



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

28 FEBRUARY 1996

Wednesday, 28 February 1996

Unit Titles (Amendment) Bill 1996	369
Liquor (Amendment) Bill 1996	371
Leave of absence to member	374
Bus transit lanes.....	374
Weed and pest control chemicals.....	382
Health services.....	392
Questions without notice:	
CRA Ltd - waiver of stamp duty	397
Public Service - enterprise bargaining.....	400
CRA Ltd - waiver of stamp duty	402
Answers to questions on notice.....	403
FootyTAB	404
Waiver of stamp duty.....	405
Waiver of stamp duty.....	407
CRA Ltd - waiver of stamp duty	408
Canberra Airport.....	409
Jindalee Nursing Home - sale	409
Electricity prices	412
Sydney 2000 Olympics -	
economic benefits for the ACT.....	414
IT infrastructure and services	
(Matter of public importance)	416
Leave of absence to member	432
Private members business - precedence	432
Health services.....	432
Air Pollution (Amendment) Bill 1995	437
Mental health legislation.....	443
Adjournment:	
Bankruptcies.....	445
Industrial relations	446
Industrial relations	447

Wednesday, 28 February 1996

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

UNIT TITLES (AMENDMENT) BILL 1996

MR MOORE (10.32): I present the Unit Titles (Amendment) Bill 1996.

Title read by Clerk.

MR MOORE: I move:

That this Bill be agreed to in principle.

In November 1994, prior to the last election, Mr Robert Lansdown, AO, CBE, released the residential redevelopment review, a report that had been commissioned by the then Minister, Mr Bill Wood. In that report, amongst other things Mr Lansdown made a series of recommendations that dealt with dual occupancy. One of those was recommendation 3, which stated:

No dual occupancy or urban infill in new areas for 5 years. Dual occupancy to be permitted elsewhere, but no subdivision or unit title; also a minimum block size, as well as tightened provisions to preserve area character and amenity.

It is the middle part, about “no subdivision or unit title”, that I believe is the main reason for the increase in the number of dual occupancies, and inappropriate dual occupancies, throughout the ACT. It was a change to the unit titles legislation, which I must say I supported at the time, believing that it would assist. Having read the review by Mr Lansdown and having seen the impact, I now believe that it is appropriate to accept the recommendations made by Mr Lansdown and to act on them. I think there was a widespread acceptance in the previous Assembly that we should be adopting the report of Mr Lansdown.

Indeed, Mr Speaker, the then Liberal spokesperson on education and training, housing, land and planning, heritage and rural matters, namely, you, put out a press release on 21 November with the headline:

Infill Report Welcomed! What now for those in limbo?

28 February 1996

It stated at the time:

The Liberal Party broadly welcomes the recommendations of the Lansdown Report and the decision by the Government to scrap the unpopular and unworkable 50/50 urban renewal policy, Liberal planning spokesman, Greg Cornwell, said today.

It went on:

“Mr Lansdown has presented sensible improvements to planning guidelines which will be welcomed by the many ACT residents concerned about the future of their neighbourhood. The recommendations also should be welcomed by developers, because although they tighten existing guidelines they also clarify the rules, thus making certainty in the planning process for developer and resident alike.”

Mr Speaker, it is something that you and I have agreed on since we first met at meetings with the NCDC as early as 1985 or 1986. The press release went on:

Mr Cornwell said that he noted the Government had gone further than Lansdown in its decision to abandon the 50/50 policy and to increase the dual occupancy block size to a minimum 800 square metres.

“The Government's action simply confirms what the Liberals have been saying for months: the policy was not working!”

The Liberal Party did not support 100 per cent betterment on unit titled developments nor the decision to abolish strata titling.

I think it is particularly important that you made that comment at the time. It continues:

“We believe there are sufficient controls in place without adding those.”

Mr Speaker, anybody who has commented on the Lansdown report or dual occupancy from that time onwards has recognised that it is this subdivision, or unit title, that has encouraged the development of dual occupancy through, as was said at the time, greed rather than need.

The proposal I put today in this legislation means that people will still be able to subdivide their blocks when they are doing a development of four units or more. The reason for that is that it is not the intention, as far as this legislation is concerned, to try to stop redevelopment in Canberra. Indeed, when redevelopment is carried out appropriately, when it is carried out meeting proper guidelines, it is often welcomed by people throughout Canberra as enhancing their neighbourhoods rather than demeaning them. However, one of the problems with dual occupancy is that it has had no strategic control.

Nobody knows exactly where they are going to occur, when they are going to occur, how many are going to occur on any block, and how they will change the whole ambience and character of the neighbourhood. That is why there has been so much concern about this issue.

The legislation simply says that, where the proposal is to divide a single block into three, that simply will not be allowed to change the title. People whose parents are growing older and who wish to have them fairly close but not so close that they are in the same house would still be able to have a second dwelling on the block but would not be able to divide that and sell the two separately. This is provided they met the guidelines in terms of dual occupancy as they were originally intended when they were put out by the NCDC over a decade ago.

The piece of legislation I present today is indeed a step to correct the problems we have seen with dual occupancy. It ought to be recognised as a positive move in ensuring the orderly development of Canberra, protecting what is important to people, particularly those living in older suburbs, who are interested in the ambience of their neighbourhood, the particular characteristics of their neighbourhood, and who wish to keep it that way. We should remember that those people who are interested in dual occupancy from a developer's perspective often argue that they have invested a certain amount of money in order to do this kind of development. We must not forget that almost everybody who opposes any specific dual occupancy is trying to protect their own investment, which is usually their total lifetime savings and lifetime investment in their own home. That is why there are such strong feelings associated with this issue of dual occupancy. This does not stop dual occupancy, but it certainly stops the development of dual occupancy based on greed rather than need. I commend the legislation to the Assembly.

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

LIQUOR (AMENDMENT) BILL 1996

MR OSBORNE (10.42): I present the Liquor (Amendment) Bill 1996, together with its explanatory memorandum.

Title read by Clerk.

MR OSBORNE: I move:

That this Bill be agreed to in principle.

This is my first piece of legislation to be considered by the Assembly and, although it is a simple Bill, I am pleased that it has the potential to impact significantly on our city. The intention of this Bill is to allow the Assembly the capacity to regulate the hours for alcohol sales in the ACT. I feel that the time has come for such regulations to be made. As members will be well aware, the limitations I am calling for are to disallow liquor sales between the hours of 3.00 am and 7.00 am across all of Canberra, applicable at every type of licence.

I am putting this Bill forward for two reasons. The first concerns the alcohol-related problems we have had for a number of years in Civic and Manuka, and also Tuggeranong and Belconnen, especially on Friday and Saturday nights. I have often heard Canberra referred to as the safest city in the world, and I do not doubt that that is true. In fact, this is one of the reasons why I enjoy living here and why I chose to stay here after my previous career finished. However, I do feel that it can be made safer. I have had several members of the Australian Hotels Association attempt several times to convince me that they have wrongly been made the scapegoats for any trouble that goes on outside their clubs and bars. I guess that their vested interest has numbed their sense of reality a little. For the key members of the AHA to deny having even the slightest part to play in the unacceptable behaviour that happens in our traditional late night areas throughout the night does not do much for their credibility in claiming to be a responsible organisation with the welfare of our people at heart.

I am pleased, though, that the majority of licensees do run their businesses responsibly. However, there is still a group who are uncooperative with the police and are continually looking for ways in which they can flout the law. Unfortunately, the nature of our current laws makes it difficult to catch and successfully prosecute these licensees. I am pleased to hear that Mr Humphries is intending to take care of that in the immediate future. Over this summer, the police have been using special patrols to clean up much of the less desirable behaviour that goes on in and around Civic and Manuka. By concentrating on both of these areas at the same time, they have been able slowly to tackle the core of the situation rather than simply driving any troublemakers from one part of town to another. While the police have been able to achieve a great deal over the summer with special squads, they also know that as soon as they slacken the pressure things will go back to the way they were.

It is clear that a package of more permanent measures is needed to reform our trouble spots and the people who visit these areas. Mr Humphries has already indicated to this Assembly that he is intending to implement a range of measures to allow for greater control over what goes on inside the clubs. I am also pleased to hear that the Government is giving serious consideration, especially in Civic, to things such as improving the lighting in car parks and tidying up the bus interchange and service lanes that run behind the clubs. They will take a look at slowly changing the ratio of liquor outlets to other types of businesses in the area.

I am convinced that a limitation on the availability of alcohol also has a part to play in changing people's behaviour, and I consider that to exclude sales between 3.00 am and 7.00 am would prove to be both reasonable and effective. I have to say that some people have misinterpreted such limitation as a curfew, but clearly this is not the case. Clubs would still have the option to stay open, and there would be no requirement for everyone to go home at 3.00 am; although it is expected and hoped that most people would be trying to leave over the next hour. This change will have several advantages. Most importantly, it would allow for more effective policing. The police would be able to roster their squads with a specific timeframe in mind, so that they could have the right number of people available at the right times, rather than having their resources too thinly spread over a longer period, as has usually been the case in the past. Right now, the police are spending all their time between 3 o'clock and 6 o'clock in the morning filling the Civic watch-house with drunks who have come from the nightclubs.

By changing to specific trading hours, for about an hour the police will be able to help everyone go home and to spend the rest of the night doing the serious policing they do not have time for at the moment. I am convinced, and so are most of the interest groups affected by the problems that are going on, that limiting the trading hours is an achievable way of dealing with the violence and drunken behaviour we have.

There are other things I would like to see happen, such as more police and giving them greater powers, but I am a realist and know that that is not going to happen. Another advantage would be in having the right number of taxis available at the right times. This is actually one of the main reasons why I have finally settled on 3.00 am. At the moment, most taxis change drivers at 5.00 am, which leads to all kinds of problems in the taxi queues. With a 3.00 am restriction on liquor sales, the majority of people would be gone from the town centres before the changeover takes place. I discount the arguments against the intent of this Bill as being overdramatised and fostered by those who have put the state of their wallets ahead of what is good for our community. It is true that the Liquor Licensing Board can regulate the liquor trading hours if a specific licensee gets caught breaching the terms of his licence. I am convinced that it is important for us as legislators to be able to regulate the trading hours as well, and in a much broader context.

The second reason why I have brought this Bill before the Assembly is to promote the responsible use of alcohol, which is something I am sure we all want. Laws send a message of what is and is not acceptable in our community. By allowing clubs and bars to be open 24 hours, the underlying message we are sending is that it is acceptable to go to them for 24 hours, which in my view is not okay. Alcohol is the most serious drug problem we have in Australia, and the message we should be sending out is that there should be limits. Society needs controls that are both effective and reasonable. The move to 24-hour availability of alcohol was a social experiment that Canberra pioneered, and it has clearly failed. It has failed especially for our young people, who have misinterpreted the signal and the freedom they have been given. It is our duty as legislators to send positive signals to our community about alcohol, and a reasonable limit on our liquor trading hours would be a step in the right direction.

Members are not being asked to support a specific set of trading hours in this Bill. However, I am obviously expecting that we will also be voting on that issue in the near future. I have made it no secret that I would like to see the trading hours I have put forward, between 7.00 am and 3.00 am, at least given a six-month trial that is monitored by the Institute of Criminology and a community-based committee. While this Bill does not set the trading hours, it allows the Government to set them by regulation, and if we find that they do not work we can change them back. But if they do work, and I think they will, we can limit them even further. As well as this trial, I am giving members notice that later this year I will be calling for the Legal Affairs Committee to conduct an inquiry into all aspects of our alcohol legislation, so that the grass roots of the industry can hand the Government some sensible recommendations on how to deal with our city's alcohol-related problems. However, this Bill needs to become law before any such regulations can be proposed. I commend the Bill to the Assembly.

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

LEAVE OF ABSENCE TO MEMBER

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

That leave of absence be given to Mr Stefaniak for today, 28 February 1996.

BUS TRANSIT LANES

MR HIRD (10.52): I move:

That this Assembly calls on the Minister for Urban Services to ensure that all Bus Transit Lanes be open for use under the same restrictions that apply to the Bus Transit Lanes on Athllon Drive.

Athllon Drive bus transit lanes are open for use by the general public in off-peak periods. It is an experiment that has worked very well. This experience has shown that the easing of restrictions in the bus-only lanes in Athllon Drive has eased the severe traffic problems in that area. Traffic moving between Tuggeranong suburbs and the Woden Town Centre, for instance, now flows smoothly, with the transit lanes open at the most important times of the day for the general public. It has also reduced the number of complaints that members of this place receive from motorists travelling between those two areas.

The introduction of transit lane use in other areas of the city would, I submit, have similar effects, that is, easing traffic flows and reducing the need for motorists to complain about congested roads. Another example of the benefit is that on occasions such as the one the Government faces right now, with the trade union blockade of Civic, the bus-only lanes could become transit lanes for use by the general public, thus avoiding the massive inconvenience that this type of action causes to the general resident of Canberra. This is a straightforward motion, Mr Speaker, and I commend it to the house.

MR DE DOMENICO (Minister for Urban Services) (10.54): I thank Mr Hird for his motion. As members will recall, the experiment on opening up Athllon Drive is the one that members opposite said for four years could not be done. This Government consulted with the Transport Workers Union. We reacted to an enormous community desire to open up Athllon Drive in particular because, as Mr Hird said, it is one of the major links between the Tuggeranong Valley and the Woden Town Centre. It is also used by a lot of families who commute between those two centres, taking children to sporting functions and all that sort of thing. It was important that we should react in that way. It was also important that we did it by consulting with the Transport Workers Union and getting their imprimatur on it. It is working very well.

Traffic and Roads are currently reviewing the effectiveness of the Athllon Drive transit lanes and will use this assessment as the basis for providing advice to the Government about the conversion of the remaining bus lanes to transit lanes or the provision of additional transit lanes. We will do it in that way because initial indications show that there needs to be an education campaign. There is no doubt that some people are still confused about what T3 means and so on. We thought the Government should not have an expensive advertising campaign just for Athllon Drive, because most of the people who live in that area know how to use that lane by now. However, the police expressed some concern about being able to see that in the back of a car there are two young kids or people of my size, for example, when it is very difficult to see their heads above the seats. So the policing of that transit lane does become a problem from time to time.

What I am saying to Mr Hird is that we need to talk to the police and other interested parties, as well as the Transport Workers Union. I am advised that there are two particular lanes we need to look at. One is on Adelaide Avenue into town and the other one is on Barry Drive, which goes out to Belconnen. We will have to get Traffic and Roads to look at the physical set-up of those lanes to see whether we can convert them into transit lanes without having to change the infrastructure. Secondly, we must ensure that it does not have a detrimental effect on the way the bus service operates, and that is why we need to talk to the Transport Workers Union. As I said, police have indicated that they have some difficulties with the enforcement of transit lane provisions because of the difficulty, in particular, of detecting smaller occupants. They say two children, for example, but I add myself to that as well because some people might find difficulty in seeing me in the back of a car.

In principle, the Government is in support of Mr Hird's motion. We have a forward design project in the 1995-96 capital works program to examine bus priority improvements, which include the possible expansion of transit lanes to new locations, and I will keep the Assembly informed on that. I thank Mr Hird for his motion.

MR WHITECROSS (10.57): The Labor Party will be opposing this motion. I think Mr De Domenico has highlighted some of the things that are of concern to us. We would like to see some evaluation of what has happened at Athllon Drive. We also take the view that, in looking at what happens with transit lanes, you need to approach these things on a case-by-case basis. There are specific characteristics of the Athllon Drive situation which do not apply to the Yarra Glen-Adelaide Avenue bus lanes or to the Barry Drive bus lane. In the case of the Athllon Drive bus lane, you had a duplication there which resulted in two lanes each way, one of them committed to buses and one committed to cars, which tended to result, in the minds of car drivers particularly, in an imbalance in the volume of traffic that could travel in the car lane compared to the number of buses using the bus lane. That is where the public pressure for a change came from. While the cars were backed up over the hill into Tuggeranong, there was no-one in the bus lane, and you could sit there for some time without seeing a bus. That did cause some tension in relation to the bus lane.

28 February 1996

In relation to the other two bus lanes, you have a situation where there are two lanes of traffic on both of those roads, where there is good opportunity for the traffic to move, for people to get around slow vehicles. I have been in a situation with the Athllon Drive bus lane of being stuck behind some piece of road equipment or something like that travelling at 40 kilometres an hour and feeling a certain amount of frustration because I could not zip into the bus lane and get around this vehicle.

Mr De Domenico: But the same thing happens elsewhere too.

MR WHITECROSS: Yes, it does. That is a frustration that people feel. It is not as big an issue on a two-lane road. You do not have the same problem of being stuck behind slow vehicles. It seems to me that there are some specific circumstances which mean that these other bus lanes are important.

Another important consideration is that the amount of traffic on Adelaide Avenue and Yarra Glen is substantially greater for a greater period of the day than is the case with Athllon Drive.

Mr De Domenico: Which is the reason why you should open it up.

MR WHITECROSS: Mr De Domenico says that that is a reason for opening it up. It is also a reason for not opening it up, Mr De Domenico, because at 12 o'clock there is not much traffic on Athllon Drive.

Mr De Domenico: Midnight or midday?

MR WHITECROSS: In the middle of the day. There is not much traffic on Athllon Drive then, so the traffic is not slowing the buses down very much. At 12 o'clock on Adelaide Avenue the place is chockers with traffic, and you have a good potential to slow buses down.

It seems to me that a balance needs to be struck, and certainly the Assembly needs to have more information before committing itself to what Mr Hird is proposing, which is opening up these lanes. Most importantly, a balance has to be struck, in the view of the Labor Party, between facilitating car drivers and facilitating public transport. Any move to allow other vehicles to use bus transit lanes has the effect of slowing down bus times, and slowing down bus times makes buses less attractive. If you add three minutes to the time it takes a bus to get from Woden to Civic, that is a significant disincentive for bus commuters and will cost ACTION or, if Mr De Domenico gets his way, somebody else a lot of money in running costs for the bus service. Every minute of extra running time will cost the public transport system money. Multiplied by the number of services that run up and down Adelaide Avenue every day, that is a very significant amount of money.

I do not think it is as simple as saying, "It worked for Athllon Drive, therefore we have to try it everywhere else". It has slowed down bus times on Athllon Drive; it will slow down bus times on Adelaide Avenue-Yarra Glen, and presumably it will slow down bus times on Barry Drive. We need to have a proper understanding of what those implications

are before we go down this route. It is too simplistic just to say, "There is a lane; I have a car; why can I not drive my car in that lane?". We have to have an integrated approach which gives a proper balance to the role - - -

Mr Hird: You can do it coming out of Tuggeranong but you cannot do it coming out of Belconnen?

MR WHITECROSS: As I have already explained to Mr Hird, it is a different situation.

Mr Berry: You need only three fingers. There are three lanes in a lot of the others and two in the rest. It is pretty simple.

MR WHITECROSS: Mr Berry correctly explains that three is more than two and therefore there is less reason to open up a bus lane in a three-lane road than there is in a two-lane road. It comes down to this: Before we do something that will compromise our public transport system, that will add to the running times, we ought to have the proper - - -

Mr De Domenico: But you do not know that.

MR WHITECROSS: You do not know that either.

Mr De Domenico: Yes, I do.

MR WHITECROSS: No, you do not. Mr De Domenico, you just said that you did not know, so I would not say now that you do know. We do not know what is going to happen to the running times. We ought to have that information before we have these sorts of consultations. It is not just a matter of consulting with the Transport Workers Union. It is a matter of consulting with ACTION management. It is a matter of consulting with the Assembly about whether - - -

Mr Hird: That is what I thought we were doing now.

MR WHITECROSS: Mr Hird thinks this is consultation with the Assembly, which shows the depth of his appreciation of the concept of consultation. Consultation, Mr Hird, is when you come with information and you explain the pros and cons of something, not just when you move a three-line motion saying, "Let us open up the transit lanes". That is not consultation, Mr Hird.

Mr De Domenico: You were against opening up Athllon Drive as well.

Mr Hird: You were against that in the first place.

MR SPEAKER: Order! Mr Whitecross has the floor.

Mr Berry: Mr Speaker, I draw your attention to standing order 207.

MR SPEAKER: Continue, Mr Whitecross.

MR WHITECROSS: I think I have made my point, Mr Speaker. It is a simple point. There are differences between the two bus lanes, and just because we did it for one does not mean that we should do it for the others. We need to give priority to what the implications will be for our public transport system and ensure that we are not compromising our public transport system. To date, Mr Hird's so-called consultation with the Assembly has not yielded any actual information about that, and the Minister was not too forthcoming either, although he now says that he has the information and he just has not told us.

It comes down to this, Mr Speaker: The emphasis of policy in recent times, including in the Government's last budget, was on bus priority measures. This motion is about turning your back on bus priority measures and saying, "Let us hand over these bus priority measures to cars". If a bus priority measure is misconceived and we can make the system better for everybody by opening up the bus lanes, let the Government bring forward the information and we will contemplate that. Let us not have a situation where we compromise the effectiveness of our public transport system and its efficiency, in terms of the cost of running it, simply to satisfy the short-term gain of giving a few car drivers access to the bus lane.

MS HORODNY (11.06): The Greens will not be supporting this motion. In my view, it is a very simplistic motion. It has not been thought through adequately. A lot of the points Mr Whitecross made I would have to agree with. You cannot simply take Athllon Drive, with its unique situation of having one car lane and one bus lane, and extrapolate from that situation to other lanes. Athllon Drive is unique because it has one car lane and one bus lane, and possibly it was appropriate to do what Mr De Domenico did in that situation - although I understand that buses have been slowed up outside of peak times when cars use that lane, so there might be some problems there and they may have to be looked into. You certainly cannot take that situation and use it on Adelaide Avenue or Barry Drive, because those roads already have more than one car lane; they have two, if not three, car lanes.

Mr Hird: That is what they do everywhere else in the world.

MS HORODNY: I cannot see the need, Mr Hird, to change those bus lanes into car lanes for any time of the day. I cannot understand why this Government, which claims to have a commitment to improving public transport in the ACT, would be supporting such a motion. It does nothing to improve public transport in the ACT. In fact, it shows the clear direction of this Government to make it easier for car users in the ACT to get around. They have two lanes now; let them have three. Why not let them have five? Why not just put more lanes in and let us have more cars and fewer buses than we already have?

It is clear that this Government does not have a commitment to public transport. The new draft *Bus Book* shows that services have been reduced. The book is not easily comprehensible. The public consultation time given for that book was one week - one week for everyone out there in the community to comment on the changes in that book, which are fairly major. Most of the routes have been altered, and the routes after 7 o'clock have been completely altered. So that is a real issue.

I have spoken to Mr De Domenico a number of times about public transport in the ACT, telling him that if this Government had a real commitment to improving public transport they would work out a plan. It is really simple. You like corporate plans, Mr De Domenico. You like working to a plan. Why do you not work out a plan? It is simple. The vision is that we want a cleaner, greener Canberra. Surely, an aim is to reduce car usage in the ACT. A goal, therefore, would be to increase the 5 per cent current public transport usage to a figure of, say, 20 per cent. Give it a timeframe - three years, five years, whatever you like. It is really simple. It is a formula; you work to it; you get a result. If you do not get a result, you monitor what is going on, you assess what the problems are, and then you work out a series of objectives, and they have to do with incentives and disincentives. They have to do with parking, with car usage, with public transport usage. You have to increase and improve public transport so that people can rely on it, because it is only at the point that people can rely on public transport that they will use it.

Mr De Domenico: Who pays for it?

MS HORODNY: Look at how much money we are spending on roads in the ACT, Mr De Domenico. That is how we pay for it. We start looking at the proportion of money we spend on roads and we stop looking at public transport as subsidised public transport. We look at private transport and we say, "We are subsidising that very heavily as well". Look at traffic lights, look at how much parking we subsidise, look at roads, look at that whole issue, and you will see that it is not a publicly subsidised public transport system. We are subsidising cars to a much greater extent, but it is a hidden subsidy and it is one that needs to be brought out into the open. There is no way we will be supporting this motion. It does not make any sense at all to me. We need to be working on making bus transport more useable, improving the time it takes to get from centre to centre on a bus and not just making it easier for car users to get around.

MR MOORE (11.12): Mr Speaker, I rise to oppose Mr Hird's motion. Whilst I oppose it, I certainly recognise that what Mr Hird has attempted to do here is to open up the bus transit lanes in the same way as happened successfully on Athllon Drive. The question is, and it has been dealt with by the two previous speakers: Can we extrapolate from Athllon Drive to other areas and other bus lanes in Canberra? I think the answer to that question, and the reason I am opposing this motion, is: No, we cannot.

However, Mr De Domenico has suggested that he is prepared to do some careful studies as to what the impact might be and to try to assess those, and I have no objection to such studies being carried out. I think they should take into account the sorts of issues raised by Ms Horodny about what we are trying to achieve in the long term, and from that point of view I think it has been a worthwhile exercise to put the motion on the table. Unfortunately, the motion does not deal with the issue in a detailed enough way. It does not deal with the complexities of the issue; I think it was Ms Horodny who said that it is simplistic. I do not think this motion, though, having been lost, should be interpreted as saying that therefore you do not continue any studies as to the ramifications. It does suggest that, before you extend the process that has been used in Athllon Drive, it ought at least to come back to this Assembly for consideration to present evidence to us that all the issues have been taken into account. It is not something that can be done by sleight of hand, and that is the main reason I will be opposing the motion.

28 February 1996

MR BERRY (11.14): Mr Speaker, I am going to be harsher in my criticism of the Government than was Mr Moore.

Mr De Domenico: Surprise, surprise!

MR BERRY: That would indeed come as no surprise to anybody who is even a casual watcher of this place, because we are the only party that did not support the establishment of the Government opposite.

Mr De Domenico: This is Wayne Berry's way of playing politics with a bus lane.

MR BERRY: No; this is a simplistic motion which does not deal with the issues. It might have been a nice little media stunt; but it does not go to treating seriously environmental questions, which I think we have to deal with seriously in this place. Just a little while ago, I think it was in relation to our inquiry into capital works on the Planning and Environment Committee, officials from ACTION, I think it was, were at great pains to describe to us the way in which they were going to reduce running times for their buses by introducing some electronic control of traffic management arrangements - traffic lights and so on. They explained to us in great detail how, if you can reduce the running time of buses on particular routes, you can significantly reduce costs over the year and, as a result, you can also improve patronage because the buses take less time to get from one point to another.

In an environmental sense, of course, that is good on a number of grounds. Firstly, it makes the bus service more efficient and it uses less non-renewable fuels, and we have a situation where more people are encouraged to use buses and fewer people use cars.

Mr De Domenico: There are five of them parked out here with no-one in them. Get rid of those. Put them back on the road. If you are so good, talk to your union mates and get them back on the road.

MR BERRY: Mr De Domenico should sharpen up his industrial relations management, and he would not have the trouble of the breeding buses. That is the problem with this lot over here. It is the issue of industrial relations - - -

MR SPEAKER: Address the motion, Mr Berry.

MR BERRY: I agree with you, Mr Speaker; it is not relevant to this debate, but neither were the interjections. There are some important environmental considerations in this issue that have not been dealt with. Mr Hird has not considered the likelihood of longer running times for buses and the environmental impact of that. He has not considered how the longer running times for buses would affect patronage. They are all questions that have been dealt with over and over again. We have to ensure that we enhance patronage of our bus service as much as possible. That will lead to reduced car usage, and that is better for the environment.

So far as the bus service itself is concerned, even if you look at it through the eyes of an economic rationalist - a view that those opposite would be comfortable with - they would come up with the answer that you should not do anything that would extend the running time of buses because it costs more money. So on ideological grounds the Liberals and the Labor Party should agree. We are rock solid in our defence of the environment, rock solid in our ideological position on the environment, and the Liberals, from their economic rationalist viewpoint, should be opposed to this motion too. It makes no sense on any grounds for this motion to be supported, and that is why Labor will be opposing it.

MR KAINE (11.18): I must say that this is another case where people come here and waste an hour of our time debating something when they obviously do not know what they are talking about. First of all, can somebody tell me where all these bus lanes are from which, if we opened them up outside peak hours for use by ordinary cars, all these terrible environmental consequences would flow? The only ones I know about, other than Athllon Drive, are on Adelaide Avenue and a short stretch of about 200 metres on Barry Drive. What on earth are we talking about here?

Mr Berry says that by allowing the buses to flash through those short strips of road we are reducing the environmental hazard. While those buses are flashing through those short stretches of road, hundreds of cars are blocking up two and three lanes and spewing their environmental destruction everywhere. What on earth are they talking about? If these bus lanes ran all over Canberra and there were hundreds of buses on them 24 hours a day, there might be some logic to Mr Berry's argument, and perhaps even to Ms Horodny's argument. But there is simply no substance to the argument that they have put forward in opposition to this. This motion talks about opening them up to be used by private cars in off-peak hours, when there are not any buses to speak of using them. What a lot of nonsense! We are going to waste an hour debating this, and at the end of it the troglodytes are going to vote against it. For crying out loud, where does commonsense come into the issue at all?

I hear the argument about the damage to the environment, but can anybody show me any figures that indicate that these bus lanes have contributed to increased bus usage? I will guarantee that the answer is that they cannot, because there is no such evidence. For heaven's sake, let us get real. If there were a couple of hundred people sitting in the gallery this morning listening to this, they would be wondering what on earth we were wasting our time for. I am sure that, if they came in here often, they would ask the same question. On this issue, what is the point of the debate? There is no point, except that, after we have wasted an hour, the troglodytes are going to vote no to this. They are going to vote no, not for any logical reason, not because it makes any sense, not because it achieves any great environmental advance, not because it is going to attract more people onto buses, but simply because of some predetermined, mindless notion about bus lanes. Frankly, Mr Speaker, it absolutely appals me.

28 February 1996

Question put:

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

The Assembly voted -

AYES, 6

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

NOES, 9

Mr Berry
Ms Follett
Ms Horodny
Ms McRae
Mr Moore
Mr Osborne
Ms Tucker
Mr Whitecross
Mr Wood

Question so resolved in the negative.

MR SPEAKER: I remind members that they are not to talk or interject while the Clerk is calling the roll.

Mr Berry: You are not going to close down the house again, are you, Mr Speaker?

MR SPEAKER: No; but I may ask you to leave if you keep up your interjections.

WEED AND PEST CONTROL CHEMICALS

MS HORODNY (11.25): I move:

- (1) That the Assembly calls upon the Government to initiate a public inquiry to review and/or establish guidelines for the selection and use of chemicals for weed and pest control in the ACT and establish a Steering Committee to assist in the development of terms of reference and the final report. The inquiry should consider:
 - (a) an assessment of the types and quantities of chemicals used in the ACT for weed and pest control;
 - (b) the effectiveness of existing chemical weed and pest control programs in the ACT;
 - (c) the health and safety aspects of chemical use on the general community and workers applying chemicals;

- (d) public notification of chemical control programs;
 - (e) the need for transparent processes to ensure community input on ACT chemical control programs;
 - (f) the need to integrate ESD precautionary principles in policy decisions regarding chemical use;
 - (g) the potential impacts of chemicals on non-target fauna and flora;
 - (h) non-toxic alternatives for weed and pest control; and
 - (j) such other relevant issues as may arise in the course of the inquiry;
- (2) membership of the Steering Committee should include:
- (a) a person nominated by the Conservation Council of the Southeast Region and Canberra;
 - (b) a person nominated from Landcare;
 - (c) a community health representative;
 - (d) a person nominated from the Australian Chemical Trauma Alliance;
 - (e) an entomologist;
 - (f) a plant biologist; and
 - (g) a union representative; and
- (3) The inquiry will be chaired by the Commissioner for the Environment.

I believe that the motion is self-explanatory and I urge members to support it. I will not mince words. I believe that chemicals are poisons. There was a time when we called a spade a spade and we called poisons poisons and people knew to be very careful and wary of them. We have now euphemised that term to “chemicals”, and it has changed the debate somewhat. I believe that it is important that we have a comprehensive inquiry that looks at the full scientific, social and environmental aspects of pesticide use in the ACT. There is a real issue concerning the build-up of these persistent chemicals and the effect on the food chain and indeed on the whole web of life.

28 February 1996

At the moment decisions relating to the use of these poisons in our environment are made purely within a chemical framework. Non-toxic alternatives are not considered. The only choices that people who make these decisions have is basically about which chemical to use. A number of alternatives to various chemicals that we use are available. One of them is actually being demonstrated tomorrow. That is the Waipuna hot steam method. It is extremely effective. It is used throughout New Zealand, and has been, I understand, for a number of years. It is also used by the Leichhardt Council in Sydney and on the north coast quite extensively, I believe. It is a hot steam method of eradicating herbaceous weeds. It is completely non-toxic and obviously does not have the problems of residue build-up in our environment.

There are currently very few avenues for the community to have input into the way chemicals are used in the ACT. We are all familiar with the pink dyes that appear around the pavements, roadways and park areas in the ACT. The sighting of that pink dye is usually the first any of us know that spraying has been going on. Indeed, we never really know what has been sprayed, how much, and for how long people and animals need to keep away from the area that has been sprayed. There are comprehensive guidelines regarding where and when these poisons can be used in the ACT.

Aside from the environmental and health reasons for such an inquiry, there are also some important principles of community right to know. That is why public notification is one of the issues that the inquiry would consider. Access to information on the use of chemicals is critical for the whole community. It is particularly important to those people in the community who are more sensitive to some of these nasty chemicals than other people are. There is no doubt that different people in the community have different tolerance levels. That all needs to be investigated.

The Greens are fully aware that there will not always be non-toxic alternatives; but at the moment we do not have the mechanisms, and indeed, we do not have the political will, to do more with the alternatives that have been developed. I mentioned Waipuna as one alternative. Another alternative that is already extensively used in other parts of the world is the three-in-one Supergrow. That is also something that this inquiry will investigate.

During early January, while I was away, Ms Tucker met with researchers in the CSIRO entomology unit. They were certainly very keen to have input into such an inquiry. The Commissioner for the Environment, Joe Baker, has agreed to undertake this inquiry. There is the question of resources for this inquiry. I would hope that this Government would consider this to be an important enough issue to allocate resources to allow this inquiry to be as comprehensive and as wide ranging as it needs to be.

I would remind the Minister for Planning, Mr Humphries, who is also the Minister for the Environment, that the resources allocated to the Stein inquiry were quite substantial. That inquiry was given half a million dollars. Not too many questions were asked about that. It was considered an important thing to clear up. I certainly agree with that, and I would not quibble with that figure. You can, I guess, argue also that that inquiry will bring financial returns in the form of the betterment that was part of the investigation.

For the inquiry I propose, I would like to see adequate resources, because the return is obvious. It is to ensure that we have clean water and clean soil in the ACT. We already have a huge problem with contaminated soils. There is an issue here about how much more contamination we are creating by spraying God knows what around ovals. There is a big issue of spraying around ovals that children are playing on.

One of the arguments that I have heard about the Waipuna method not being taken up is the cost consideration. I understand that the trucks and the equipment are not available for purchase. They are available only for hire, and that is one of the main reasons for the cost being what it is. I understand that there is a competing company that does sell the trucks and equipment. This has brought the cost down substantially and, in fact, made it very comparable to the cost of the chemicals that are used at the moment. That aside, the cost of not using a less toxic alternative may not be obvious to us now, but it is certainly something that will become obvious as our waterways become contaminated and more and more of our soil becomes contaminated with the chemicals that we use at the moment.

I remind the Minister that in the ACT - indeed, around the world - we should be operating on the precautionary principle. It is one of the main principles behind the ecologically sustainable development guidelines. The precautionary principle is very clear. If you are not certain about the long-term effects of chemicals, poisons and sprays, then you do not use them. You look at alternatives, and you look very carefully at those alternatives. As I said, there are not necessarily always non-toxic alternatives, but I would hope that this inquiry would look at how the use of toxic sprays can be minimised and at how we can use sprays that are less toxic. There is a lot of research going on and a lot of work can be done on determining when those sprays can be used in the life cycle of the pest that we are treating, so that we can get away with a smaller volume and achieve the same sort of effect.

An argument sometimes used to justify the use of a poison is that the National Registration Authority has registered the poison. In fact, that is no argument at all. The NRA is very limited in the work that it can do. Its role is basically to assess the data that is provided by the company. Obviously, there is a problem with companies providing their own safety data. That is like asking the fox to be in charge of the henhouse. The NRA does not gather or assess any independent data. They do not do any independent testing. They merely gather what the company gives them and judge, by that information, whether to register a chemical or not. In the ACT we have the right to ban any chemicals. That is something that I would hope this inquiry would also look at.

At the moment chemicals such as 2,4-D are registered by the NRA. To show the problems with the whole registration system, 2,4-D is actually half of the agent orange formula, the other being 2,4,5-T; yet that is still registered by the NRA. There are problems with registering. That is outside our jurisdiction. We certainly need to be aware that merely registering a chemical does not mean that it has gone through the rigorous testing that it needs to go through in order to ensure that it has some level of safety and to ensure that it is used according to certain guidelines.

If the motion that I have put before you is passed, the inquiry will consider an assessment of the types and quantities of chemicals used in the ACT for weed and pest control. It will look at the effectiveness of existing weed and pest control programs that we use in the ACT. It will look at health and safety aspects of the use of these chemicals in the community and the OH and S consequences for workers who apply these chemicals. There are some real OH and S issues to do with contractors, who are not monitored, as well as people working directly for Urban Services.

Public notification is obviously a huge issue as well. There is a need for transparent processes to ensure community input on ACT chemical control programs. There is a need to integrate ESD precautionary principles, which I have already talked about. The impacts of chemicals on non-target fauna and flora are extremely important, as are the alternatives I have mentioned and any other relevant issues. We are also calling for a steering committee to oversee the work that the commissioner does. The commissioner is very happy for that steering committee to give him guidance and help on this very technical inquiry. We are calling for a person nominated by the Conservation Council, a person nominated from Landcare, a community health representative, a person nominated from the Australian Chemical Trauma Alliance - for obvious reasons, these people have the expertise on this issue - an entomologist, a plant biologist, and a union representative because, as I said, there are OH and S issues.

Mr Humphries: Is there someone from business as well?

MS HORODNY: This does not exclude other people from joining. If that is something that you are interested in adding, it can be discussed with the commissioner. It is not an exclusive list; it is an inclusive list. I commend this motion to the Assembly.

MR HUMPHRIES (Attorney-General and Minister for the Environment, Land and Planning) (11.40): Mr Speaker, the Government does not oppose this motion. I have a concern about an element of it, but essentially we do not oppose it. As members are aware from what Ms Horodny has just had to say, the Conservation Council of the South-East Region and Canberra has been active on this issue. Members will have seen some comment in the media by that organisation to raise this issue. It is an important issue and it deserves to be on the agenda of the community as we look at all the factors that contribute towards the good health of our environment.

The issue is the overall environmental impact of the use of chemicals in the ACT and how a balance should be struck between, on the one hand, using chemicals appropriately to control weeds and pests and, on the other hand, ensuring that there is not an impact on the environment which might not be monitored overall - that is, which is not determined by an individual's use of certain chemicals. It is an issue which I believe does need to be examined in a comprehensive way. The Commissioner for the Environment, in discussing this issue with the Conservation Council, I understand, has indicated his support for the concept and is willing to chair the inquiry that the motion refers to. In the circumstances, I think nothing should stand in the way of that proceeding to happen.

The slight reservation I indicated before was the question of the involvement of the Assembly at this stage. The commissioner, as I said, was involved in discussions with the Conservation Council on the issue. The Commissioner for the Environment, of course, is an environmental ombudsman, a person whose role it is to move into the community and determine issues that need to be addressed quite independently of government. He does not get told by government, "You will examine this, this and this issue, and that is all you will look at". He has a roving brief to pick up issues of concern. If the Assembly is, so to speak, showing him the way that he is going, then there is certainly no problem with that. Had it been the case that he had a different view of the matter - he might have felt, for example, that a public inquiry was not appropriate or that some other form of inquiry into this matter or inquiry at another level, say at a national level, was more appropriate - then it is possible that a motion of this kind would have cut across that. I notice that since I raised the issue with Ms Horodny last week she has included Commissioner Baker as the chair of the inquiry. I gather that she has had discussions with him or his office subsequent to that discussion, and that has facilitated the clearing up of that problem. If that is the case, I do not have a particular problem with this inquiry.

I also want to indicate that I believe that it is important that we do not overlook the mechanisms that are already in place for management of dangerous chemicals. One of the first pieces of legislation this Assembly enacted back in 1989 was the Pesticides Act, which put in place for the first time some fairly comprehensive controls on the use of dangerous chemicals in the ACT for the purposes of weed and pest control. That was a major step forward. Since that time we have also been able to take part in the national registration scheme for these sorts of chemicals. That is part of our obligation under that national obligation to have pesticides legislation and to have our regime for the use of those chemicals controlled on a national level. Under that scheme chemicals used for weed and pest control are registered nationally by the National Registration Authority. The terms of registration include labelling which describes the purposes for which those chemicals can be used and how they are to be applied; that is, there is an expectation, and I think it is the reality, that certainly governmental users of chemicals under that scheme use the chemicals consistent with the labelling. If a chemical is labelled for certain purposes in certain circumstances, then it can be used for those purposes and in those circumstances. That certainly assists in making sure that the chemicals are at least being used in a standard way across the country.

I would be concerned if the effect of this motion were to say that we should start to devise a separate ACT registration system or separate application system from the national scheme. Perhaps Ms Horodny does not intend that and perhaps it is not envisaged that that is what the inquiry might turn up. If there were some feeling that we did not have a sufficiently tight control over the sorts of chemicals being used or if, for example, there were a view that the chemical X was too dangerous and had been labelled or treated too lightly under the national scheme and there should therefore be some proposal to have the ACT outside that scheme, have an add-on to the scheme or have some variation to the scheme to give us the extra control that we wanted, then I would be concerned, because we would then be setting up our own mechanism for dealing differently with the process. The capacity for comparison and control at the national level and for uniform regulation would disappear.

That would be a concern to me as a person who believes that, overall, Australia needs to be developing uniformity and greater consistency in practices across jurisdictions on matters of this kind. There is no strong reason why, as was the case until not so long ago in the ACT, a chemical that was banned in one jurisdiction should be easily obtainable across the border. Some quite dangerous chemicals were available in New South Wales, and it was possible for people to go across the border, buy them in Queanbeyan and come back and use them in the ACT pretty well with impunity. Mr Speaker, if that is not what is generally envisaged by this process, then I certainly see no problems with the inquiry and I welcome it.

The question of weeds generally is a matter that has been on the Government's mind quite considerably in the last few months. Indeed, just a week or so ago I was able to release the draft ACT weeds strategy, which for the first time has laid out a very comprehensive examination of the options we have as a community to start to develop a way of reducing the quite considerable explosion we have seen in recent years of non-indigenous plant forms which you can describe as weeds or other flora, as well as fauna which can be called pests which need to be controlled and which I think we as a community need to have a much greater level of reaction to than has been the case in the past.

The weeds strategy is essentially a shopping list of options and issues that we can take up. We will need to determine what things from that list we can do in the immediate term and how we develop them. I urge members of the Assembly to take the opportunity to look at the strategy, to input to the process of consultation that is now taking place on the strategy and to give us some feedback on what things on that shopping list are more important to be buying right now, so that in the coming budget we can develop an approach that will take up the most important issues and have them acted upon immediately.

Mr Berry: You should have taken that approach of a bit more consultation on the urban native trees.

MR HUMPHRIES: Mr Berry has to find something to disagree with me on, so he has gone to another issue altogether. At last sight, trees were not pests or weeds. I therefore think they are entirely outside the range of this debate. Mr Speaker, I hope that the inquiry will be productive. With rain of the kind we are now having, weeds continue to be a serious problem. I hope that we will be in a position to deal with the problems more efficaciously by virtue of a device such as this inquiry.

MR BERRY (11.50): Mr Humphries might like to record this. I think I heard him being a little critical of the process earlier. I tend to agree with him on that score. I will explain that. The Commissioner for the Environment is quite able to take this issue on as a statutory officer without this place moving a motion, or somebody in the community requesting this sort of inquiry. Had the Commissioner for the Environment done that, he would have had to deal with the matter within the resources that are available to him and in accordance with the priorities that he sets.

We now have a situation where this Assembly has called on the Government to initiate a public inquiry. The Minister, as I understand it, could direct the commissioner to take on an inquiry, which would put the commissioner in a position where he has to sort out his available resources and deal with this inquiry. I do not know what the commissioner's view is in relation to his resources or what other issues might be put aside to deal with this one, so on the question of resources I have a reservation. Under this motion there is no requirement, neither can there be, for us to force the Government to allocate more resources. It is an issue that is going to affect the success of the inquiry, it seems to me. I ask the Minister to ensure that the resources question is addressed to enable this inquiry to be pursued. It is an issue that is not dealt with in the motion.

There is another matter which concerns me. For the Assembly to get involved in this issue and to make decisions about it, the first port of call, in my view, would be the Planning and Environment Committee. I have expressed those reservations to the Greens. The Planning and Environment Committee has been left out of the equation. I accept the point of view that was put to me that this is a technical inquiry and technical expertise needs to be involved in the process, but that is not something that the PEC would be unable to deal with. I am not happy that the Planning and Environment Committee has been cut out of the action, so to speak, and I have it in mind at the next meeting to move a motion seeking regular reports during this inquiry. The Assembly, with our support and everybody else's support, will pass the motion before us. I think the Planning and Environment Committee needs to be updated all the way through so that the Assembly's role in this issue can be complete. I am certainly interested in the issue. I suppose there is a bit of self-interest in that. I think it would be a very interesting inquiry. That is why I personally would like to be updated on the issue. I think there is the opportunity to deal with some of the myths and legends which are often spread in relation to weed and pest control. At the same time the serious questions will be dealt with as well.

Mr Speaker, I rise to inform the Assembly that Labor will be supporting this motion. I express some reservations about the process. I think it could have been done another way. I also have concerns about the lack of involvement of the Planning and Environment Committee, which I hope we will be able to address. But overall the inquiry looks as though it will result in a fair assessment of the issues which may affect the ACT on weed and pest control and the use of chemicals. As Mr Humphries has said, it is not something that we have not considered in the past. To have the Commissioner for the Environment look at the matter would be a positive move. In closing, I again express my reservations about how the Commissioner for the Environment might reallocate his resources to deal with the issue and about what else may miss out as a result of it.

MR WOOD (11.54): Mr Speaker, it is a good idea that the Commissioner for the Environment should examine this important issue. Certainly, it is a better idea than having Mr Humphries take it on. Mr Humphries does not have a very good grasp of such matters. I heard him on radio the other day saying that all the weeds we now have in Canberra emerged during my time as Minister; that they all emerged over the last three years. He does not have much of an understanding of the problem. He also has a fairly weak grasp of history. He made those statements when he was releasing a strategy for weed control. He was not gracious enough to indicate that that strategy was formulated at my instigation and funded by the former Government. Mr Humphries is weak on those points.

Mr Humphries said, "Let us look into this weeds strategy and make comments about it". We will do that, and I am sure that many in the community with great knowledge will also do so; but it will not come to much if the Minister does not fund it. We are talking about the Commissioner for the Environment today. Recently we had the Government's response to the commissioner's first report. The Minister agreed with practically everything in the report but has done nothing to provide funds to do anything. It would be a waste of time and of money if there were to be no financial investment into this weeds strategy. That is related to, but a little different from, the proposal by Ms Horodny. This is a more specific look at chemicals and their use in weed control. It is appropriate that the commissioner take that on board. Given the outstanding work that that office has done so far, I expect a very good result, a very positive report, something that will give us good information and suggestions on the way to proceed. It is a good source from which to get the information we want.

MR MOORE (11.57): Ms Horodny is keen to get up and close the debate. I will keep my speech brief because there is general agreement in the Assembly. That agreement is quite refreshing on an issue like this. I think some credit goes to Mr Wood. I have spoken two or three times in this Assembly about his appointment of the Commissioner for the Environment. This motion will effectively take the Commissioner for the Environment into an ombudsman style of work. This will be a proactive exercise rather than just a reviewing exercise for him. I think it will be an improvement in the role, although it will probably still fit within what Mr Wood originally envisioned for him. These issues have not come up, because for some time he has been doing what I think would best be described as an environmental audit.

The issue of resources is, of course, a very important one. A genuine inquiry of this kind - I think Dr Baker is an appropriate person to do it - will require adequate resources to ensure that it can consider the full range of options available and get the best information back to the Assembly. Once that is done, then it may well be appropriate for the Planning and Environment Committee to look through the report and to assess how the Government is going to respond to it in the same way. That is the course we have taken in the inquiry into the current report of the Commissioner for the Environment. We want to ensure that such reports do not die in a bureaucratic malaise but rather are dealt with issue by issue in an appropriate way. I think that is a very effective way for the Assembly to operate together to try to achieve what we see is best for the Assembly. I congratulate Ms Horodny for bringing this motion to the Assembly. I think it is a very sensible way to go.

MR HUMPHRIES (Attorney-General and Minister for the Environment, Land and Planning) (11.59): Mr Speaker, I seek leave to make a short additional contribution to the debate.

Leave granted.

MR HUMPHRIES: I thank members. The question of cost was raised. I forgot to cover that when I made some remarks before. I understand that the cost of the public element of the inquiry will be \$2,000 or so, for such things as advertising and possibly room hire, transcription services and so on. That money is not available in the

commissioner's present budget. It will have to be found. As Minister, I will do my best to find it from elsewhere in the budget. There are issues like the weeds strategy to come forward, which will be quite expensive over a long period of time and which we will need to start to move on quickly. I baulk a little bit at taking money away from them to put towards something else, but I am quite prepared to find the money. It is not an enormous amount of money. I indicate that I endorse the comment made by Mr Berry that it is important for us to synchronise the various arms of possible inquiry into these matters. There are a number of possible fora, and we need to make sure that the left hand knows what the right hand is doing.

MS HORODNY (12.01), in reply: Mr Berry had some concerns about the Planning and Environment Committee being excluded from what was going on with this inquiry. I would just like to say that a way to make sure that the Planning and Environment Committee is involved in what is going on is to ensure that Dr Baker comes to the Planning and Environment Committee once a month and gives us a progress report on what is happening.

Mr Moore was correct in saying that this would be a very good first step for the Commissioner for the Environment towards a more proactive role in taking on issues and inquiries rather than just monitoring, although that is a very important role that he plays at the moment. There is no reason why his role cannot be expanded to include these sorts of issues. I think it is very good timing to have this inquiry at the same time as the draft weeds strategy is out, because I have a real concern, as I said earlier, that in trying to solve one problem we may create another. I have a real concern about ACT Forests using a particular chemical in aerial spraying around waterways. That is something that I hope this inquiry looks into.

The issue of resources is a critical one. Again I draw members' attention to the fact that, when we felt that there was a need to inquire into the leasehold system, half a million dollars became available. If there is a real commitment from this Government to the environment, as they say that there is, then I would like to see money become available for this inquiry. The Minister says that he will try to come up with \$2,000. I have a feeling that it might require more money than that. I would like to see the steering committee work out its terms of reference, plus a timeline and a budget. I would like to see the Government make a real commitment to that, as they make commitments to business and other ventures that they feel are important. This is not just important; I believe that it is critical. I thank the members for their general support for this inquiry.

Question resolved in the affirmative.

HEALTH SERVICES

Debate resumed from 13 December 1995.

MR MOORE (12.05): Mr Speaker, in many ways I think that this debate now becomes somewhat redundant, considering the information provided by Mrs Carnell in response to a question put by Mr Osborne the other day. As a result of that, I am prepared to support the amendments put by Mrs Carnell to the motion and then support the motion.

MR BERRY (12.05): Mr Speaker, I seek leave to speak to this matter. It has been a while since we have discussed this.

MR SPEAKER: You have spoken twice.

MR BERRY: I know that.

MR SPEAKER: You will need leave.

Leave granted.

MR BERRY: I am not surprised at Mr Moore's position. His position has been clear from the outset. He has never been behind this motion from the word go. In fact, at every turn he has assisted to get the Government out of trouble on the issue. The Government has thumbed its nose at Mr Osborne in particular in relation to the bulk-billing practitioners within our health system and gone off and deliberately got rid of them. It offered incentives. It ensured that redundancy payments were made to them. It paid a sweetener to them. It offered them access to patient records to ensure that they could set up outside the system. That is all true, Mrs Carnell. You made sure that they were attracted out of the place. You imposed unreasonable rents on them to ensure that they would not continue within the system.

The shallow claim that the motion passed in the Assembly caused you to do it was a load of rubbish. The clear intention of this Assembly was to keep bulk-billing practitioners in our health centres. We know that the AMA did not. Of course, you would be dancing to their tune, as always, to ensure that the salaried medical officers are rubbed out. That would damage bulk-billing across the Territory. Mrs Carnell will use the honeyed words, "Bulk-billing is available (to health care card holders and pensioners but not to anybody else)". That is the Liberals' philosophy. They are opposed to bulk-billing. They therefore support the growing cost of the delivery of medicine across this country. They support it going into the hands of a few. That is why they oppose bulk-billing. They oppose the expansion of bulk-billing because the AMA opposes it. Admit that.

The Liberals have thumbed their noses at Mr Osborne in particular. He had undertakings from them, and they ignored them. They surreptitiously worked around Mr Osborne and tried to make him look like a goose. Mr Osborne made the mistake of trusting them. When people first meet you, give you a big smile, shake your hand and do whatever else is necessary, you take people at face value, but you do not get caught too many times after that. That has happened with you, Mrs Carnell. You have led Mr Osborne up the garden path. You will not fool us, because we know exactly what you are about.

Mr Speaker, this motion is clear. It calls on the Government to reinstate the salaried medical practitioner program to at least the level existing at the time the Liberals took office. If you were serious about putting them on wages, you would get them tomorrow.

Mrs Carnell: We are not serious about putting them on wages.

MR BERRY: That is right. But if this motion is passed, of course, you will have to be serious. The motion states:

reinstate the salaried medical practitioner program to at least the level existing at the time the Liberals took office unless 100 percent bulk billing can be guaranteed.

That is the clear intent of the motion. You could not guarantee the bulk-billing, but you still went on with clearing out the salaried medical practitioner program. That was quite deliberate. Contrary to what Mr Moore says, this is not a redundant motion. This motion is still well and truly alive. It also states:

implement the promises made in this Assembly and in other public statements in relation to all staff at the Jindalee Nursing Home, ie all staff, including casual staff, to be offered jobs and retraining in other parts of health or alternatively - - -

Mrs Carnell: I answered that question in the house the other day.

MR BERRY: It does not matter what the question was. I am talking about the motion. The motion continues:

withdraw any action aimed at the sale of government-owned health centres; and - - -

Mrs Carnell: I have - apart from Melba, which is closed. Would it bring it back?

MR BERRY: It would, if you put the salaried medical officers back in it; and you could, if you wanted to. The motion states:

maintain all ancillary health services at government-owned health centres at a level at least equal to that which existed when the Liberals took office.

This is a clear motion which is well and truly alive. Mr Moore has protected the Government on this issue. He does not believe in the push for bulk-billing across the community. I do not think he understands the effect of the decline of bulk-billing on the cost of health across this country. Of course, with Mrs Carnell's help, bulk-billing will decline in the ACT. She has taken out of the equation a large number of salaried medical practitioners who bulk-bill for everyone.

28 February 1996

Mr Speaker, this is a motion that deserves the support of this Assembly. It should get the support of this Assembly, and the Government should be driven to retracing its steps and cleaning up the mess that it has made in relation to the matter. Quite obviously, Mrs Carnell has spread the honeyed words far and wide and has no intention of taking notice of any promises that she made to anybody in this place to cause them not to support this motion, which would embarrass her. The AMA would have been breathing down her neck to ensure that bulk-billing doctors are wiped out. There has never been any question about that. They have lined up before every Minister for Health in this place asking them to do it.

Mrs Carnell: They certainly have not. They do not even come to see me.

MR BERRY: They would not have to. They know exactly where you are coming from. It would take just a phone call. They would not have to, but you would have been well and truly aware of their position. You can pull the other leg if you like. It whistles.

Mr Speaker, this is a motion which is about the provision of health care. Mrs Carnell is not concerned about that. She takes the economic rationalist approach to these issues. She has no interest in social justice issues. She has no understanding of the needs of ordinary society. She has demonstrated her lack of understanding of the social issues in her management of the current industrial dispute. That same attitude permeates her whole management of her portfolio areas. I say, and many thousands out there in the community say, that Mrs Carnell is - - -

Mr De Domenico: Name them.

MR BERRY: You can read them all off the petition yourself. There are thousands of them. This is a motion that is well worth the support of this Assembly. Mr Osborne should not allow the Government to thumb their nose at him. This motion can still be implemented with the support of the Assembly and force the Government to do what it calls for.

MS FOLLETT (Leader of the Opposition) (12.14): Mr Speaker, I want to speak in opposition to Mrs Carnell's amendments. Looking at the motion, which was moved last December by Mr Connolly, I think it illustrates the extent to which this Government is prepared to abandon its promises and abandon the Canberra community, which it has been elected to serve. It also demonstrates, in my mind, the extent to which both Mr Moore and Mr Osborne are prepared to protect this Government in pursuing that agenda.

Look at the actions that the Liberals have taken in relation to health. I believe that they reduced community services, particularly services to those people who are most in need of them - the most disadvantaged people in our community. Mr Speaker, I believe that those broken promises are the hallmark of this Government. If you look at the motion that Mr Connolly moved, all he did was ask the Government to live up to its election promises. That is all. Mr Speaker, we heard from Mrs Carnell in opposition and throughout the election period how she would maintain salaried doctors in our health centres. Both Mr Berry and Mr Connolly were berated by her for any perceived failure on their part to maintain salaried doctors in health centres.

Mrs Carnell, of course, has now completely abandoned that view. She has been as hypocritical in relation to that matter as she has been in relation to many other matters that we have seen the Government mishandle. I think it is very ironic, Mr Speaker, that the Liberals promised better management. They would use commonsense, they told us, not ideology, in their management of services. We heard Mrs Carnell say that she was committed to the provision of services. Of course, all of those statements were mere election time flim-flam. The facts of the matter are that since the Government came to power all of those promises have been abandoned in their entirety.

There are, in fact, no bulk-billing doctors in our health centres now. Mr Speaker, the reason there are no bulk-billing doctors in our health centres is the deliberate action of Mrs Carnell. She cannot blame anybody else for that. It was her action that brought about that situation. In fact, the salaried bulk-billing doctors were all sacked by Mrs Carnell. She cannot overcome that. Neither Mr Moore nor Mr Osborne can delude himself about the facts of that matter. We have seen the Melba Health Centre closed, despite the Liberal promise that no health centres would close. That was the election time promise - that no health centres would close. Mr Speaker, it is a fact that the closure of Melba Health Centre was a deliberate action taken by the Government in contravention of yet another of its election promises.

At election time Mrs Carnell promised that health care would be devolved closer to the people. That is yet another broken promise. Mr Speaker, we have seen one health centre close completely. How on earth that could be construed as devolving health care closer to the people I would not know. The services at other health centres have been downgraded, because there are no salaried doctors there. Mr Speaker, those broken promises impact most severely on families, disadvantaged people, the aged - all of those people who were depending most strongly on having those services in their community. There is no doubt about that. Mrs Carnell has completely misunderstood what bulk-billing meant to those people. She says that it means only that they have to come up with \$9. It does not. It means that they have to pay the bill before they get their refund. Mr Speaker, Mrs Carnell clearly has no understanding of what it is like to live on a low income or what it is like to have somebody in the family who is chronically ill and has to go to the doctor time after time. Mrs Carnell, if she ever understood, has completely abandoned the needs of those people since she came to government.

Mr Speaker, I repeat that Mr Hird told the residents of Belconnen that it was only a short walk from Melba to Florey or to Hawker. Mr Speaker, I believe that that demonstrates the utter disregard of this Liberal Government for the residents in that area. I simply do not believe that it is in any way reasonable to say that those people could always walk. It is a real "let them eat cake" argument. It is a disgrace coming from members opposite. Mr Speaker, I believe that if Mr Hird had ever walked from Melba to Florey or to Hawker he would not have closed Melba Health Centre. He would realise that it is an incredible hike. If you are carrying a child or pushing a stroller or you are on a walking frame, it is an impossible hike. That was a heartless, thoughtless, careless comment that I believe condemns this Government.

28 February 1996

Mr Speaker, we have seen Mrs Carnell blindly pursuing her own agenda in health - the agenda which she never let the community in on at the time of the election - and both of the Independents supporting her in that agenda. We saw from Mr Osborne a move to censure Mrs Carnell over the treatment of this matter, and for a moment we were heartened to think that Mr Osborne might require the Government to keep some of its promises. Alas, that was not the case. Mr Osborne has not gone through with what was initially a quite good instinct, in my opinion. Mr Speaker, Mrs Carnell's health budget is out of control, and she has said that she does not know what to do about that. On present indications, I believe that the health budget will blow out by some \$10m. The contribution made towards that state of affairs by Mrs Carnell has been to sack - to get rid of - the only two people in the history of self-government who actually balanced the health budget. She moved them on and put others in their place.

Mr Speaker, I think Mrs Carnell, in asking the community to believe that this is some kind of reform, is attempting to pull the wool further over people's eyes. To pretend that this is somehow good for the community is simply beyond the belief of any thinking person. I believe that all the community has got from this Government in the area of health, as in so many other areas, is continued waste and mismanagement of the resources that it has available to it. I do not believe that that is good enough. The community demands performance in this crucial area of government responsibilities. I think the community is entitled to principled elected representatives who try to keep their promises, not to elected representatives and a government who simply continue to try to shift the blame for their own actions onto everybody else. Throughout this debate we have heard interjections from Mrs Carnell trying to blame me, Terry Connolly, Mr Berry and anybody but herself for actions which she has taken to downgrade our health system. When you look back at the motion moved by Mr Connolly back in December, it is a stark illustration of just how downgraded our health system has become in the few short months since.

Mr Speaker, I believe that the Government stands condemned over its actions in health. The amendments which Mrs Carnell has moved completely gut this motion. In most other meeting places Mrs Carnell's amendments would be disallowed because they are so contrary to the original motion, but those are not our rules. I understand that. The fact of the matter is that Mrs Carnell's amendments completely deny the body of the motion. I think the fact that Mr Moore has indicated that he is prepared to support those amendments is an illustration of how far in bed he is with the Liberals. He is prepared to protect the Liberal Government from just about any and every justifiable criticism of their performance. That is the fact of the matter. This motion, as moved, should stand. I think the fact that it will be defeated, as it appears it will be, because of the actions of the Independents is just a further condemnation of their duplicity in an appalling performance on health by this Government.

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

Sitting suspended from 12.25 to 2.30 pm

QUESTIONS WITHOUT NOTICE

MR SPEAKER: Chief Minister, am I correct in assuming that you will be answering any questions that would normally be directed to Mr Stefaniak?

Mrs Carnell: Yes.

CRA Ltd - Waiver of Stamp Duty

MS FOLLETT: I direct a question to the Chief Minister. Given that the waiver of stamp duty on the CRA restructure had been proposed to and refused by the previous Government, why did you agree to this generous donation to the coffers of a multinational mining giant?

Mr De Domenico: Was it Optus or - - -

MS FOLLETT: I hear interjections from the other side about Optus. I would like to indicate that I refused the waiver proposals from CRA, from Coles-Myer and - - -

Mr De Domenico: But not from Optus?

MS FOLLETT: I will respond to that interjection, if I may, Mr Speaker. In the case of Optus - - -

Mrs Carnell: No, it is not a personal explanation; you can do that later.

MR SPEAKER: If you want to weave it into your question, you may attempt to do so.

MS FOLLETT: I am doing precisely that. In the case of Optus, the arrangement was that some stamp duty would be paid; it was not completely waived. There was a six-figure donation to the Clinical School foundation and a guarantee that Optus Vision, the pay TV company, would be incorporated in the ACT, so benefiting Canberra in the future through the trading in stock in that company, which was a new company. I ask again: Given that none of those circumstances applied in the case of CRA, why did Mrs Carnell agree to it? How many jobs are involved for Canberra? How many people does CRA employ here at the moment? What will be the increase? What will be the revenue to the Territory from share trading in CRA stock?

MRS CARNELL: Thank you very much for the question, Ms Follett. I think that probably this whole situation shows a fundamental difference between this Government and the previous Government. The fundamental difference with this Government is that we are interested in creating an impression and a reality that the Territory is a great place to do business in.

There are a number of reasons why the decision was taken in relation to CRA. First and foremost, it was because the Commonwealth Government's instruction to the Commonwealth Grants Commission was that corporate restructuring for which States or Territories gave stamp duty exemptions should not be taken into account when it came to Commonwealth Grants Commission funding. Why was that? Because it was perceived by the Commonwealth Government that micro-economic reform in this country should be something that goes ahead and is encouraged. The ACT grant allocation was, therefore, not adversely affected by the exemption sought by CRA.

CRA made it quite clear to the Government that the proposed restructuring would not proceed in respect of the ACT incorporated entities if the exemption sought was not granted. Therefore, it is no money lost at all - not one dollar lost, not one cent lost. CRA have not gone ahead with their restructuring in any State that has not offered the exemption. New South Wales and Victoria, the other two States that have been involved, have waived the stamp duty. Therefore, a restructuring has gone ahead in both of those States.

Whether Ms Follett understands it or not, there are clear national benefits in micro-economic reform. The Federal Labor Government, at least at one stage, realised that micro-economic reform was a good thing for Australia and, therefore, a good thing for the ACT. We can actually produce evidence that CRA would not have gone ahead, because they simply have not gone ahead in States that have not offered this approach.

What would that mean to the ACT? To answer Ms Follett's question, if we send out a message that the ACT is a place that you cannot afford to incorporate in because we have a government that does not understand business, then all of the flowthroughs from having incorporation in the ACT go by the board. It means that all of the ongoing stamp duties, fees, charges and all of the rest of the things that go with having large companies - and, for that matter, smaller companies - incorporated in the ACT go by the board. It also would be detrimental to business confidence in the ACT.

Those opposite say time and time again that they want to encourage business to Canberra. Ms Follett used to get up in this place all the time and say, "Yes; I understand totally that the only new jobs in this city will be private sector based". We have all heard her say that.

Ms McRae: Why do you not answer the question?

MRS CARNELL: That is exactly what I am doing. We have all heard her say that all of the extra jobs in the ACT will be based upon the private sector. If we put out a definite discouragement to companies to incorporate in the ACT, what does Ms Follett think that will do both to our revenue base and to our job growth in this city? We lost not one cent by going down this path; but the message that we sent out to business was that it was safe to incorporate here, that it was safe to employ here and that it was a place where you can actually do business and do business in the confidence that you will be able to get on with the job of employing. That was without any doubt.

Ms Follett talks about Optus. It is very interesting. Last night I was having a look through the old press releases about Optus and about the \$500,000 over 10 years that Optus pledged to the medical school. In Ms Follett's press release there was not one mention of where the money came from; there was not one mention that the money was pledged because Optus actually owed four point something or other million dollars. Ms Follett was actually waiving, in the end, over \$4m. There was not one indication in there that the money was coming from waived stamp duty. I do not think that is particularly fair.

I understand, from people in Treasury and so on, that under the previous Government there was a different approach to these sorts of arrangements. Ms Follett's approach was: Unless there was an absolute, up-front dividend to the ACT Government right there on the table, she said, "No; go away". She did not care what message we sent to business in this country and did not care one bit that there was no chance of any revenue as a result. It is not like we are saying no to revenue; no to any chance of any revenue. No State that has not restructured has got one dollar of stamp duty from this particular deal.

All this particular arrangement is about is a restructuring within CRA itself. CRA have moved ownership of particular wholly owned subsidiaries to others and so on. In any State that has not agreed to that, the restructuring has not gone ahead. Nobody has got any money out of this. On one side of the ledger you have a big zero - nothing; no revenue; no good messages; no jobs at all; and certainly not being a better corporate citizen or government citizen or a government that is interested in national benefits. On the other side you also have no money. On both sides you have no money - a big zero. On one side you have actual benefits; on the other side you have a big, fat zero. That is the reason we made the decision.

MS FOLLETT: I have a supplementary question, Mr Speaker. I would like to mention to the Chief Minister - she does seem unaware of it - that one of the reasons why the ACT is good for business is that we do not have the loan security duty that other States have, and that remains the case. I would have expected Mrs Carnell to put that into her answer. She certainly did not mention any benefit from this waiver of stamp duty.

Mr Humphries: Mr Speaker, I rise on a point of order. If you want a debate in question time, I can throw in a few bits as well. This is question time, where we ask questions and receive answers.

MR SPEAKER: I uphold the point of order. I am waiting for the supplementary question.

MS FOLLETT: Given that Mrs Carnell, in what she has said so far, has demonstrated that there are absolutely no jobs and no benefits to the Territory, I ask: What is the corporate restructure that is being undertaken by the CRA group?

Mr Kaine: On a point of order, Mr Speaker: I draw your attention to standing order 119, which specifically states that a supplementary question shall not have a preamble. I suggest that you tell the Leader of the Opposition to ask her question.

28 February 1996

MR SPEAKER: Ask the question.

MS FOLLETT: Thank you, Mr Speaker.

Mr Berry: You are not supposed to make up standing orders.

MR SPEAKER: And you are not supposed to interject. Order!

MS FOLLETT: And he is not supposed to interject either, surely.

Mr De Domenico: Just ask the supplementary question.

MS FOLLETT: I will.

Mr De Domenico: Good.

MR SPEAKER: Can we all just hold off. I would remind everybody of standing order 61, which states that a member shall not interrupt another member. I ask the comings on both sides of the house to be quiet. Ms Follett, what is your supplementary question?

MS FOLLETT: My supplementary question to the Chief Minister is: What was the corporate restructure undertaken by CRA? What companies within the group remain incorporated in the ACT? Given that we are dealing with a company that is not even in the Canberra phone book, what companies remain incorporated in the ACT? What is the projected benefit in dollars and cents? What is the projected benefit to the Territory from future trading in these shares?

MRS CARNELL: For the interest of the Assembly, standing order 119 suggests that you are not allowed to ask second questions. For all of that, I am very happy to answer that question. The three ACT incorporated companies and the proposed reconstruction are: Conzinc Mining Ltd, transfer of shares from Coal Cliff Collieries Pty Ltd to CRA Ltd; Hamersley Holdings Ltd, transfer of shares from North Western Resources Pty Ltd to CRA Ltd; and Coal and Allied Industries Ltd, transfer of shares from CRA Investment Pty Ltd to Kembla Coal and Coke Pty Ltd. This is in the ACT. I think the bottom line here is: By knocking back this deal, how many jobs did Ms Follett create?

Public Service - Enterprise Bargaining

MR KAINE: Mr Speaker, through you, I have a question to the Chief Minister. On Radio 2CC this morning I heard the president of the ACT Trades and Labour Council, Ms Kate Lundy, being interviewed. She was being interviewed about the current public sector industrial dispute, and she made some interesting comments. They were comments which, it seems to me, if they truly represent the views of the Trades and Labour Council, mean that there is no longer a substantive dispute between the trade unions and the

ACT Government on this issue. Chief Minister, can you inform us, first of all, whether you heard that interview; and, secondly, whether, as you understand it, it represents a substantial movement towards resolution of the problem on the part of the unions?

MRS CARNELL: I did hear the interview and was surprised, to say the least, when I heard the president of the Trades and Labour Council, Ms Kate Lundy, speaking this morning. I know that all members are keenly interested in the current enterprise bargaining dispute. For the information of members, I will read a transcript of what Ms Lundy had to say. She said:

Really, 3 per cent is what we're seeking to be fully Budget supplemented and linked specifically to CPI. The other 6 per cent will be found through productivity.

When I heard that I said, "Heavens! I thought that was our position". This is fascinating and, I might add, a welcome development, because in their written submission, put to the Government, the TLC demanded a 9 per cent fully budget supplemented wage increase.

Mr De Domenico: But was she not the president of the TLC?

MRS CARNELL: That is right; she was the president. It seems that it was not a real ask after all. It is there in black and white, in clause 13.2 - "9 per cent fully budget supplemented". In addition, I have lost count of the number of faxes I have in my office from union officials saying, "No trade-offs; pay the lot". You have only to look on the buses outside that we seem to have more of lately. They have on them big signs saying, "No trade-offs". But this morning on radio Ms Lundy went on to say:

... the unions have been finding it quite hard to get that message out to the community - that that extra 6 per cent will be set off with productivity increases and productivity measures as part of that agreement.

Ms Lundy said quite definitely that, unfortunately, the unions have been misunderstood. They always meant to say that 3 per cent was budget funded and 6 per cent was productivity based. Can I say that, if this is genuinely the TLC's position, then no wonder they found it difficult to get the message out to the community, because their own submission states categorically, "9 per cent fully budget supplemented". As I said, we have buses parked outside, with signs on them saying, "No trade-offs"; but they did not ever mean it, it seems. What they meant was 3 per cent fully budget funded and 6 per cent based on productivity. That is certainly an enormous change.

If Ms Lundy's comments on radio this morning do represent the TLC's position, then I certainly welcome the apparent turnaround; but this dispute has cost this city \$2m-plus. If this was their position from the beginning, it certainly shows a very interesting approach, as Mr Berry says, to industrial relations. Given that the Government's position throughout this dispute has been 2.6 per cent fully budget supplemented - not a great deal different from Ms Lundy's 3 per cent - with further

28 February 1996

pay increases offset by productivity gains, then it would appear that the parties are not too far apart and, from what Ms Lundy said, were never too far apart. It is very sad that those on the union side have been unwilling even for a minute to move away from the 9 per cent fully budget funded increase. We have made offers, based upon 9.7 per cent - 2.6 per cent, plus productivity. All of those things have been our position the whole way through.

I am very pleased, and I am sure that everyone in this Assembly is very pleased, that we now find out - assuming that Ms Lundy is representing the TLC - that the position of the TLC is virtually the same as the Government's. I am very hopeful that the negotiations that are currently under way will come up with that sort of arrangement.

MR KAINE: I have a supplementary question, Mr Speaker. Since the Trades and Labour Council has now reached a position which is substantially the same as that which is the basis of the Government's offer, can you confidently state that problems between the Government and the trade unions could be resolved, say, within 24 hours?

Opposition members interjected.

MR SPEAKER: Order! Mr Kaine has the call. Continue, Mr Kaine.

MR KAINE: Throw another handful of wheat to the chooks, will you, Mr Speaker? Can we assume that the resolution of the problem can be reasonably expected within, say, 24 hours?

MRS CARNELL: Negotiations had been scheduled for and were on this morning; are on this afternoon; and are scheduled for tomorrow morning and tomorrow afternoon. We have an undertaking to report back to the commission on Friday. I am sure that, when the commission sees that Ms Lundy's position on this is as it is, we will be able to come up with some sort of an arrangement. Certainly, from the Government's perspective, I hope that that is the case. But this Government will not be caving in to a wage increase that the community cannot afford.

CRA Ltd - Waiver of Stamp Duty

MS TUCKER: My question is directed to the Minister for Business, Employment and Tourism, Mr De Domenico. It is in regard to the Government's decision to offer an \$11m tax break to CRA. Does this mean that we can expect the Government to provide similar incentives and concessions to battling small businesses and green industries which are trying to make a go of it in the ACT? Could the Minister inform the Assembly when the Government will be awarding rate concessions to local green businesses, announcing a provision of assistance for the development of a recycling estate and other concessions for small businesses who are trying to compete with nationals and multinationals?

MR DE DOMENICO: I thank Ms Tucker for her question. I am delighted to be able to say that this Government will continue to offer incentives when the bottom line is good value for money for the people of the ACT. In terms of what this Government is doing for small business, Ms Tucker and members opposite would be aware that from 1 January this year payroll tax thresholds went to \$600,000. From 1 January next year they go to \$800,000. This will mean \$13.5m injected back into the economy of small business in the ACT. Is it any wonder that for the past year, since the election of the Carnell Government, there have been created 5,300 jobs in small business in the private sector in the ACT in comparison to only 700 jobs in the previous year? When this Government does things for small business it does them properly; it creates jobs in the Territory. Ms Tucker, if those small businesses that you refer to in terms of recycling estates put in their applications through the normal channels, like everybody else does, we will consider those as well.

MS TUCKER: I have a supplementary question. I am aware that there are several small businesses that have asked for financial assistance. I am aware that you have donated about \$125,000 under the program of industry assistance grants, which is a quite different amount. Why is it that such large amounts of financial assistance are provided to big business? Could the Government table the guidelines which it uses for making decisions on when to provide concessions to business?

MR DE DOMENICO: Can I take that question, too, Mr Speaker. Can I say that, as Mrs Carnell said, in terms of CRA, not one cent was involved - zero, zilch. The \$125,000 was \$125,000 more than the previous Government gave, anyway. Can I also say that there are a number of businesses that could apply for an amount of money. We do not go willingly giving money away for nothing. Yes, I am delighted to table those guidelines that you mentioned. I will get a copy of them before the close of business today.

Answers to Questions on Notice

MR BERRY: My question is directed to Mrs Carnell in her capacity as Chief Minister. I refer you to the answer to question on notice No. 123, which was finally extracted, like pulling a tooth, from you late yesterday, after almost three months.

Mrs Carnell: After we got management to do it, because of the bans.

MR BERRY: That is extremely interesting. You did say, as reported in *Hansard*:

We have union bans on answering questions, as those on the other side of this house would know.

Mrs Carnell said:

... we have ... 200-plus bans that are currently in place.

28 February 1996

I know that the question was asked on 6 December. I also know that the answer was due on 5 January. I know that union bans were not put on until 31 January. May I also inform the Assembly that the ambulance account write-offs were readily available. The ACTION write-offs were provided on 5 January. Information was provided by the Environment and Land Bureau on 10 January; City Parks, on 12 January; the services and information branch of the Department of Urban Services, on 10 January; City Services, on 16 January; the Attorney-General's Department, on 10 January. Bear in mind that the bans did not start until 31 January. Information from the Chief Minister's Health and Community Care Department and information on act of grace payments were also readily available. Given that you told the Assembly that the information was not available and could not be coordinated, is it not true that you are deliberately trying to prevent that information from becoming public and that you have misled the Assembly as to your motivation for not answering the question?

MRS CARNELL: Answer: No. The entity that was coordinating those questions was OFM. As you would know, significant bans were on in OFM and are still on in OFM. That is probably the reason none of us are going to be paid.

MR BERRY: The bans did not come on until 31 January. When will you apologise to the house, Mrs Carnell, for misleading the house, when the information that you were unable to provide could, all of a sudden, be provided in less than two hours? A well-thumbed batch of papers turned up here less than two hours after Mrs Carnell had said that 200 union bans were stopping her producing them. I have drawn your attention to the fact that the bans did not go on until 31 January and that a whole heap of information was available. When will you apologise for misleading the chamber?

MRS CARNELL: I can make it very clear to this Assembly that I had never seen the answer to that question until I got it last night. In fact, I still have not had a chance to read it all the way through. We gave it directly to the Assembly the moment it came in from OFM. My understanding and my advice are that certain bits of it were available in OFM, but bans were stopping it being collated. That was overcome yesterday afternoon because the Assembly asked for it to be done. I understand that it was a result of a management instruction last night because the Assembly asked for it to happen. I think that is an appropriate response to this Assembly.

FootyTAB

MR HIRD: My question is directed to Mr De Domenico in his capacity as Minister for Business, Employment and Tourism. Could the Minister inform the parliament about the new product known as FootyTAB, which I understand was introduced by ACTTAB last week?

Ms Follett: Tell him privately; we all know about it.

MR DE DOMENICO: The interjection from Ms Follett is interesting, because it comes from the same political party that boasts about being interested in business and the same political party that was in power when nearly \$4m was raped from the TAB as a result of the actions of a particular Minister who is not interested in some good news.

For Mr Hird's edification and for the edification of members of the Assembly, yes, last Friday the chairman of the TAB and I officially launched FootyTAB in the ACT. FootyTAB is an exciting new product to be offered by the TAB through agreement with the New South Wales TAB. ACTTAB customers will have the opportunity of playing three different forms of FootyTAB: Pick the winner, pick the margin, and pick the score. It is a pity that they could not bet on the election in February last year. The ACTTAB 1995 customer survey provided a clear preference for FootyTAB to be ACTTAB's next product. I believe that this demonstrates that a high level of interest has been developed in rugby league in the Territory. Whether it is Super League or Australian Rugby League is yet to be determined.

As a result of the introduction of FootyTAB, ACTTAB will open a permanent outlet at Bruce Stadium to allow both existing and new customers to access - - -

Mr Hird: On a point of order, Mr Speaker: I would ask you to invoke standing order 61 and address the remarks of interjectors such as Mr Berry. I am trying to hear what is being said.

MR SPEAKER: Order! Mr De Domenico is answering a question.

MR DE DOMENICO: It is nice to know that Mr Berry is not interested in some positive news about the TAB. What happened here? After asking the punters out there whether they wanted this new product, they said yes. Of course, this Government responds to what the community wants. It was interesting to see what the punters had to say about the VITAB fiasco. Is it any wonder that Mr Berry, in particular, will not talk about the positive things at ACTTAB? FootyTAB is an exciting new product. It means that punters in the ACT will be able to do exactly what punters interstate have been able to do. It will mean extra revenue for the TAB. God knows, they need it.

Waiver of Stamp Duty

MR WOOD: My question is directed to Mrs Carnell. Chief Minister, how many companies have sought waiver of stamp duties for company restructures? Of those, how many have you refused?

MRS CARNELL: I think there has been only one during the time that I have been Chief Minister, but I will certainly get back to you if that answer is not correct. Certainly, you have all of the information through to last November. I think the issue here, the bottom line here, is: How many jobs and how much revenue did Ms Follett get by saying no? The answer is: No revenue and no jobs, and a really bad message out to

corporate Australia, to business Australia. As I said in answer to the earlier question, has the restructuring gone ahead in any State that has not given the exemption? The answer is no. Where has it gone ahead? In the States where the exemption has been given.

CRA said quite categorically, in writing, in their submission to us, that the ACT plays a fairly small part in the whole of CRA's operations in Australia and, if the stamp duty exemption was not granted in the ACT, then they would go on regardless; they would continue to operate their operations nationally. But I can tell you that next time they are registering a company it will not be in the ACT. Next time any of those entities Australia-wide want to register a company, do you think it will be here? Do you think it will be the ACT that gets all of the charges, the stamp duties, and so on with regard to other share transfers?

Mr Moore: We got more than the alternative.

MRS CARNELL: The reality is that Ms Follett got a big fat zero by saying no to CRA. What we have is a substantially better corporate image. What we have is substantially more confidence in the ACT as somewhere where you can incorporate your company, you can pay taxes and charges normally - a totally appropriate approach.

Both New South Wales and Victoria have granted the same exemption. That is where the vast percentage of CRA's operations are. Why did they do that? Why did they give up that sort of money, if the other side is right? Because the money was not going to be forthcoming. The money was never going to be forthcoming unless there was an exemption in place. The reality is that this is an internal restructuring - something that does not have to go ahead; something that does improve, to some extent, the efficiency of a company. But as CRA rightly say in writing, if we did not grant it, as Ms Follett did not, they would not go ahead, as they did not under Ms Follett. So, what did she get? Zero.

MR WOOD: I have a supplementary question, Mr Speaker. The Chief Minister offers rhetoric about proposed benefits, but she is not going to quantify them. Nevertheless, I return to my original question: Chief Minister, is there any basis on which you would refuse a waiver?

MRS CARNELL: I certainly believe that waivers of revenue that is payable to the ACT are something that we do under very few circumstances. That is money that is real and that we are likely to get. As you would know from the documents that you got yesterday, there are a number of waivers. The vast percentage of them were to do with stuff-ups by the ACT Government where we believed that, when we had not paid our bills on time or when we had not returned money on time as a result of AAT decisions, we should have paid the interest to the people involved. In fact, the lists in that document are predominantly due to our view that this Government has exactly the same requirements to pay our bills as anybody in the private sector does.

There is one waiver in there to do with CRA. They also applied to the previous Government. The previous Government said no. How much revenue was forthcoming? Zero; not one dollar.

Ms Follett: How much was forgone on \$11m?

MRS CARNELL: Zero. There is no money, as you rightly say - Ms Follett just admitted that - involved in this situation. What there is, though, is a very definite message that the ACT is somewhere where you can come and incorporate, where you can come and employ, where you can make sure that you do pay the taxes and charges that a company based in this city pays. Personally, I think that is a much better deal than a big fat zero.

Waiver of Stamp Duty

MR MOORE: My question is also directed to the Chief Minister - that is, the Minister for finance - with reference to the \$11m worse off that this Territory is by her decision. What action have you taken to approach other finance Ministers to end this type of Dutch auction or this type of rort by which companies avoid meeting their taxation burden, which means, of course, that big business pays less tax, thereby leaving a greater burden for ordinary people?

MRS CARNELL: Mr Moore actually has asked a very sensible question. Ms Follett laughs, but it is actually a very sensible question. It is important that State Treasurers and finance Ministers do have a constructive and consensus approach to all of these areas. As Mr Moore would be aware, there is a current national rewriting of the stamp duty legislation which, of course, will mean that in quite a number of finance areas we will have a consistent nationwide approach. At this stage the ACT has been quite instrumental in writing up that new legislation, and we have continued to push those States that at this stage have not signed off, at least on the draft, to be part of that approach.

MR MOORE: I have a supplementary question, Mr Speaker. Chief Minister, you say that other States which did not waive stamp duty actually did not get any adjacent benefit. Could you name those States? I think it also would ease people's minds if you could tell us about the donations made by CRA to the Liberal Party and the Labor Party in the various States or federally.

MRS CARNELL: Mr Moore, I can guarantee that, as far as I am concerned, CRA has not donated one dollar or, for that matter, one cent to the ACT Liberal Party. Whether it actually has - - -

Mr Moore: What about federally?

MR SPEAKER: It is out of your purview.

MRS CARNELL: Certainly, as far as I know, that is the case. I think that is very much the case. As Mr Moore would be aware, a number of the States, particularly when these deals went through, were not necessarily Liberal States. The two States that have waived with regard to CRA are New South Wales and Victoria. There is also the ACT now, obviously. I do not believe that they have actually approached anyone else.

CRA Ltd - Waiver of Stamp Duty

MR WHITECROSS: My question is directed to Mrs Carnell in her capacity as Chief Minister. Mrs Carnell, in return for your generous gift to the CRA group, did you receive a copy of their industrial relations strategy and perhaps a free training session based on the spectacular performance of that company in the Weipa mine dispute?

MRS CARNELL: Actually, I am very pleased to run with the Kate Lundy approach to industrial relations.

MR WHITECROSS: I have a supplementary question, Mr Speaker. Mrs Carnell, can you confirm that your strategy is based on the CRA model, which is confrontation, threats, police involvement and abuse of unions and their democratically elected officials, and has resulted in a five to nil loss so far for you in the Industrial Relations Commission?

Mr Kaine: On a point of order, Mr Speaker: I again draw your attention to standing order 119, which says that supplementary questions must contain no preamble and no new matter, and must be put precisely and directly. I think the member has contravened all three of those requirements.

MR SPEAKER: Mr Kaine, I do uphold your point of order. I have to step back. I am not even sure that this particular question, if it relates to the Weipa dispute, is within the purview of the Chief Minister of the ACT.

MR WHITECROSS: With respect to you, Mr Speaker, you have upheld Mr Kaine's point of order, even though my supplementary question contained no preamble, which was one of his complaints.

MR SPEAKER: If you are asking it in relation to an industrial relations policy - - -

MR WHITECROSS: It relates to contra that Mrs Carnell got for this generous gift to CRA. My question started with a verb, which is the normal form of a question. Is that strategy, the CRA strategy, the basis of your similarly unsuccessful industrial relations strategy, which is based on confrontation, threats, police involvement and abuse of unionists and their democratically elected officials, and has resulted in a five to nil loss for you in the Industrial Relations Commission?

MRS CARNELL: As I said quite categorically, our industrial relations policy is totally in line with the comments made by Paul Keating, I understand, in the debate on Sunday night, when he said quite categorically that wage increases should be based on the safety net plus productivity gains. That was reiterated this morning by Kate Lundy, president of the Trades and Labour Council and current Labor candidate.

Canberra Airport

MS HORODNY: My question is directed to the Minister for Urban Services, Mr De Domenico.

Mr Humphries: What about me?

MS HORODNY: It is not your turn today. As the Minister would be aware, work has just commenced - - -

Mr Humphries: You promised.

MS HORODNY: There is one coming for you soon. Work has just commenced for the Government on a consultancy to examine and report on the future of Canberra Airport as a transport and economic entity. I understand that a steering committee has been established for the consultancy. I draw the Minister's attention to recommendation No. 19 of the Estimates Committee, which stated:

... that the group which will be established to advise the Government on the future of Canberra Airport include representatives of a peak environment group and resident groups.

The Government agreed to this recommendation in principle and appointed a community representative. However, a department officer from BAST has told my staff that no environmental representative has been appointed because there were no environmental implications of the consultancy. Can the Minister confirm that he believes that there are no environmental considerations associated with the future plans for Canberra Airport and that this is the reason why he ignored part of the Estimates Committee's recommendations?

MR DE DOMENICO: I thank Ms Horodny for her question. I cannot confirm what a BAST officer said to members of your staff, to be honest, because I was not there. No, the Minister does not agree that there are no environmental aspects; that is nonsense. Anyone that said that should not have said it. If there is not someone that has environmental expertise on the committee, we will make sure that there is someone on it that has.

Jindalee Nursing Home - Sale

MS McRAE: My question is directed to the Chief Minister in her capacity as Minister for Health. Mrs Carnell, given that your Liberal colleagues in Victoria value nursing home beds in that State at \$12,000 to \$14,000 for the licence alone, how can you claim that the Jindalee deal was good for the ACT when the cost to the tenderer for the Jindalee Nursing Home beds is about \$3,000 per bed and you threw in the building for free?

28 February 1996

MRS CARNELL: As Ms McRae probably does not realise, Jindalee Nursing Home was actually losing substantial amounts of money in the ACT when the decision to sell the nursing home was taken. Ms McRae, I should say, probably is not aware of the intricacies of Commonwealth funding to nursing homes, which I am very happy to explain.

Mr Berry: Mr Speaker, on a point of order: Questions without notice should be confined to the subject matter of the question. Mrs Carnell was asked a question in relation to the price that she sold the nursing home for. She should try to prove how it was such a good deal when it was so much different from that which was pursued by her colleague Mr Kennett.

Mr De Domenico: On that point of order, Mr Speaker: Mr Berry, had he read his standing orders correctly, would realise that they refer to the question, not the answer. Mr Berry might not be happy with the answer that he is getting; but Mrs Carnell, I am sure, is going to give him that answer anyway.

MR SPEAKER: I do not uphold Mr Berry's point of order because, as we know, Ministers can answer the question as they see fit.

Mr Berry: You can ask them how you see fit.

MR SPEAKER: Just a moment. Mrs Carnell had not finished the answer, for all that I know.

MRS CARNELL: I had not even started. What I was about to explain to those opposite - - -

Mr Moore: On a point of order, Mr Speaker: I am concerned about something that you just said. I think perhaps it was not exactly the way you intended it. Standing order 118 makes very clear a set of rules that apply to answers, not questions. Your implication is that Ministers can answer questions any way that they like. I think standing order 118 is very clear. It says that they shall be concise and confined to the subject matter of the question and shall not debate the subject to which the question refers. I think the standing orders are quite clear.

MR SPEAKER: Thank you for your clarification of my words, Mr Moore. Mrs Carnell, as she has just indicated to me, had not even begun to answer the question; so I cannot really judge the relevance of Mr Berry's point of order.

MRS CARNELL: Thank you very much, Mr Speaker. The sale price of the Jindalee Nursing Home certainly would appear, at first look, to be quite low. When you add to that the \$700,000 that Johnsons have undertaken to spend on upgrading the facility - money that the ACT Government would have had to spend if we had kept the facility - it makes the equation look quite different.

The other issue that was really important in this sale was that, under the current Federal Labor Government, when State nursing homes or State-run nursing homes are sold to the private sector, although it is the Federal Government that funds nursing homes in this country, there is a differential between the amount of money paid to the States and that paid to the private sector. The private sector is actually paid more money per patient to run a nursing home than the public sector is. The Federal Labor Government, in their wisdom, has determined that, when there is a sale of a State-run nursing home or a Territory-run nursing home to a private entity, they will not up the amount of money paid per patient. The amount of money that they give to the private sector as a return on investment figure is not passed over. Therefore, the new operators will be funded basically at the same level as the ACT Government was funded at. Remember that when the ACT Government was funded at this sort of level we managed to lose substantial amounts of money - \$600,000-plus a year in many cases.

This entity, Johnson Village Services, has come in, has paid the ACT Government money up front, has undertaken to spend \$700,000 on upgrading the facilities and has undertaken that within the first, I think, three months - but it might be six months - they will actually achieve 31 out of the 31 Commonwealth quality outcome standards. They are things that we actually cared about in the sale of this nursing home, unlike those opposite. We should take into account that currently Jindalee, I think, complies with two or three of the 31 quality outcome standards set by the Commonwealth.

There are three issues. Firstly, the ACT Government was losing \$600,000 a year on this entity. Secondly, we got money up front from Johnsons. Thirdly, we got an undertaking that they would meet 31 of the 31 quality outcome standards; and we got an undertaking that they would spend \$700,000 on upgrading the facility. I believe that we got a vibrant new entity into the ACT that will ensure that we have quality care, which, I suspect, was the reason that COTA supported this sale.

MS McRAE: Mr Speaker, my question related to a very specific difference which Mrs Carnell, in all her quite eloquent lecture to me, did not cover. Why have you short-changed the Territory? Why are you continually crying poor? In Victoria, they sell them for \$12,000 to \$14,000 per bed. The buildings are even more run-down and, in many cases, the private sector has to provide the building. Whichever way it adds up, you have given us a very raw deal, and you continually cry poor.

MRS CARNELL: I thought I had explained quite well why there was a very big difference between when a nursing home bed was sold from a State-run facility to a privately-run facility in the ACT and when a private nursing home bed changed hands. I thought I had made that quite clear. I also thought I had made it quite clear that Johnson Village Services have bought a nursing home losing \$600,000 a year and in desperate need of upgrade. The Commonwealth is not willing to fund Johnson Village Services for a return on their investment. It is that simple.

Ms McRae: It is not the point.

MRS CARNELL: It is exactly the point.

Electricity Prices

MR OSBORNE: My question, which is directed to the Minister for Urban Services, Mr De Domenico, is in regard to electricity prices. Minister, I refer you to an article in the *Canberra Times* this morning, which stated that our power prices are set to rise by 16 per cent. Is this big price rise due to the unions' demands for a pay increase, to the corporatisation of ACTEW, or to some other factor? How does this probable price rise equate with your press release of 20 June last year? I have a copy for you, if you would like to read it. You stated:

The Government will continue to ensure that ACTEW prices remain fair and competitive.

MR DE DOMENICO: I thank Mr Osborne for his question. In answer to the first part of his question, it is not due to the big ask from the union movement and is not due to the corporatisation of ACTEW. Mr Osborne might be aware that the reason why ACTEW's electricity prices per unit are presently significantly lower than what is being paid by New South Wales consumers, for example, is the impact of the low cost of the electricity that we buy from the Snowy scheme. Mr Osborne would also be aware that recent changes by the Federal Labor Government to the Snowy scheme - - -

Mr Berry: Nobody believes you.

MR DE DOMENICO: Mr Berry interjects, "No-one would believe this". Mr Berry, it is a fact. Through you, Mr Speaker, in reply to Mr Osborne's question: Changes by the Federal Labor Government to corporatise the Snowy scheme, with the cooperation of the New South Wales Government and the Victorian Government, will result in capital charges, for the first time, being included in the ACT's purchase price for electricity. The bottom line is that it may be that we will be paying more to purchase our electricity from the Snowy scheme because of Federal Labor Government changes. The article in the *Canberra Times*, as Mr Osborne would be aware, suggested a 16 per cent price hike. Can I say that the increase mentioned in today's article is a worst case scenario.

The Commonwealth, by the way, has constantly rejected compensation for the ACT for these changes. Mr Keating has argued that the ACT will benefit from the national electricity market and that this will offset any increase arising from changes to the Snowy scheme. Had ACTEW not been corporatised, it would not have been put into the same position as its main competitors, namely, the New South Wales electricity people, who are all corporatised and the Victorians, who are all privatised. In other words, for ACTEW to try to offset any increase in prices, the corporatisation way is the way to go.

Can I also say, in answer to Mr Osborne's question, that any increases at all in ACTEW prices will be determined by the tribunal that Mr Osborne's amendment put into the Bill.

Mr Osborne: Where is it?

MR DE DOMENICO: Mr Osborne interjects, "Where is it?". Things do not just occur overnight. What has happened is this: The New South Wales Labor Government agreed to amend their legislation to enable them to do the job for us because, as regards value for money, that is the best way to go. We are cooperating very well with the New South Wales Labor Government; in fact, better than the former ACT Labor Government did with them, anyway.

Mrs Carnell has written to the Premier, Mr Carr. Mr Carr has written back to Mrs Carnell saying that the New South Wales Labor Government would amend their legislation. That legislation was amended some two or three weeks ago. It will mean that any changes to electricity prices in the ACT will not be known until October next year. My press release stands. There will be no change to electricity prices, unless those changes are recommended by the proper channel, which is the tribunal that you, in your amendment, put in.

MR OSBORNE: I have a supplementary question, Mr Speaker. Thank you for that, Mr De Domenico. I am pleased that it is someone else's fault once again.

Mr Moore: Mr Keating's, this time.

MR OSBORNE: Mr Keating's. On ABC radio this morning, Alan Morrison, ACTEW's General Manager of Corporate Markets, stated that having an independent pricing tribunal as a watchdog over our electricity prices would in fact increase our prices even further. Is this so? If it is, what do you plan the tribunal to do that will cause it to have an impact on electricity and water prices?

MR DE DOMENICO: I thank Mr Osborne for the supplementary question. As Mr Osborne and other members will know, I do not listen to the ABC; so I did not hear what Mr Morrison had to say. I assume that Mr Morrison is alluding to the fact that it will cost us more money to enable us to purchase the services of the tribunal to do a job of work for us. But can I say to Mr Osborne that that tribunal, being a tribunal that is at arm's length from the Government, will make a decision based on what the national competition policy is all about for electricity.

Ms Follett: That is not what Mr Morrison said.

MR DE DOMENICO: I am answering Mr Osborne's question. That tribunal will be at arm's length from the Government. Any increases in prices - and I am not conceding that there will be increases - will be based on what the national price of electricity is in accordance with the national competition policy.

Mrs Carnell: I ask that all further questions be placed on the notice paper.

**SYDNEY 2000 OLYMPICS - ECONOMIC BENEFITS FOR THE A.C.T.
Paper**

MRS CARNELL (Chief Minister) (3.23): Mr Speaker, for the information of members, I present a report on preliminary estimates of the economic benefits for the ACT of the Sydney 2000 Olympics, and I move:

That the Assembly takes note of the paper.

Mr Speaker, this report was compiled primarily by the industry policy and analysis section of the Bureau of Business and Regional Development. It has emerged from a high-level working party set up by the Government, comprising members of the Bureau of Sport, Recreation and Racing, Canberra Tourism, the Office of Financial Management and the industry policy unit. This group was asked to undertake a detailed analysis of the economic benefits to the ACT emanating from the Sydney 2000 Olympics. The report is based on the most recent assessment of the latest Tourism Forecasting Council figures for international visitors to Australia. It also outlines three forecast scenarios for the number of international visitors - high, low and medium - and their economic impact upon Canberra.

The report has some clear messages for the ACT. Our reaction must be immediate and aggressive if we are to capture as much of the business as possible from international visitation. The report states that Canberra's share of the international visitor market has declined from 15 per cent to 9 per cent over the past 13 years. That represents a significant loss of market share which translates into millions of dollars lost to the ACT economy. Undoubtedly, this reflects aggressive marketing by other States and the emphasis of the Australian Tourism Commission on promoting other destinations.

According to the economic benefits report, the difference between the high and low scenarios for the ACT market share is about \$230m in direct international visitor expenditure over the next nine years. This translates into an increased financial return of \$10m per annum under the high scenario, or a potential loss of up to a total of \$150m under the low scenario, for the nine years to the year 2003. What the ACT can achieve within this substantial range of outcomes will be dependent upon our marketing strategies and our drive to promote the ACT - marketing strategies which, of course, include a proactive approach to attracting international teams and Olympic competition. According to the Tourism Forecasting Council, overall international tourism to Australia will grow between 1995 and the year 2003, and the economic benefit to Canberra will depend on our ability to reverse the disappointing trend in our market share of this business.

Actively marketing Canberra's advantages in terms of hosting pre-Olympic training and the year 2000 Olympic competition is one of the more obvious strategies which would help to reset the trend in the right direction. In meetings with key sporting officials and at trade displays at major world sporting events, our efforts are directed to putting Canberra on the world map. We must use the strengths we have, in terms of environment, facilities,

technology and location, to focus the attention of members of the Olympic family on Canberra. These sports marketing strategies will make a significant contribution to our efforts to achieve the high scenarios outlined in the economic benefits report, and generate an extra \$10m per year from international visitors to the ACT over the next nine years.

Mr Speaker, I should make it clear that the figures I quote are based on Tourism Forecasting Council figures and are subject to further work now being undertaken. This ongoing analysis will include more detailed scenarios relating to international athletes visiting the AIS, which will provide a clearer picture of the economic impact of the Olympics on the ACT and our potential to capture every ounce of market share of international visitors.

Improving market share in an increasingly competitive field is not going to be easy. We have to take the initiative. The central purpose of the delegation to Brazil which I led was to take the opportunity of joining a gathering of world football and Olympic officials to promote Canberra's chances to host Olympic events in the year 2000 and Olympic squads for training in the preceding years. In the past, statements by the Leader and Deputy Leader of the Opposition - the latter a former Minister for Sport - show that they clearly support Canberra's Olympic initiatives, and so they should. Clearly, they want to see Olympic events in Canberra, and, clearly, they want the ACT to host as many international teams as our facilities can handle. Both of these opportunities, if pursued with effect, will increase our share of international visitors.

However, will the millions of dollars of economic benefit and the untold promotional value for Canberra come to us on a silver platter? Of course they will not. They will not just drop into our laps. Canberra's share of the 2000 Olympics economic spin-offs, including international visitors, will be directly related to the size and effectiveness of our international marketing effort. Consider for one moment the Sydney Bid Committee's approach to winning the 2000 Olympics. They did not sit on their hands. They pursued a vigorous international marketing effort which put Sydney on the world map and focused the world's attention on Australia. While our effort is nothing like the scale of this initiative, we must take advantage of prime opportunities to promote Canberra's Olympic objectives.

Because we were prepared to take that initiative, the main objective of the visit to Brazil was accomplished. However, a number of other significant outcomes were achieved. Agreement was reached that the Women's World Cup for Indoor Soccer would be held in Canberra next year. This event will introduce an exciting new concept for the inaugural World Cup, the details of which are being worked out with FIFA, the world governing body for football. The Women's World Cup will involve over 1,000 athletes and stimulate significant economic activity in Canberra as well as reinforcing our reputation as an international sporting venue.

Following the Women's World Cup, Canberra would be seen as a strong contender to host a futsal competition should it become an Olympic event. There was clear optimism on the part of FIFA and IOC delegates that futsal would become an Olympic sport for the year 2000 and that, if it did, Canberra, from a number of perspectives, was a strong

28 February 1996

contender for hosting the event. A clear commitment was given that the Brazilian Olympic Committee would visit Canberra after the Atlanta Olympics. Agreement was also reached that the Brazilian Olympic Committee would investigate the potential for export of Canberra's expertise and technology in relation to sports science and sports medicine in connection with their Olympic bid.

To conclude, Mr Speaker, the economic benefits report I have tabled today identifies enormous potential for Canberra to secure substantial returns over the next nine years from international visitors, potential which we would be crazy to ignore and which can, with aggressive marketing, put the national capital on the world map. I trust that members and the public will find this document interesting in terms of what we can achieve leading up to the 2000 Games by promoting the strengths that this city has to offer to the rest of the world. It also forms part of our commitment to keep members of this Assembly updated on the initiatives that this Government is taking to promote Canberra as a sporting and business capital. I would certainly welcome input from all members, and I commend this preliminary report to the Assembly.

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

I.T. INFRASTRUCTURE AND SERVICES **Discussion of Matter of Public Importance**

MR SPEAKER: I have received a letter from Mr Moore proposing that a matter of public importance be submitted to the Assembly for discussion, namely:

Outsourcing of IT infrastructure and services for the ACT Government.

MR MOORE (3.32): Mr Speaker, I suppose that in writing to you I should have written "Outsourcing of information technology infrastructure", but at this stage I think most people are quite familiar with that jargon. I guess that the term "outsourcing" also fits into a similar type of jargon.

The ACT Government has made many public statements applauding the fact that we have a viable and growing information technology sector in Canberra, one that has the potential to provide a solid and ongoing employment base and can expand through the exportation of our expertise and provision of services. Information technology in Canberra has the potential to become one of Canberra's biggest industries. Indeed, it is already one of our biggest industries, and I believe that it could be much bigger. Mr Speaker, if we get the information technology industry right in terms of a range of things - whether it is manufacture, sales or the development of software and hardware - we have the potential to take this industry well and truly into the export market.

It is well known that Australians are very quick to pick up on information technology, Mr Speaker, which gives us a significant advantage over many other places in the world for this sort of market. We also have the advantage that in Canberra we have a very highly educated community. On a percentage basis, it is much more highly educated than

anywhere else in Australia, and probably much more highly educated than most parts of the world. With these factors, Mr Speaker, we are in the right position to develop this type of business and, with it, the employment that is so important to each and every member in this Assembly.

It was with alarm that I learnt of the Government's intention to outsource, possibly to a large company outside the ACT, reform of the information technology in the ACT Public Service. My understanding is that we are talking about an industry that benefits to the extent of some \$50m from the ACT each year in terms of our expenditure on information technology. A *Canberra Times* article on Saturday, 10 February, stated that a Government commissioned review of current arrangements had been made by Planning and Support Inc. and Price Waterhouse, and that it had recommended standardisation and rationalisation. That is fine. But it also recommended outsourcing.

When I talk about outsourcing, Mr Temporary Deputy Speaker, I am not suggesting that it is, of itself, intrinsically wrong or intrinsically bad; on the contrary. For two elections I have said as part of my business policy that outsourcing has an important role to play in the development of business in the ACT. But I do not believe that that means blind outsourcing; that whenever we can outsource something, we do it. We have to look at the costs and benefits and ensure that the benefits come back to the Public Service and the public sector and that we assist in developing the private sector. I think that appropriate use of outsourcing does have the potential to benefit both.

That seems very logical and rational on the surface. I have to say that it seems logical and rational that we look at standardisation and rationalisation, as recommended in the report by Price Waterhouse and others, because I have not seen the report; nor, I understand, has anybody other than those in government seen the report. That includes people who are directly affected by the decisions as a result of the report. We have here a government who claim that they are an open government. When one of the industries most vitally affected by a decision like this is told that there is a report but it is not going to know what is in it, I think that is of great concern and is, indeed, a matter of public importance.

There is good reason, Mr Temporary Deputy Speaker, why people would be nervous. They only have to look at South Australia, where there was a strong move by the new Liberal Government there to outsource their information technology. They did it. Instead of having a monopoly within the public service on how the information technology goes out, they handed over to a single company outside South Australia who then gained that monopoly. The impact on local business was devastating. It is fear of that impact that is behind raising this issue today, fear that the Government's response will be to go to a single big company who will claim to be able to supply all the hardware, all the software, all the follow-up services, all the maintenance, and do it at the cheapest possible price.

I have been told privately by the Chief Minister that that is not the intention, that they are not going for the one big company; but we can be very nervous about how this Government is going to deal with big companies, because it just allowed CRA to get off the hook for \$11m in stamp duty. That is a very big company. I have heard the Chief Minister's responses to those questions about CRA; but it still leaves me nervous

28 February 1996

about the relationships between this Government and great companies, especially when I think of the language that Mrs Carnell used in terms of sending a good message to corporate Australia, to business Australia. If we did do a single outsource to one of the big multinational companies, IBM for example, that would be a great corporate message to be sending to multinational companies. You could use exactly the same argument. We could be sending a really great message to local businesses, small information technology companies, that we want them to exist; that we want them to continue; that we are interested in all parts of this issue, in hardware, in the development of software, in follow-up services, in maintenance, in training. That whole range of issues is important.

The ACT Government ought to be actively encouraging information technology businesses that are indigenous to the ACT to take up this opportunity. I believe, Mr Temporary Deputy Speaker, that there is not a single indigenous company which could deliver the whole of an outsourcing service for the ACT Public Service that currently exists. I think that is a reasonable observation. Therefore, the tendering process should be designed in such a way that the information technology outsourcing goes appropriately to a series of small businesses. That can be achieved in a range of ways. It could also be that a tender is put together by a consortium of local companies. At the time I say these things, I also have to be conscious of our obligations under the free trade sections of our Constitution. However, there are ways of making business easy for small business in the ACT and there are ways of making it easy for big business outside the ACT. I have already drawn attention to one situation where I believe that the Government has made it easy for a big business outside the ACT.

If a single contractor is chosen, in particular a company based interstate or overseas, the ACT economy will lose a significant benefit of outsourcing. Not only will most of the direct expenditure be lost from the Canberra economy, but also the loss will be compounded by the loss of the multiplier effect. I think that is particularly important in dealing with our local companies. When money is injected into local industry in the ACT - we are talking about over \$50m - the multiplier effect of that in terms of people buying houses, building houses, having extensions done, buying cars and buying groceries is significant indeed. It does not make sense for the Government to respond to this problem in that way.

We are looking for lateral solutions to ensure that Canberra jobs are protected, that the money stays in Canberra, and that the ACT companies gain expertise and the skills necessary for them to grow and to compete elsewhere. Public Service contracts in Canberra can form the base of a company, can keep the company stable, keep it there, whilst they apply, first of all, for tenders and contracts with the Federal Government. A number of very lucrative contracts come out through Federal Government departments. Quite a number of businesses that I am aware of, having been successful in that area, also have the opportunity to access the regional market as well as Melbourne and Sydney, and even abroad. They are the prime markets. We are extremely well placed to take advantage of that range of possibilities for this industry, and every time this happens there are more jobs in Canberra in a clean industry for people with real talents in the ACT.

It makes sense also for local companies to team up with current government information technology officers who could wind up providing continuity of service. One of the disadvantages of outsourcing that has to be dealt with is the loss of corporate knowledge. I believe that that is an important issue that has to be taken into consideration. It may be advantageous to the ACT Government if it is permissible for a combined ACT Public Service and Canberra company bid, for example, to be submitted. Although no local company can supply all of the services and equipment, if they team up like this they would have a reasonable opportunity to compete. It would also be one way of dealing with possible unemployment in the Public Service as a result of outsourcing. Large companies who claim to provide the whole gamut of services in fact actually team up with smaller companies in order to make themselves more flexible and responsive to a variety of needs. ACT companies could do the same. The expertise gained from the exercise would be a valuable investment in the future growth of these companies and the growth of ACT business.

Local companies can form teams with other small companies so as to provide the IT services already necessary for the ACT Government, provided that the tenders and the systems are set up appropriately to allow them to do it. This is something we do not know because we have not seen the report from Price Waterhouse. The currently employed government IT officers may well decide that they want to join such teams. The article in the *Canberra Times* suggested that outsourcing meant that government information technology officers would be offered redundancy or redeployment. It seems ridiculous to sacrifice those jobs and risk gaining employment from outside the ACT. There is potential for those people to work in other companies that are based in Canberra, but we have to be concerned about continuity and redeployment.

We also know of the frustrations of companies who are based in Sydney or Melbourne in not being able to respond to Canberra for some time. It is another reason why local companies can not only benefit themselves but also be of benefit to us. The old "cheque in the mail" syndrome is something that does not have to happen when we have this sort of service in Canberra. We have expertise here in our own Public Service and also in companies in the ACT, including the full range of information technology and training. We have the opportunity to improve the employment base in the ACT.

Another by-product of opting for a single large interstate company is that, in order to save the money anticipated in information technology services, all the information technology services would wind up having to conform. This, of course, is a furphy. Modern information technology equipment does not suffer from the same problems of incompatibility as it used to in the past. We know ourselves that, even with our own small machines, we can take information from Apple computers and put it onto IBM computers and vice versa.

The ACT Government is certainly not an island. It needs to communicate with many outside on a regular basis. Some systems which are set up in autonomous agencies, such as Legal Aid and Parliamentary Counsel, for example, have different systems, but they do speak quite readily to other parts of the technology industry. I did have a few comments to make on the Department of Defence in terms of outsourcing, but I think the point is now made, and I look forward to a response from the Government in supporting ACT information technology businesses.

MRS CARNELL (Chief Minister) (3.47): The ACT Government has a large investment in IT infrastructure and a number of critical business applications. It has a wide area network connecting most of its offices and a modern telephone network provided by Telstra. Most of its equipment and software is relatively up to date; but, as I think we all know in the Assembly, there are shortcomings in the current arrangements. For example, a significant number of telephones are not part of the corporate system. This reduces convenience and adds to cost. There are separate data networks which are not well integrated. Although we have more than 6,700 computers connected to the system, only 4,200 have access to electronic mail. Clearly, this is inefficient, and it leads to underutilisation of this strategic resource. There is too much diversity in equipment, standards and applications, which means that opportunities to communicate and to share information are often lost. There is a large number of very small IT groups and processing centres, which means that the Government loses economies of scale.

As anybody in this Assembly would know, in the area of information technology it is extremely important that we achieve an integrated system that achieves the outcomes that the ACT Government and, of course, the ACT taxpayers require. The corporate telephone system has approximately 11,700 services, with a further 2,700 services being connected to separate systems. The existence of separate telephone systems means that the Government is missing out on benefits such as economies of scale in facilities management and switchboard operations.

The Government wants to have an information technology environment that provides its staff with access to modern systems and improves the working environment. Information technology systems should directly contribute to the delivery of services to the community and to the achievement of high levels of administrative efficiency. The information technology environment should have the following features: The use of technology adds to the efficiency and effectiveness of agency operations; the Government and agencies achieve value for money; there are clear, documented and well understood standards and protocols within which IT is managed; there is open communication between office systems and applications; there is the widest possible access to corporate desktop systems such as electronic mail; the services are carefully planned to meet business and customer commitment objectives; and the systems should be user friendly and contribute to user satisfaction. Again, I do not think anybody would doubt any of those objectives, but, unfortunately, in the past they simply have not all been met.

The Government decided, during the budget process last year, to undertake a strategic review of information technology service delivery arrangements. Its objectives were to improve service delivery and to cut costs. The consultant firms Planning and Support Inc. and Price Waterhouse were engaged to undertake this project and it was completed late in 1995. The consultants have advised that information technology services cost the ACT Government \$53m per annum, or more than \$1m every week. There is a need to improve information technology planning and the way in which managers specify their information technology requirements. There is too much diversity in equipment, standards and applications, which leads to duplication and lost communication opportunities. The Government can improve standards of service and value for money by standardisation, rationalisation and aggregation of its information technology equipment and support arrangements. Outsourcing is the best way of achieving these objectives.

This approach is also consistent with the Government's purchaser-provider model being implemented under the financial management reform program. A steering committee, comprising a number of agency heads and a CPSU representative, was established to provide guidance to the review team. An interagency management reference group and a CPSU reference group were also established to provide input into the review process. All of the invisible services, the information technology infrastructure, such as voice and data networks, mainframe and mid-range processing, local area network support and desktop computers and their support will be contracted out. Agencies will purchase these services from one contractor or a set of managed contracts. Agencies will, however, retain control over their own business applications, such as motor vehicle registrations, designed to assist them to deliver their programs and services. In doing this, they will be freed from the requirement to plan and manage infrastructure matters. Agencies will test the market for providers for their business applications once their requirements have been determined.

The Government has looked at what has been done elsewhere - for example, in Victoria and South Australia - and will build on that experience. Mr Moore is quite right in saying that the approach taken in South Australia leaves much to be desired. In South Australia a decision was made that it was necessary for economic growth purposes to create a new industry in the State. This led to a decision to outsource information technology activity in one block so that they could attract a major player to South Australia. The decision to enter into a contract with EDS was made very early in the process to attract the company to South Australia, and was made before detailed specifications or service delivery expectations had been established. This gave rise to a number of difficulties later in the process, and, as Mr Moore rightly said, it meant that there were some very real problems for some small businesses in South Australia.

The ACT, in contrast, will be intending to go through a market testing and contracting process for the express purpose of improving service delivery and increasing value for money. In going through this process the Government is prepared to consider an in-house bid by its own IT staff if they wish to put in such a bid. I understand that there was a meeting on that today at 2.30 pm. I am very happy to say that there does seem to be some real interest in an internal bid. I think that is a real step in the right direction. Obviously, though, that bid will be considered on its own merits. We are intending to make sure that an internal bid gets adequate support from some external source in putting together that bid. If staff choose to do this the Government, without any doubt, will provide them with a consultant to assist them in the preparation of the bid. Any in-house bid, to be successful, will have to be based on a clear commercial contract in line with the new purchaser-provider arrangements being introduced in the financial reform process.

The Government will adhere to the timetable for the contracting process, with expectations of a decision on a successful bidder or bidders by the end of 1996. The contracts will be made on a whole-of-government basis. This will ensure that the economies of scale that have been spoken about earlier are achieved, that the

whole-of-government systems such as e-mail, Perspect and Oracle Financials systems work properly, and to maximise the potential to stimulate the local IT industry. In line with what Mr Moore said, it is certainly the view of this Government that this has to help local IT, not detract from it in any way.

In this context the Government will require bidders to specify how they will contribute to local industry development and will be requiring in the tender documents that preference be given to local firms by potential suppliers. The Government has invited the CPSU to sit down and consult on how this can best be done. As I said earlier, that was done this afternoon and good progress has been achieved. We would expect, for example, that the new supplier will offer job transfers to many of our current IT staff. The Government is flexible on whether or not redundancies will be paid to staff moving to a new provider. Jindalee Nursing Home is a good example of the Government's willingness in this area.

To assist in ensuring that all stakeholders are able to participate in the process and that the issues are considered at the right level, the Government has established a steering committee of agency heads. This steering committee will be supported by a working group with an independent chair appointed by the steering committee. The working group, of course, will not include any members of the in-house bid team. A joint union-management consultative group will also be established. To assist in full consideration of all of the issues, those parts of the PSI report which are not commercial-in-confidence will be made available to all interested parties. Since some aspects of the report refer to current contracts and levels of potential savings, it would not be appropriate to make the information available to potential competitors.

The tendering process will be open and competitive, with the choice of provider being made on the basis of best and final offers from a short list of bidders. In brief, the process which we will follow is as follows: Initial expressions of interest will be sought from potential providers; qualified bidders will lodge proposals based on full information on services required and contract conditions; a short list of potential providers will go through a due diligence process, to ensure that the base data is correct, and lodge their final bids; the successful provider will then be chosen. As I said, Mr Temporary Deputy Speaker, hopefully that will be done by the end of this year.

I am confident that this process brings all parties together. Certainly, it provides for input from staff, the CPSU and management, but keeps clearly in mind the whole way through this process that this is not, as it was in South Australia, about attracting a new company to the State. This is about getting better value for our IT dollar for the people of Canberra and to ensure that, when we put information technology projects together in the ACT, we put them together with a clear eye on what it is we are trying to achieve, not just go down the track, as has happened occasionally in the past, that new technology, by its very nature, must be good technology and we all end up going off in different directions. I think the approach we have taken has shown that we are willing to take the time that is required to have an appropriate approach to this important area. We have, as I said this afternoon, had a meeting with the unions, and the CPSU has been involved with this process the whole way along. Hopefully, we can bring our staff with us on this. I think the advent of an in-house bid is a very big step in the right direction for the ACT Government.

MS TUCKER (4.00): Mr Moore has raised a number of important issues in this MPI. I am quite happy to talk on this matter also because it is something we have been looking at. As Mr Moore said, the possibility that a contract is given to one company is quite alarming. I listened to what Mrs Carnell said, and there were some reassurances there. But it is very important that we have a good public discussion on these sorts of issues because it is not just about information technology; it is about a lot of areas of government service that are now going to be outsourced with the purchaser-provider model that this Government supports.

In South Australia, while there were some differences in the situation, the concerns were similar in a lot of areas. The aspect of commercial-in-confidence is definitely a concern in the whole purchaser-provider model because we can see how it can be applied to areas that would have been very open and transparent - or, if they were not, they should have been - and processes could have been brought in to make them more so within the government service. We are seeing in South Australia right now a battle about whether the contract can be looked at, even by a parliamentary committee.

I was interested to read in the *Canberra Times* that there is too much diversity in equipment. It is interesting that we have too much diversity, because when I talked to a couple of people who are in the computing business and in the information technology business, one of them laughed when he read that. He said, "What you are saying is that computers cannot talk to each other. People do not want to talk to each other, and do not take these claims too seriously". We are seeing this in all the reports that are coming out from various agency reviews now. There is a major problem with interagency communication. This is not just to do with technology; this is to do with the culture within the Public Service. I think you have to be careful about making too much of the technology not being adaptable to more interaction.

Diversity is healthy. Diversity leads to innovation. People are so excited about the Internet because there are all sorts of developments occurring now within the technology area as a result of that unfettered development of the Internet. If we are going to be looking at centralising business initiatives, there is a danger that we are going to lose the very creative, innovative sort of culture that this Government, and I would assume all members of this place, would want to support. There is a danger if you have one company coming in with a basic concept. If you like, you could compare it to McDonald's. There is the concept. It is a centralised concept. It is about uniformity. That is where you have to be very careful when you are centralising any kind of business activity. We have to be careful when we talk about too much diversity, because my understanding is that it is not such a problem as we are being led to believe by some people in the area.

The quality of local versus multinational or national companies in terms of service is another issue that has already been mentioned. Being locally responsive is very important. We can see it in other areas where people are working with multinational companies and they are not accountable. They are not nearly as accountable as a local business.

28 February 1996

If you are in a local business you get known in your area. There is competition because there are lots of small local businesses all doing that same sort of work, so there is a real incentive to produce the goods. When you get a couple of big players, a couple of big international, multinational or national players, because they do not have to be so accountable locally because they basically have a monopoly, you will not necessarily get the best service delivery. That has been seen to be the case in several areas.

There is another very serious issue in outsourcing information technology, and that is security of the information. We have not heard very much about that in this debate. It has certainly come up in South Australia, in *Hansard*. They have discussed the whole question of what is happening there in the area of information technology. Security of information is incredibly important. In this day and age we do not have an Australia Card; but we now have so many links through so many different departments, and now private enterprise, that I think all Australians should be very concerned about the real implications of these sorts of movements out into the private sector. We need to have very strong accountability mechanisms if this is not going to be of concern.

Another concern about this, that has come to me from various people working within the government service, is that certain areas have particular or special needs in their information technology and they have a special expertise in their area. There is a concern that, if you bring in people from one large company from outside, once again there are going to be real costs because you could not possibly expect this one company to have necessarily the flexibility to deal with all these individual needs. This is not to say that we should not outsource at all; but, once again, in support of small business, we need to understand that they would have, through the diversity of the service, something very important to offer.

The question of jobs has been raised already. There is disagreement about how many jobs would be lost and what the impact of that would be. This is also coming out in discussions in other areas as well about cost shifting and what social costs of this need to be considered. I think it is something that we are going to have a lot more discussion about because it is not going to go away. It is not necessarily a bad thing to have outsourcing, but it is a bad thing if we are going to have very serious consequences as a result of the fact that no-one was prepared to look ahead before we committed ourselves to these sorts of contracts. We have to have open contracts. We have to be very wary of how much commercial-in-confidence is used as a method of stopping the public having a look. As Mr Moore mentioned, we apparently cannot even see this initial report on the whole topic, and that does not stand as a good beginning to this discussion. We need to have very accountable systems and we need to be able to monitor.

I noticed that in South Australia they are entering into a nine-year contract. There was really nothing in place between the first year and the ninth year to see what was going on. All these sorts of issues need to be looked at very carefully. For that reason, I would hope that there is a lot more openness in what occurs now, so that all members here and the community can have an input and so that we do not end up in 10 years' time saying, "Oops, we did not think of that".

MS FOLLETT (Leader of the Opposition) (4.08): I have received, this very moment, a submission from the Community and Public Sector Union in relation to the matter of information technology arrangements. The submission really should set the alarm bells ringing because it makes a number of points about where the CPSU is clearly very dissatisfied with the process that has taken place to date and expresses grave misgivings about the effects of the Government strategy into the future.

I will read some of the headings in the CPSU submission regarding the IT strategy. The first one, Mr Speaker, is "Review process a sham". That point is made by the CPSU. They are clearly not satisfied that their comments were substantially taken into account in the review process. A further heading is "Report is inaccurate and inadequate", and they point to a number of areas where there is a lack of balance and bias within the IT report. They are clearly dissatisfied that in-house bids, for example, should be excluded under the Government strategy. A further heading is "Dissent by agency heads", and I will read what is said. The CPSU's submission states:

There has been significant dissent by the ITSC -

presumably, the Information Technology Steering Committee -

and a number of agency heads regarding the process, conclusions and recommendations of the report. The agency heads of DUS, CIT and Health and the ITSC all had serious misgivings with the report. In particular there was concern that the proposal removed responsibility from Chief Executives treating IT differently from other inputs and imposing heavily centralised controls.

Further in the submission the CPSU takes issue with the projected costs and savings. They make comment about the effects on the local IT industry and, in particular, make the point that local suppliers who are currently supplying over 50 per cent of the \$53m budget which the ACT government service spends on information technology would lose that business under the new proposal from the Government. Far from protecting local small firms, that \$53m would be lost to them. In concluding, the CPSU details the effect of the proposal on the ACT Public Service. Of course, they are concerned about the effect on the staff, their members. They make the point that staff morale is already at an all-time low because of the serious concern that, unless the process is stopped, irreparable damage will be done to the capacity of IT to continue to deliver the standard of service that is currently required. As the CPSU says, this could result in outsourcing by stealth. Mr Speaker, I know that that submission has only just hit our desks, but I would commend it to all members of the Assembly as worthy of very close and detailed consideration.

What the matter of public importance today is all about is basically a staff circular from the Chief Executive of the Chief Minister's Department, dated 9 February 1996. Mr Speaker, I can draw no other conclusion about this circular than that it is a recipe for privatisation - the privatisation of all information technology officer jobs in the ACT Public Service. We have heard all the buzz words from Mrs Carnell about

28 February 1996

consultation, efficiency, outsourcing, the public sector reform process and all the rest of it; but what this is about is privatising the jobs of public servants, just as certainly as we have seen this Government privatise other areas of the service by selling off many of the Territory's facilities. Mr Speaker, the Liberal Government is continuing, in this area of IT, with its ideologically driven agenda.

The staff circular reports the outcome of a review of information technology services in the ACT Public Service which was conducted by two private sector firms, Planning and Support Inc. and Price Waterhouse. Their conclusions included this statement:

... the best way to obtain the benefits of standardisation and rationalisation of the existing environment is by implementing an outsourcing strategy.

What a surprise, Mr Speaker! As Christine Keeler once said, "Well, they would say that, wouldn't they?". What else would you expect? It is informative to read further into the staff circular. It states:

The Government has endorsed the findings of the review and will move quickly to implement the changes.

It goes on:

Agencies will market test for their applications development and support services on an individual basis.

That is an interesting concept, Mr Speaker - testing the market for privatisation. What a joke! One can really imagine that the private sector is going to say that it does not want the business. Inevitably, Mr Speaker, private sector providers will seek the work, and the Government has already decided that they will get it. The staff circular is well named. It is circular. The arguments in it are all circular. It continues:

A market testing program will be implemented to determine the level of benefits that can be achieved through a more systematic approach to outsourcing of IT services.

That is indeed curious, Mr Speaker. The proposal now is that the level of benefits of outsourcing will be assessed. But, of course, the Government has already decided that outsourcing - that is, privatisation - will occur. They have taken that decision. I believe that that strategy would have done the Queen of Hearts proud. We have the verdict first and then the trial. Mr Speaker, to quote even further from the staff circular, it says:

As part of the implementation process, outsourcing contractors will be able to make offers of employment to IT staff employees within the ACT Public Service.

Just as an aside, when you are talking about staff and people you say “who”, not “that”. So, I will say:

Those staff [who] do not obtain employment with service providers will have access to normal redeployment and redundancy processes.

This involves two critical issues. For the first time in Canberra - this is a first for this Government - government employees, with all the public investment in their training and their experience, will be open to poaching by private sector firms, under the aegis of the Government. Those firms will then be competing for business from the public servants who previously worked with those IT staff. I believe that there is enormous potential for compromise and for conflict of interest, if I ever saw it. After this process of snatch and grab, private sector firms will then return to offer to rent the shopkeeper back the stolen goods - in this case the IT staff.

One would hope that the decision-makers who have been left behind will decide the best service available, but I cannot help wondering whether people would not prefer to retain all of the skills and experience within the public sector anyway. For those who do not wish to be privatised or who are not deemed suitable for the profit first environment, or whose skills are not readily required, the options are limited. They will “have access to normal redeployment and redundancy processes”. Given that all of their jobs will have been privatised, there, in fact, will not be an option. There will be no ITO positions left in the ACT Public Service.

It is now clear why Mrs Carnell insists that the involuntary redundancy provisions of the triple R award must be able to be used in the ACT Public Service. ITOs will be sacked because their jobs have been outsourced. It is also clear that, if this proceeds, no public servant can be confident that their job is safe. All that has to happen is that the Government gets a private consultant to say - to quote from this review - that “the best way to obtain the benefits of standardisation and rationalisation of the existing environment is by implementing an outsourcing strategy”. What jargon! What rubbish!

Then the Government implements this strategy for that area of public sector activity, and the people who do not get offered jobs by the private sector firms will be made redundant and sacked. I really do wonder whether this Government has any comprehension whatsoever of the role of the Public Service - that the culture, the principles and the environment are intrinsically different from those of the private sector. I am not saying that they are better or worse, but they are different. People in the public sector are motivated by a drive to serve the community, often for less than they might otherwise earn in other occupations, and the profit motive is not what motivates them.

Mr Speaker, the information technology officers in the Public Service are particularly important. They are the ones who ensure that the privacy of the public is protected in large databases, or that information held in digital form is not used against the interests of the community. I believe that future ACT governments are likely to suffer expensive

28 February 1996

exercises at some time in the future in restoring the ITOs to the Public Service; but what will never be able to be retrieved is the corporate knowledge, the history and the wisdom that are lost in this mad, ideologically driven round of privatisation.

Mr Moore probably believes that everything will be solved if a few local firms are guaranteed a part of the action; but any privatisation will disperse our accumulated knowledge, will destroy cooperative working relationships, and will remove an important training ground for the IT industry itself. I believe, Mr Speaker, that in this equation it is the ACT Public Service which is the big company that Mr Moore recognises must exist in this arena. No combination of small companies can provide the full range of services. As Mr Moore said on ABC radio this morning, this self-same process led to one big contract in South Australia despite government comments about support for small business. All the honeyed assurances came to nought in South Australia, just as they will here, because what we are seeing is the inevitable result of privatisation, the privatisation of jobs, which is just the same thing as privatisation of any government facility.

MR DE DOMENICO (Minister for Urban Services) (4.18): Mr Speaker, I thought we were, for once, going to have a sensible debate in this place. I thought Mr Moore's matter of public importance a quite sensible thing to raise. I heard Mrs Carnell allay some of Mr Moore's concerns about the process and talk about the fact that those in local industry are the ones who should benefit. Ms Tucker stood up and made some quite interesting comments on the whole issue. I must admit that when Ms Follett first stood up I thought she was across the issues, but then politics and ideology took over. Ms Follett stood up and said, "This is what the views of the CPSU are".

Mr Berry: That would be enough to turn you people into apes. You will be hanging from the trees - - -

MR DE DOMENICO: Mr Berry interjects. What Ms Follett did not realise, perhaps because she was out of date, is that the people whose submission she read from were meeting with the Government, and probably still are, at the same time that she was on her feet. I am informed that the meeting with the CPSU on this issue was at 2.30 pm today. It started at 2.30 pm, and my information is that the CPSU seemed happy with the offer. They were surprised, I suppose, by the fact that the Government put on the table that an internal bid was something that we ought to be looking at as well a bid from the people working now in this whole area.

The other thing that was discussed this afternoon was the redundancies on transfer if staff move to a private employer. Ms Follett seems to think that that is not on. Why should anybody in the Public Service deign to accept an offer of employment in the private sector, as if it is a mortal sin? Of course it is not. It happens all the time in all sorts of jurisdictions. Another thing that Ms Follett did not mention because she did not know - she was not up to date - is that among other things that were discussed this afternoon was an independent probity auditor to make sure that the process is clear and above board. They are the things that Ms Follett did not know.

Not once during her speech did we hear what the Labor Party's view is on this matter. We know what the CPSU view is. I am led to assume, therefore, that what the CPSU thinks, the Labor Party thinks, and what the CPSU wants, the Labor Party wants. Well, so be it.

Ms Follett: My view is that it is privatisation by stealth.

MR DE DOMENICO: We hear all the cliches and the buzz words, such as privatisation by stealth; the world will end; the light on the hill will go out; water will not flow downhill anymore. Ms Follett does not know the facts, and that is important in all sorts of debates.

South Australia has been mentioned by Mr Moore and everybody else who has spoken in this debate. Let us have a look at South Australia. What was the primary reason for South Australia doing what it did? The primary reason, I am advised, was to contribute to State economic development. That is fine. If that is what South Australia wants to do, that is their prerogative. What is the primary reason in the ACT? In the ACT it is totally different. It is to get effective and efficient IT services. It is totally different from what South Australia wanted to do. What are the expected outcomes in South Australia? In South Australia the aim is to build a stronger IT industry in South Australia by attracting a major IT company to the State. So the South Australian Government, John Olsen in particular, said, "Listen, what I want to do in particular is to attract a major player to South Australia. What do I need to do to attract the major player?". Improvement of efficiency was, I am led to believe, a secondary motive.

What is the motive here in the ACT? Is it to attract a larger player? Of course, it is not, because we already have those. We have a few of them in fact. It is to maintain an effective and efficient IT service which contributes to business outcomes. That is better value for money. It is, after all, taxpayers' money, \$53m worth, as Ms Follett said, that is being spent on this area. We want to make sure, if we are going to spend \$53m worth of taxpayers' money, that we are getting the best possible outcomes from that expenditure. Also, in the ACT we want a contribution to broad economic development objectives for the ACT region. That is something else that was mentioned by people in this debate, and I thought Mrs Carnell handled it quite well. There will be certain things in the tendering process to ensure that, wherever possible, local IT industries will be considered very strongly, as long as they are competitive, in terms of supplying goods and services. Once again there are smiles when I say "as long as they are competitive". If you are not competitive, notwithstanding where you are, you should not get the job. If you do, we are not expending taxpayers' money in the way it should be expended. I believe that we have the best IT industry in the country right here in the ACT, in those small companies, those small businesses that Ms Tucker talks to from time to time. I feel confident that they will be the beneficiaries of any outsourcing program.

Let us have a look at the outsourcing process in South Australia. In South Australia there were negotiations with only two companies, with IBM and with EDS. The difference in the ACT is that it is going to be an open tender process, not limiting it to one company, two companies or 10 companies. There is another difference. In South Australia the service levels and contractual arrangements were determined after the selection was made.

28 February 1996

In the ACT, clear contract and service requirements will be specified in the tender documents. That is another difference between the way we do it here and the way they have done it in South Australia.

Let us talk about the contracts as well. The South Australian contract had limited flexibility by restricted competition. Only two companies were spoken to and it was a nine-year term. That is too long. The ACT contract situation will be a flexible contract arrangement with either a single contractor or managed subcontractor arrangements, and the term at this stage will be three years. Once again, it is totally different. I have read out all that stuff, Mr Speaker, to show the difference between the South Australian scenario and the ACT scenario. Just because a particular Liberal government does it a particular way does not mean that everybody else follows suit. We do not happen to agree with the South Australian way of doing things. It might work for South Australia, and it probably has not, but it is different from what is going to happen in the ACT.

There are some other things we have said in this debate. What was not realised is that unions have been consulted. I stress again that at 2.30 pm, just before we were talking, they were meeting on this very issue. The tender will specify as much as possible the use of local products and services. That is right there in writing, in black and white. There can be an in-house bid by the current staff. That did not happen in South Australia either, or in Victoria or anywhere else. That is going to happen here in the ACT.

Some of the report, as Mrs Carnell said, the part that is not commercial-in-confidence, will be made available to interested parties. People should not frown at that because this is all about commercial-in-confidence. We should not be compromising any internal bid by letting loose willy-nilly anything that people want to know about. Commercial-in-confidence is the very essence of the way these things will work or not work.

Once again, Ms Tucker made some pertinent comments. She talked about the purchaser-provider concept and suggested that perhaps she is not in accord with that. She also hinted that the purchaser-provider concept is something that has been invented by the Carnell Government. I have to say to Ms Tucker that it is not just this Government that believes in the purchaser-provider concept. I think all sensible governments of all political persuasions are working on that very concept. The one that comes to mind quite readily, Mr Speaker, is the Federal Labor Government, which I think pioneered and championed the cause of purchaser-provider.

We are also talking negatively and trying to attack the situation before we have given it a chance to work or before we have been given a chance to know anything about it. Ms Tucker also made a comparison with McDonald's, which I thought was a bit crass really. She compared IT and the way that works and outsourcing with McDonald's.

She said that she has spoken to many people working in the government service at the minute who are against the whole concept of contracting out. Of course they are, because they are trying to maintain and to develop their empires. That is something that has happened in the Public Service since the year dot, and it will continue to happen. No-one wants to give away their empire, Ms Tucker, notwithstanding how much that empire might be costing the taxpayer, and notwithstanding that that empire is not working efficiently.

Mention was made of security. The Government is concerned about security and has taken that into account as well. You also mentioned special needs. The special needs will be catered for as well because, in the interagency situation, an agency that needs to have their expertise kept within that agency will be able to do that as well. Really, we are not giving this a chance to work. We have read a story in the newspaper and we have heard some internal gossip from all sorts of people and blown it out of all proportion.

Mr Moore's comments perhaps were the most pertinent. He obviously had a genuine concern to make sure that not one particular company, one of the huge companies, would be in a monopoly position; that we make sure that the local IT industry - which we are very good at, by the way, and I stress that again - has a say in what goes on. I am assured by the work that has been done on this that that is going to occur. We have had a look at the way it is done in South Australia. We do not believe that that is the way we should do it here. We have had a look at the way it was done in Victoria. We do not agree with Mr Kennett's way of doing things in this area either, because it has to be idiosyncratic to the needs of the ACT government service.

We are spending \$53m of taxpayers' money. We know that we have computers that do not talk to one another. We know that we have telephones that are not compatible with each other. That is not the way to do business. That is not the way to spend taxpayers' money properly. The bottom line is that we have to get value for money and at the same time have an efficient IT industry in the ACT.

MR SPEAKER: The discussion is concluded.

MS TUCKER: Under standing order 47, may I correct something Mr De Domenico said. Mr De Domenico, I do not recall that I did say that they were against the concept, but if that was your understanding I would like to clarify it. They have concern that there has not been enough work done on modelling the possible negative impacts of this work. You said that I said that government workers were absolutely against contracting out, and I would like to clarify it. I did not say that.

Mr De Domenico: No; I said that you were against contracting out.

MS TUCKER: No; you suggested that I had talked to workers in the public sector who were against it, and you said, "Of course they are, because they do not want to see their empires diminished". I did not say that they were against it; they said that they had concerns about the way you were going hell for leather into contracting out, without modelling the possible negative impacts.

LEAVE OF ABSENCE TO MEMBER

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

That leave of absence from 22 March 1996 to 25 March 1996 be given to Mr Moore.

PRIVATE MEMBERS BUSINESS - PRECEDENCE Suspension of Standing Orders

Motion (by **Mrs Carnell**) agreed to, with the concurrence of an absolute majority:

That so much of the standing orders be suspended as would prevent the order of the day for the resumption of debate on order of the day No. 1, private members business, relating to Health Services, being called on forthwith.

HEALTH SERVICES

Debate resumed.

MS TUCKER (4.32): I wish to speak to the amendments, Mr Speaker.

MR SPEAKER: My information is that Mrs Carnell moved amendments on 5 December and Ms Tucker subsequently spoke to the amendments. You must seek leave if you wish to speak again, Ms Tucker.

MS TUCKER: I seek leave to speak again, Mr Speaker.

Leave granted.

MS TUCKER: We have put our views on this issue before, so I will be brief. We have made a commitment to primary health care. We have had concerns throughout this whole process. I am concerned with the process as it occurred in this Assembly, when we had the possibility of salaried medical practitioners being maintained in the health centres; unfortunately, redundancies were offered. Then we had Mr Osborne's suggestion, but I will not go on with the saga. We are all too familiar with it. However, I will comment on these amendments moved by Mrs Carnell. Apparently, she has given assurances that the people in Jindalee have been looked after, which is what we asked for; so paragraph (2) is obviously not in issue. We will not support the amendment to paragraph (1) because so far I have not been given any indication of how low income earners are going to be ensured provision of medical services if they do not have a health care card.

I would be very interested to see how you decide which medical practitioners you are going to bring into health centres. If you can show me that you are going to have some system where you get a commitment or an analysis of the philosophical approach of staff in those centres, then perhaps that commitment would be possible to believe. What we know is that there are different types of medical practitioners with different philosophical approaches, and there are practitioners in private practices who would come quite happily from anywhere in Australia to set up a profit practice in one of these health centres. People training medical practitioners are also very interested in the philosophical approach of the people entering a caring profession. It is an issue they have been looking at for quite a few years. The right of people to enter the medical profession and train to be doctors should be assessed on something other than their academic qualifications. This is not an issue to be scoffed at; this is something significant.

Mr De Domenico: If I am sick I would rather have a good doctor than a good philosopher, I have to tell you.

MS TUCKER: Mr De Domenico makes fun, once again, of a serious issue which is being given serious consideration by all the training hospitals and academics dealing with medical training. You are just showing your ignorance, I am afraid.

It would also be useful if Mrs Carnell showed a commitment to providing medical attention for all people by providing a list of doctors in the ACT who bulk-bill 100 per cent. That kind of initiative might give the people in the community who are concerned about their lack of ability to get attention when they need it some indication that you are actually going to do something in this area. There are a growing number of people, and we have said it over and over through this debate, who do not have the up-front money to pay for a medical practitioner to see them, particularly if they are on a low income and have a couple of children. As you probably know, children often get sick together in a family, so you are looking at \$90 for some people, which is probably the amount of money they are spending on food. Believe it or not, that is what some people in this town live on for a week.

Omitting paragraphs (3) and (4) from the motion is obviously meant to totally emasculate the whole motion, and we could not possibly support that. We have a commitment to primary health care. We want to see preventative health care in place. We understand and agree with "ACT Health Goals and Targets", which makes it quite clear that the primary health care sector is the central function and main focus of the health system, the principal vehicle for the delivery of health care services. As a structure, it involves those health services that are generally the first point of call into the health system. People will not make that first point of call because they do not have the money. Last night, at the forum that has been held on young people and their health, it was made quite clear that young people do not go to the doctor soon enough, and that is why the health problems of youth are greater than they need to be. Young people are not all going to be able to go and see doctors. They are not all going to be on health care cards. They need encouragement, and so does everyone else in this community if we want to look at preventative health care.

28 February 1996

MRS CARNELL (Chief Minister and Minister for Health and Community Care), by leave: I will be brief because I think this debate has probably gone on for long enough now. With regard to paragraph (1) of the motion moved by Mr Connolly, which dealt with 100 per cent bulk-billing doctors, we set out to do exactly what this Assembly wanted us to do - to have 100 per cent bulk-billing doctors.

Mr Berry: Pull the other leg.

MRS CARNELL: The reality is that it is the truth. I think there have been letters in the newspaper from one of the doctors involved and a number of such indications that exactly what we have said is true. A number of the current salaried medical practitioners were interested in staying in our health centres, but the moment this Assembly determined that there had to be 100 per cent bulk-billing for everybody, whether they turned up in their Volvos or not - - -

Ms McRae: And what is wrong with that?

MRS CARNELL: Quite seriously, there is everything wrong with that. We have a Medicare system in this country which is a universal health system, and I believe totally that you should be bulk-billing pensioners, people on health care cards and so forth; but I personally do not believe that we need to ensure that bulk-billing is available for people who can well afford to pay. It is a personal view, certainly; but it is one that is shared by the current Federal Labor Government. I think that is a fair approach. We want to make sure that our health centres have the services that are required. The health centres are not doctors' surgeries - - -

Mr Berry: You shut down all the services in Melba.

MRS CARNELL: I think it is extremely important for Mr Berry to remember for one minute who actually shut down the services, other than doctors. When we took over government, there were no services other than medical practitioners at Melba Health Centre. That means that all of the other services that had once been there had already closed. However, I do not believe that it is appropriate to go through all this again.

If we can have in our health centres doctors who bulk-bill pensioners, people on low incomes and health care card holders, I believe that that is the appropriate approach. We have advertised nationally to find doctors who would be 100 per cent bulk-billing doctors in our health centres. That was all done in line with this Assembly's wishes.

Mr Berry: Why do you not put salaried ones back in?

MRS CARNELL: The reason, and I will say it again, why we will not put salaried doctors back in is that it is a ridiculous use of very scarce health dollars in the ACT.

Ms Follett: The Commonwealth pays for it.

MRS CARNELL: That simply is not the truth. The on-costs, the costs of putting those services together, simply were not covered by what we were paying for the salaries. It is all on the record now. We have given a full explanation of what was happening with casual staff at Jindalee, and I understand that most members of the Assembly accept that.

With regard to selling government-owned health centres, we have given an undertaking that we will not sell Kippax Health Centre for 12 months while we do our absolute best to see whether we can get tenants back into the centre and make the thing work, not end up with a 75 per cent empty or 50 per cent empty health centre such as we inherited from the previous Government. There is no doubt that Melba Health Centre has closed and will remain that way, simply because there were no services left in the centre. We inherited a 75 per cent empty health centre. I am quite uncomfortable, as I am sure everyone in this Assembly would be, about keeping that big health centre open with no services other than two doctors literally floating around in it.

With regard to ancillary health services, I think I have already covered that one at length. I think this motion attempts to say that the same services will stay at the same health centre forever. That would simply be ridiculous. Demographics change. Some areas need more baby health clinics, as currently is the case at Gungahlin. In terms of health services generally for the whole of Canberra on a macro basis, obviously we are not in the business of reducing health services to Canberrans. That is the last thing we want to do. The move from critical care to community-based care is the whole basis of the COAG approach.

I think we have covered all of the areas here. To make sure that we have a vibrant health approach in the ACT that gives the Government an opportunity to provide services where they are needed, to target them to the people who need them most, which is the whole job of the Government, I would have thought, my amendments need to be passed.

Question put:

That the amendments (**Mrs Carnell's**) be agreed to.

The Assembly voted -

AYES, 8

Mrs Carnell
Mr Cornwell
Mr De Domenico
Mr Hird
Mr Humphries
Mr Kaine
Mr Moore
Mr Osborne

NOES, 7

Mr Berry
Ms Follett
Ms Horodny
Ms McRae
Ms Tucker
Mr Whitecross
Mr Wood

Question so resolved in the affirmative.

28 February 1996

MS FOLLETT (Leader of the Opposition) (4.46): Mr Speaker, I seek leave to move the amendment that has been circulated in my name.

Leave granted.

MS FOLLETT: I move:

That the last paragraph be amended by replacing “12 December 1995” with “5 March 1996”.

I have already spoken to the motion and to Mrs Carnell's amendments. The amendment I am moving is very minor. It is merely to change the date of reporting by the Government on this matter. Mr Connolly's original motion required that the Government report by 12 December 1995. It does seem a fraction academic at this stage, so I am seeking to make that 5 March 1996. I want to make it clear that, whilst I am moving the amendment to the motion, quite clearly my Labor colleagues and I cannot support the motion itself as amended by Mrs Carnell. The motion as now amended is, in my opinion, quite contrary to the intention of the original motion moved by Mr Connolly. It is totally emasculated. It is nothing more than a mindless mouthing of the Government's privatisation agenda for health.

Mr Humphries: Perhaps you might give me advice, Mr Speaker. It seems to me that what Ms Follett is doing is commenting on a vote of the Assembly just conducted.

Mr Wood: Do not be stupid.

Mr Humphries: That is true. She is reflecting on a vote we have just conducted.

Mr Wood: Do not use nonsense arguments. You persist in this sort of nonsense.

MR SPEAKER: Order, Mr Wood! Settle down.

Mr Wood: For heaven's sake, he wants to close down debate. What are we here for?

MR SPEAKER: Order! Ms Follett knows that it is out of order to reflect on a vote of the Assembly. I am also aware that this is a somewhat unusual situation. I do believe that Ms Follett has a right to express the concern of the Labor Party in not supporting the original motion, as amended. In spite of the fact that it is a bit unusual, she is amending something which she does not really support. That is what it comes down to. I would ask you, nevertheless, Ms Follett, not to reflect on a vote of the Assembly.

MS FOLLETT: In speaking on the motion, which has now been amended, I am aware that the motion has not yet been passed by this Assembly, so you can hardly hold that I am reflecting on that; nor am I under any restraint in commenting on the motion that is before us. The motion as now presented is an emasculated version of the one put forward by Mr Connolly. I am not reflecting on anyone's vote. I am telling you the facts.

MR SPEAKER: What Ms Follett said is perfectly acceptable. It is an amended motion. If she uses the word “emasculated”, that is all right. I suppose that other people might use “amended”.

MS FOLLETT: I will say gutted, if you like, or decimated. Mr Speaker, members know only too well what I mean when I make that comment. I think it is very much to be regretted that that emasculation has been carried out, shall we say, with the full cooperation of the two Independent members, one of whom actually moved a censure motion against the Government over this very matter. It is a sequence of events that leaves one breathless. It is as if in the grand final he chucked the ball to the other side. What a good idea! Mr Speaker, I have moved my very minor amendment only with the wish at least to make some sense of what remains. As I say, that should not imply in any way that we will be supporting the amended motion, because we will not, we cannot, and nor could anybody with a conscience.

Amendment (**Ms Follett’s**) agreed to.

Question put:

That the motion (**Mr Connolly’s**), as amended, be agreed to.

The Assembly voted -

AYES, 6

NOES, 9

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

Mr Berry
Ms Follett
Ms Horodny
Ms McRae
Mr Moore
Mr Osborne
Ms Tucker
Mr Whitecross
Mr Wood

Question so resolved in the negative.

AIR POLLUTION (AMENDMENT) BILL 1995

Debate resumed from 23 November 1995, on motion by **Mr Humphries**:

That this Bill be agreed to in principle.

MR BERRY (4.52): Mr Speaker, this amendment deals, firstly, with section 6 of the Act. The removal of subsection (3) of section 6 allows the application of sections 24, 33, 34 and 35 to residential premises. That means that there will be certain responsibilities out there in the community which maybe the community has not been

28 February 1996

properly advised of. Section 33 refers to the requirement to keep records in relation to emissions; fuel-burning equipment will have to provide for access holes, as I read the legislation; and control equipment has to be maintained properly and operated efficiently, pursuant to section 35.

What it does, effectively, is impose upon residential premises the obligations that are more or less imposed now on industrial premises. Labor will be supporting the amendment. However, while it is all very well to say these things in legislation, when it comes to the administration of them it is going to take substantial resources, and I do not see any signs of more resources being made available for the administration of this legislation and the application of those extra obligations to residential premises. If you have a law that is not going to be administered and is not going to be policed, it is going to be pretty ineffective, and if it is an ineffective law it is probably a bad law.

In making this move, the Government may well be able to claim that it is doing great things in relation to air pollution; but, if it does not intend to police the matter and provide resources to ensure that it is policed, it does not take us very far down the track, and that would be of some concern to us. It might serve them well to issue a quick press release and say that the Government is doing something, but if they do not proceed to administer the legislation with some vigour it all becomes fairly meaningless.

While there are undoubtedly some benefits that will flow from this, it will also raise some concern out in the community. We will see, I am certain, the application of section 24, Fugitive emissions. It states:

Where a person operates, or causes or permits to be operated, any fuel-burning equipment or industrial plant, or carries on, or permits the carrying on of, any trade, industry or process, on those premises, the person shall take such steps as are necessary to prevent, so far as is practicable, the emission of pollutants into the air ...

One thing that comes to mind that would occur in most residential premises from time to time is the use of an aerosol spray-can of paint in the backyard. I wonder whether that could be described as a fugitive emission. Mr De Domenico laughs. He is the Minister responsible for urban services, and he does not understand, it appears, the impact on the environment of fumes from paints. Section 24, Fugitive emissions, raises some serious issues for the ordinary household. I think these matters will take some time to work out. I am not entirely satisfied that it has been worked through by the Government, though on the issue of principle one cannot stand opposed to the amendment that has been moved. I worry about the thought that has gone into it; I certainly have not seen any signs of a lot of consultation with the community about the issue.

Mr Humphries: There has been a great deal, Wayne.

MR BERRY: It has not been particularly evident.

Mr Humphries: You have not been paying attention.

MR BERRY: It has not been particularly evident to me.

Mr Humphries: You did not think a weather station in Tuggeranong was necessary until you spoke to the community.

MR BERRY: You ask the ordinary householder what they think “operates any fuel-burning equipment or industrial plant, or carries on or permits the carrying on of any trade, industry or process on those premises” means in the context of residential premises. I hope that you will try to explain that in the course of debate on the issue.

Mr Speaker, whilst there is no reason to resist this legislation, I think the Government has fallen well short of what is required of a government that has some strategy in its thoughts on this issue. As I said, I do not think there is any particular evidence that there has been a lot of consultation or that the community is fully aware of what these provisions might mean in respect of ordinary residences.

MS HORODNY (5.00): We will be supporting this legislation. It is obvious that smoke from wood heaters has been identified as a major problem in parts of Canberra, particularly in the Tuggeranong region. The proper use of a slow combustion stove, however - proper use including, obviously, that it does not produce smoke - can be an efficient use of a renewable source of energy if that wood - - -

Debate interrupted.

ADJOURNMENT

MR SPEAKER: Order! It being 5.00 pm, I propose the question:

That the Assembly do now adjourn.

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

Question resolved in the negative.

AIR POLLUTION (AMENDMENT) BILL 1995

Debate resumed.

MS HORODNY: The proper use of a slow combustion stove, including the stove not producing smoke, which is possible if the stove is run correctly, can be a very efficient use of a renewable source of energy if the wood that is used comes from a renewable source such as plantations. I have received complaints from constituents about the impact on their respiratory health of the smoke haze, which has become familiar in the ACT in winter. As we know, respiratory ailments are on the increase nationally. This piece of legislation is another initiative that will make people more aware of their personal responsibility towards the environment.

According to the ACT State of the Environment Report, up to 150,000 tonnes of wood is burnt each year in domestic heating - obviously, a small forest of wood each year. Aside from the fact that much of the wood has ended up as polluting smoke, there are serious problems also with the source of the timber. Commercial pressures on our native forests are already too great, and that fact unfortunately has not been recognised by major parties in the debate on logging of our native forests. Firewood is the second most important threat to native forests after woodchipping. The Greens intend to introduce into the Assembly later this year legislation to provide consumers with more information about the origin of timbers they purchase for firewood. The legislation is about labelling and the licensing of firewood vendors.

Last year we worked to promote the use of plantation pine as a source of firewood, rather than the habitat trees from forests and, indeed, from private properties on the western plains. With this legislation, the Government has recognised that education combined with legislation is required to reduce the winter smoke haze. Going back to the source of the wood, at the moment there is a common belief that burning pine in your fireplace will make the chimney clog up and produce less heat and, indeed, produce more smoke. In fact, this is not true. ACT Forests produce a pamphlet every winter, which they distribute widely. This pamphlet talks about the fact that pine does not clog up your chimney, it does not produce more smoke, and you do not need to use more of the pine. Weight for weight, you need to burn more; but the heat that is produced is equivalent to the heat produced from hardwood, if you equate the weight of the timber. Our legislation will be targeted at educating the public about what they are purchasing. It is about labelling and, with the initiative taken in this Bill and with our legislation, wood heaters in the ACT will pollute the atmosphere less and, hopefully, the timber that is used will be more environmentally friendly.

MR WOOD (5.05): Mr Speaker, I am pleased that this legislation is before the house and will shortly be passed and put into effect. The Minister in his response might indicate how his community consultation is to be done. In his introductory speech, he indicated that he would be talking to the ACT community to draw up the standards that should apply in this matter. He said that this would be in place before winter. Winter is not very far from us, and I will be looking for a report today on how that is going and whether those standards will shortly be advertised in the paper so that people know what they may or may not emit from their chimneys.

As legislators, we all know that the community is becoming much more demanding. They are requiring greater protection from all forms of pollution; we see it in many matters that come before us. As a member from Tuggeranong, I well know the concerns in that part of the world about the smoke pollution from wood fires that hangs over the suburbs in the early morning, and perhaps in the evening, during the winter.

Mr Humphries: Caused by different weather patterns in Tuggeranong, I understand - the ones we now monitor.

MR WOOD: Yes, indeed. We can get into an examination of temperature inversions, if you like, Mr Humphries. This legislation is important. It substantially completes, I hope, the work that was done when I was Minister to try to moderate the emissions coming from household chimneys. It is no longer acceptable for them to be pouring forth quite an amount of muck, as a few do, and I will be pleased when the legislation is in place and enforced.

MR HUMPHRIES (Attorney-General and Minister for the Environment, Land and Planning) (5.07), in reply: In closing this debate, I want to indicate my thanks to members for their support for the legislation. It is quite significant legislation. Let me make it quite clear that this is an important step. Members will hear more about this because there will be people complaining very long and very hard to them about the consequences of this legislation when they are told by inspectors from the Pollution Control Authority that they have to do something about the smoke coming out of their chimneys. So this is an important step, and I am glad that members acknowledge the significance of what we are doing today.

Mr Berry: If they complain to me about the smoke coming out of my chimney I will be worried, because I do not have one.

MR HUMPHRIES: It is the hot air coming out of your mouth that they have most to complain about, Mr Berry, not the smoke coming out of your chimney. I see that even with this quite important step - I thought it was a quite consensual step - I still was not able to get much approval from Mr Berry. I sometimes wonder whether, if I walked down to the edge of Lake Burley Griffin and walked across it to the other side, I would see a press release from Mr Berry's office saying, "Gary Humphries can't swim", such is his criticism of this Government's performance. He is determined that we do not do anything right, and the environment is particularly the case here.

This is a good step that we all have to accept is an important way of extending protections available to people in our community who suffer from the effect of smoke in their homes, particularly in places like Tuggeranong, as mentioned by Mr Wood, where there are serious problems. People complain about medical conditions exacerbated by smoke, they complain about their amenity being affected by smoke coming in their windows, they complain about smoke soiling their clothes. These are all very real problems, and we are now coming to accept that people have no automatic right to burn wood in their homes and cause those problems for other people.

Mr Berry suggested that more resources are needed to make all this work. He may be right. I will have to find out what happens as we develop this strategy in the community. I might say that my advice is very clear that most people do responsibly use their stoves and their fireplaces. I think most people with those sorts of appliances in their homes use them responsibly. They do not use wet wood; they do not use green wood; they use practices that result in the appropriate amount of air coming through the appliances;

28 February 1996

and they keep the smoke fairly clean. I think those sorts of people are not the major concern of this legislation. The people we are concerned about are the people who consistently do not care about what impact their smoke has on other people, and they are the ones we are going to target. To some extent we know who they are already, and this legislation will help us do something about them.

I was intrigued by the comment that legislation not enforced is not worth while. It is an interesting comment and a good comment I would agree with. Members might recall that, in about the middle of the last Assembly, I tabled in this place a list of legislation that had been enacted over the preceding three years. I had asked a question on how many prosecutions had been launched under legislation where we had enacted all sorts of new penalties and new offences. Almost none of those offences had produced any new prosecutions, indicating at that stage that we had put a great deal of legislation on the statute books and had not enforced it. So Mr Berry is right; but I think he needs to ask himself whether he has not contributed to that problem, rather than simply watching us do so.

There will have to be a careful process of consultation with the community about what those standards for smoke might be. There is an easy way of setting a standard. You can get a quite expensive piece of equipment and stick it on top of someone's chimney. That measures the amount of smoke coming out of the chimney and will tell you whether certain smoke levels are excessive or not. Of course, that device is impracticable; you cannot do that in the vast majority of cases, and therefore we have to set a standard which is much more subjective. That is why, with this legislation being passed through the Assembly - I think that before this it has probably been premature - we can now work on what that standard should be in terms of the legislation and we can set it in place. I think three months is long enough to do that, and I hope that that will be a process we can agree on.

As I said at the outset, there will be plenty of discussion about that, and we are all likely to get angry calls and letters about the way in which a particular stove or fireplace has been - - -

Mr Wood: Have these standards been set yet?

MR HUMPHRIES: No, the standards will be set now that the legislation has been passed.

Mr Wood: You have had time to get things moving.

MR HUMPHRIES: I do not agree, Mr Wood, that we should have been setting standards before the legislation on which those standards will be based was passed through the Assembly. That would have been quite wrong, and I do not agree with that suggestion. I indicate that now is the appropriate time to start, after today's debate. As I said, it is important that we offer that sort of protection. People do need to be able to rely upon a certain quality of air, and in the past we have not been able to provide that because of this exemption in the Air Pollution Act. I am pleased that this exemption will

now be removed and that we will be able to provide appropriate levels of control of that kind of activity in the community, particularly in areas in the Territory where there are problems, and Tuggeranong is one of those places Mr Wood mentioned. I hope that citizens in that part of Canberra will appreciate this step.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

MENTAL HEALTH LEGISLATION Ministerial Statement

Debate resumed from 24 October 1995, on motion by **Mrs Carnell**:

That the Assembly takes note of the paper.

MS TUCKER (5.13): This statement was in response to several requests from the Standing Committee on Social Policy for the Government to report to the committee on the implementation of aspects of the Mental Health (Treatment and Care) Act 1994, the Crimes (Amendment) Act 1994 and the Mental Health (Consequential Provisions) Act 1994. The Government agreed to report to the Social Policy Committee every six months. Specifically, the committee recommended:

... for the duration of the proposed interim mental health legislation, a formal monitoring mechanism be established whereby the Government reports to the Standing Committee on Social Policy every six months on the need for and provision of services, including legal services, for people with a mental dysfunction.

The Social Policy Committee became concerned at the Government's delay in reporting. The legislation was gazetted in September 1994 and commenced on 6 February 1995. I am able to report that, after several months' delay, the committee received the first report from the Government on the implementation of the legislation on 18 December 1995.

The committee has been concerned about mental health services for some time, and in December announced an inquiry into the adequacy of mental health services. There has been a lot of concern in the community about this issue, and it is very important that this Assembly take a very proactive role in looking at exactly what is going on in this area. The inquiry will encompass a review of mental health services and take into account the issues raised by the Government in its report to the committee. I look forward to receiving further regular reports from the Government on the implementation of the legislation. As mentioned in December, the committee has decided to defer public consultation on our inquiry until after the coroner reports on the death of Mr Warren I'Anson.

MR MOORE (5.16): I thought I would take the opportunity in this debate to reflect on the fact that the Chief Minister was part of the Social Policy Committee that brought down a unanimous report on the mental health legislation. The way we managed to achieve a unanimous report on that legislation was by including in that legislation a sunset clause, which was passed by the Assembly. It was what, I think, was in some ways a double-barrelled sunset clause. It drew an end to the legislation but then allowed the Executive to extend it for another year if the new mental health legislation was not yet ready. Part of the reason for doing that was that we understood that there was a report pending for nationally-prepared model legislation. This was one of the issues that concerned Annette Ellis, who was then chair of the committee and who is now running as a candidate in the forthcoming Federal election. I have a great deal of time for the effort Ms Ellis put into that report and for the understanding she brought to it. Her work with the current Chief Minister was, indeed, part of the reason why we went the way we did.

The Federal report that we were awaiting was tabled last year, and I am interested to know what action has been taken by the Government to reassess the legislation so that it is in place before the sunset clause comes into operation. The idea was never that the legislation should come into action and the sunset clause then get extended; rather, that if the Government had been so slack that they were not ready - that was the thinking of Mrs Carnell at the time - we had to have a mechanism in place so that there would not be a situation where there was no mental health legislation. That was the danger we were facing, and I remember having long discussions with Ms Ellis and Mrs Carnell on this particular piece of legislation.

I hope that the Minister for Health, in responding to the comments made by Ms Tucker and me, or the Minister who responds on her behalf, will tell us what point we are at as far as the preparation of the new mental health legislation is concerned and comment on the consideration of the Federal report on model legislation which has now come down and which indicates that the committee was taking the appropriate action by holding back in terms of the mental health legislation. I will be very interested to hear the response of the Minister on exactly where we are at with the preparation of that mental health legislation and whether or not she believes that she will need to invoke the extension of the sunset clause that she was so keen to have in.

MRS CARNELL (Chief Minister and Minister for Health and Community Care) (5.19), in reply: As Mr Moore knows, I totally agree that the mental health legislation we passed in the last Assembly ended up going through only because we needed to do something and we were not too confident about which way to go. To some extent, the model mental health legislation federally is a little out of our hands, although the approach we will be taking is in line with the draft model mental health legislation. At this stage, however, as I understand it, there is no national agreement to go down that path. I assume that that will be a major issue at the next Health Ministers conference, and as soon as there is a national consensus along those lines we will be introducing, as a matter of urgency, mental health legislation that is consistent with that nationally agreed approach.

The problems of mental illness in the ACT and everywhere else in Australia are many and they are complex. People who experience mental health problems often experience rejection and discrimination. They certainly need assistance, but predominantly they need support and acceptance. The Mental Health Tribunal and the associated procedures and processes have been in operation for a while now, and they certainly have not been without their problems. The majority of people who have become involved in the mental health network do, though, have their problems resolved quickly and efficiently. Unfortunately, there is a small group of people who, even with our new mental health legislation, we still are not handling as well as I, and I am sure the rest of this Assembly, would like.

It is an issue that I am very pleased the Social Policy Committee is looking at. The Government is continuing to look at ways to upgrade our service facilities, to upgrade the way we integrate our critical care beds with our community-based services. I believe that a lot has been done to achieve improvements in that area, but there is no doubt that in mental health we are still underresourced in the ACT. The only way we are going to address that underresourcing is if we can address the problems of costs in critical care. When we have addressed the costs of Woden Valley Hospital, we will be able to appropriately resource mental health.

Question resolved in the affirmative.

ADJOURNMENT

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

That the Assembly do now adjourn.

Bankruptcies

MR HIRD (5.23): It has been brought to my attention that the Federal Government is putting great emphasis, as did the former Labor Government of the ACT, on the creation of jobs, in particular, for our youth and on pushing the barrow of the promotion of small business within this great Territory. My attention has been drawn to a comment earlier this month by a national body, the National Tax and Accountants Association, that there were 44 small businesses going into bankruptcy in Australia every day - 44 small businesses, which are usually family businesses. That is 21.5 per cent up on last year. So much for the current Federal Government's support of small business. The figures show that there will be 16,000 personal bankruptcies this financial year.

28 February 1996

Mr Berry: On a point of order, Mr Speaker: I thought you were going to put the brakes on things about the Federal election. It does not apply to your mates?

MR SPEAKER: Unfortunately, this is the adjournment debate.

Mr Berry: So you are not going to put the brakes on?

MR SPEAKER: You can talk about any matter you like in the adjournment debate.

MR HIRD: Thank you, Mr Speaker - and wisely ruled, too. There were 4,160 bankruptcies in the December quarter of last year. I make the point that personal bankruptcies this financial year will reach 16,000 - that is, 44 small businesses going into bankruptcy each day in Australia. Shame!

Industrial Relations

MR BERRY (5.24): I want to talk about the prospects of ordinary Australians under the industrial relations regime proposed by the Federal Liberal Party. That is the regime we have seen in place in the ACT under Mrs Carnell's management: Lock out the workers, police intervention, a whole range of public relations statements about an industrial dispute that really ought to have been negotiated instead of screeching at the workers.

One of the most important things we have to preserve for the future of Australians is the independence of the umpire. John Howard has made it clear that the umpire will have his teeth withdrawn and there will be a very weak arrangement put in place for the protection of workers. Workers in Australia are extremely concerned about the approach that would be taken by a Federal Liberal government. I am pleased to see that even young people from Dickson College recognised that it was an issue of concern for them, and so it ought to be. It is the youngsters who are going to be affected most by this, because they are usually in the weakest position in the workplace. If they do not have a satisfactory industrial relations system in place, they are the first people to be exploited.

It has long been the view of the Liberal Party that the best way to get more people employed is to lower the wages of others. That might sound very nice to the conservatives and economic rationalists in our community, but it does not augur well for social justice or for better living standards for ordinary Australians, particularly our youngsters. I rise briefly in this place to comment on those issues because it is a matter of concern to me and to the Labor Party nationally that these are the sorts of policies Mr Howard is promoting, which may be inflicted on the people of the ACT if we are left in the unfortunate circumstance of a Liberal win next Saturday.

Industrial Relations

MR DE DOMENICO (Minister for Urban Services and Minister for Industrial Relations) (5.27): When Mr Berry stands up and says things like that, he should not be allowed to go unanswered. I do not want to bore people in the gallery and keep them longer. I notice that Mr Berry is going to walk out, and so he should. He should hang his head in shame. What Mr Berry said today was a whole heap of nonsense. What he said about what Mr Howard said was totally untrue, but it is not unusual for Mr Berry to come in and say that something is true when he knows that it is not true. It is a pity that Mr Berry used this chamber this afternoon in the way he did, to talk about a Federal election; but, as he has, his comments need to be answered.

Had Mr Berry listened to what Mr Howard has said over and over again, he would know that he talked about safety nets, about the fact that no worker would be less well off under a Howard government. I note that Mr Berry also mentioned a Liberal government. (*Quorum formed*) Before Mr Berry called a quorum I was alluding to the fact that what Mr Berry said in his diatribe about industrial relations was not true. To repeat myself, because there was no-one here listening to me the first time, it is not unusual for Mr Berry, from time to time, to say things that are not true, especially when his ideology takes over from his commonsense, which is usually all the time. Mr Berry then decided that, because no-one had listened to him, he wanted people to come and listen to what I had to say, and I am quite pleased that people are here listening to me.

The approach to industrial relations of Kate Carnell and this Government and John Howard and a Federal Liberal government is exactly the same approach taken by Mr Keating and, of recent times, Ms Lundy. Ms Lundy today said, "What this is all about is a 3 per cent fully budget-funded increase, and on top of that a 6 per cent enterprise bargaining productivity increase". That is exactly what Mr Keating said. It seems that the only person in this Assembly who does not believe in modern industrial relations practice is Mr Berry. I think Mr Berry believes in what happens in Havana, and he may believe in what happens in Beijing; but he is not across the modern approach to industrial relations. Mr Berry comes into this house and accuses every Liberal of hitting workers over the head with a big stick. Of course, that is not true.

Question resolved in the affirmative.

Assembly adjourned at 5.32 pm