry assistance programs that provide private sector consultancy services, information awareness and assistance to business;

examining cross-border issues, particularly varying, regulations which affect business;

developing a Canberra Region Prospectus. to encourage investment and attract new businesses to the Canberra Region in consultation with the NSW Government;

assisting in the location of five. Co-operative Research Centres in Canberra, with the ACT Government funding a Government officer to work with the Centre for Advanced Computational Systems at the Australian National University;

development and implementation. of a strategy to attract National Associations to establish in Canberra; .

provision of assistance to small and medium size end in establishing new and expanded business in the ACT, particularly the education, information and advance technology, tourism, and rural value added industries;

specific initiatives with a number of high profile companies such-as Optus, Total Peripherals, Open Solutions Centre, CAMBIA and ACER;

assisting the Federal Airport Corporation (FAC) in the examination of the viability of an international airfreight centre in Canberra;

1874

-3

the Advanced Technology Working Group, established to provide an open forum for hardware manufacturers, software developers, research organisations and business representatives to meet and review developments in the advanced technology industry;

co-operation with specific industry associations, for example, the Advanced Technology Manufacturers Group;

a greater focus on tourism marketing, particularly on events to attract visitors to the ACT during troughs in the tourism year. This will encourage those within the tourist industry, such as hoteliers, to employ people on a permanent rather than casual basis.

(3) Since April 1992 the Canberra Region Campaign has been independent from the Government. Its activities are monitored by a private sector Board of Management chaired by Mr David Marshall.

The Campaign depends on funding from membership and I understand from Mr Marshall that membership has doubled in the last six months. I also believe that the Campaign has organised a number of successful functions, the most recent being "Canberra Region On Display", a Trade Show which was fully booked and well supported by both Campaign members and the general public.

1875

15 June 1993

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY
LEGISLATIVE ASSEMBLY QUESTION**

Question No. 709

Very Fast Train Project

MR WESTENDE - Asked the Chief Minister upon notice on 12 May 1993:

- (1) Would the Chief Minister see merit in the Government bringing pressure to bear on the Federal Government to reintroduce the very fast train (VFT) project as the type of project that would stimulate the economy and take a major aspect of the Nations transport infrastructure into the next century.
- (2) Would the Chief Minister agree that the benefits to Canberra of a VFT that passes through the ACT would be enormous.

MS FOLLETT -.The answer to the members question is as. follows:

- (.1) The Government has been, and continues to be, supportive of the proposal for a Very Fast Train.. If private sector proponents reactivate the proposal my Government will again enter into discussions to facilitate its progress.
- (2) The Government recognises that the construction and operation of a Very Fast Train link between Canberra, Sydney and Melbourne would have substantial economic and employment benefits for the ACT.

1876