



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

21 MAY 1996

Tuesday, 21 May 1996

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The Assembly met at 10.30 am.

(Quorum formed)

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

PETITION

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

By **Mr Hird**, from 24 residents, requesting that the lease and development application for the community sporting facilities in McKellar be approved.

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

National Soccer Centre

The petition read as follows:

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

The petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that the undersigned residents living in the Belconnen community totally support the proposed development and provision of much needed community sporting facilities by the Belconnen Soccer Club at the intersection of Owen Dixon and William Slim Drives in McKellar.

Your petitioners therefore request the Assembly to approve the above lease and development application as soon as possible.

Petition received.

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ASSEMBLY BUSINESS - PRECEDENCE
Suspension of Standing Orders

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

That so much of the standing orders be suspended as would prevent order of the day No. 1, Assembly business, relating to the Government's response to the Report of the Select Committee on Additional Estimates 1995-96, being called on forthwith.

ADDITIONAL ESTIMATES 1995-96 - SELECT COMMITTEE
Report on Appropriation Bill (No. 2) 1995-96 - Government Response

Debate resumed from 16 May 1996, on motion by **Mrs Carnell**:

That the Assembly takes note of the paper.

MR WHITECROSS (Leader of the Opposition) (10.33): Mr Speaker, at this time last week this Assembly was treated to one of Mrs Carnell's increasingly familiar dummy spits about Assembly committee reports. This Government, which was elected on a platform of openness and accountability, does not much like it when other people suggest that it has not done its job properly. This Government, which pretended that this process of having a second Appropriation Bill was about openness and accountability, does not much like it when the parliament, to which it is meant to be accountable, says that it is getting it wrong. This is the record of this Government - a government which likes to talk about things but does not believe in the reality of them. What did Mrs Carnell expect the report to say?

Mr De Domenico: Will you ever stop whingeing and moaning? When are you going to get positive for once in your life?

MR WHITECROSS: When you do something positive I will say so.

Mr De Domenico: What a whinger!

MR SPEAKER: Order!

MR WHITECROSS: Thank you, Mr Speaker.

Mr Wood: You have upset them.

MR WHITECROSS: They are easily hurt. This Government knew that they were not going to get a favourable reception from the Estimates Committee; they should not be surprised. They sat through the Estimates Committee hearings; they heard the questions that were being asked; they knew that the Estimates Committee was far from impressed by their approach. Yet we still had this most extraordinary dummy spit from the Chief Minister, suggesting as she did that somehow or other the Estimates Committee members were saying that they did not want to be there. What a nonsense!

The estimates committee process that we have just been through in relation to Appropriation Bill (No. 2) was an important process, a process which ought to have been able to unfold the detail of what was going on with the budget; why this second appropriation was necessary; how it was going to be spent - all those things. It should have been easy, with a government allegedly committed to openness and which claimed that the whole basis of their approach was one of letting it all hang out and showing the ACT community what was actually going on; but the reality was very different.

One of Mrs Carnell's key complaints in her response to the Estimates Committee was that we did not want an estimates committee process at all; that she had done us a favour by letting us have an estimates committee process. This is not the case. The Estimates Committee's contention, and the Opposition's contention more particularly, is that, whatever process Mrs Carnell chose to use to rearrange her budget, it was open to this Assembly to scrutinise that process; it was open to this Assembly to set up an estimates committee or some other select committee process or refer it to the Public Accounts Committee to find out what they had done, what had gone on, why the blow-out had occurred, where the money was coming from and whether there were problems anywhere else in the budget.

Those questions are questions that this Assembly has the right to ask and the responsibility to ask at any time. We did not need Mrs Carnell's Appropriation Bill to ask those questions. We did not need Mrs Carnell's blessing to ask those questions. It is our responsibility and our right as members in this place to ask those questions. The issue has never been whether Mrs Carnell had a responsibility to disclose what was going on with the budget. The only question has been whether the method that she chose was an appropriate method for making that disclosure.

Mrs Carnell says that the Estimates Committee report was disappointing. For Mrs Carnell, it probably was, because it did not agree with her; and, as we all know and as people all over Canberra have been increasingly finding out, Mrs Carnell is not too happy about people disagreeing with her; she does not like being disagreed with; she does not like people having a different point of view. When they do, she tends to dump on them; she tends to describe them as disappointing, having missed the point, being dumb, and having copped out, like Mr Moore. This is Mrs Carnell's standard rhetoric for dealing with people who disagree with her. Mrs Carnell would do better to try listening to some of her critics; she would do better to think about what they are saying. We are not surprised that she does not listen. We cannot even get her to listen to a question properly so that she can answer it.

The Estimates Committee provided a firm basis on which Mrs Carnell could have resolved the problem that now confronts us with this Appropriation Bill. The Estimates Committee made it clear, on the basis of evidence that Mrs Carnell and her advisers provided, that the Appropriation Bill was not necessary; that she had the money in her Appropriation Bill; that she could get it from A to B; and that, therefore, she did not need this Appropriation Bill. She has failed to address the concerns that have been raised about

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appropriating an additional amount of money and the licence that it gives her to spend more than was originally appropriated to her in Appropriation Bill 1995-96. She has chosen to ignore those concerns; she has chosen to ignore the advice that she withdraw this Bill and use her existing authorities under the Audit Act to arrange her budget in the way that she wants.

Mr Berry: It was a stunt.

MR WHITECROSS: It was a stunt, Mr Berry. One of Mrs Carnell's most extraordinary remarks in her response was that the Assembly was somehow denying the principle of the primacy of the Assembly. I find this an extraordinary remark. Mrs Carnell was suggesting that a report with contrary views to hers somehow amounts to a suggestion that we do not endorse the primacy of the Assembly. Indeed we do, and that is why we do not like this Appropriation Bill. This Appropriation Bill says, "Give me the money. I promise not to spend it". So much for the primacy of the Assembly.

This Bill is giving the Assembly's power, the Assembly's authority, over to the Government; it is saying to the Assembly and to the people of Canberra, "Give us a little bit extra. We will keep it in our back pocket. We promise not to spend it". This is from the people who say, "Go to the bank and ask, 'Can I have \$30,000 for a new car?'. The bank manager says, 'But you have \$30,000 in your bank account; why not spend that on your new car?'. You say, 'Well, I promise not to spend the \$30,000 in the bank account; but can you lend me \$30,000 anyway?' ". That is what she is asking us to do. "Trust me, Mr Bank Manager, trust me. Lend us the extra \$30,000, but we promise not to spend the money in our bank account" is Mrs Carnell's approach. It is not a very persuasive argument.

Mr De Domenico: What page are you up to? Are you trying to find it?

MR WHITECROSS: I am just skipping a few bits. I do not want to bore you. What Mrs Carnell is talking about here is a major adjustment to the budget. Mrs Carnell advanced in her Government response a quite extraordinary notion in relation to a major adjustment to the budget Bills. Mrs Carnell advanced the notion that if a line in the appropriation has blown out, like Health has because of Mrs Carnell's mismanagement of the health budget, by \$14.2m - - -

Mrs Carnell: Four out of four for Mr Berry; four budgets out of four.

MR WHITECROSS: You have set the record, Mrs Carnell; I would not be boasting. After blowing out the health budget Mrs Carnell says, "If it was an accident, we should have to come back and do an appropriation Bill; but, if we did it on purpose, then it would be okay to use section 49 of the Audit Act. If we did it on purpose, it would be okay to move money, because that is what it is for". In Mrs Carnell's words, "You are allowed to sneak around in the dead of night and move money from A to B if it is because you have changed your priorities". If, having told the Assembly one thing

about what you were going to spend the money on, you decide that you want to spend it on something else, then it is a legitimate use of section 49 of the Audit Act to move it under those circumstances; but, if you have just mismanaged your budget and you need a bit more money, then you should have to come back to the Assembly. What a nonsense!

So much for the primacy of the Assembly. That is the argument that Mrs Carnell ran. If you have changed priorities, if your priorities are now different to the ones that you have told this Assembly, then you can use section 49 of the Audit Act and move the money around in the dead of night; but, if you have just stuffed up, like Mrs Carnell has done with her health budget, then you should have to come back to the Assembly. This shows how muddle-headed Mrs Carnell's thinking is. This shows how confused Mrs Carnell is. The issue here is not process; the issue is openness. Section 49 of the Audit Act and other sections of the Audit Act - - -

Mr Kaine: On a point of order, Mr Speaker: Is the pot calling the kettle black permissible in this place?

MR SPEAKER: There is no point of order.

MR WHITECROSS: Thank you, Mr Speaker. Mrs Carnell has confused process with principle. Mrs Carnell, the fact is that section 49 of the Audit Act and other provisions of the Audit Act are always legitimate; they are powers that have been given to you by this parliament; they are powers that this parliament says that you have the right to use. It is not the use of those powers which the parliament has given you that is wrong; the issue is how open you are. The issue of principle is what you tell us. If you tell us what is going on, then the Assembly should say that we are satisfied with that. If you tell us what is going on, then perhaps we will want a select committee or perhaps we will want the Public Accounts Committee to have a look at it and ask some questions; but that is the legitimate course. The existence of a Bill adds not one jot to the openness of this process. It is, if anything, a diversion and a distraction from the reality of this process, which is that Mrs Carnell has mismanaged her health budget and has cancelled \$14.2m worth of capital works to pay for it.

This brings me to another issue about Mrs Carnell's so-called openness in relation to this matter. We have had Mrs Carnell saying all through this Appropriation Bill process, "I am being open here". Every time that we ask Mrs Carnell we get a different story about how this \$14.2m is going to be paid for. Trying to get a clear answer from Mrs Carnell on what is going on and where the money is coming from for this has been like extracting teeth. Her latest version is that she has cancelled \$14.2m worth of capital works to pay for it. That is the latest version of her story, but before that we had the Treasurer's Advance - - -

Mrs Carnell: On a point of order, Mr Speaker: I would like Mr Whitecross to sit down while I take the point of order. I would like Mr Whitecross to clarify where I ever said that we had cancelled \$14.2m worth of capital works.

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MR WHITECROSS: Mr Speaker, I have the warrants here.

MR SPEAKER: You might care to elaborate.

MR WHITECROSS: Mr Speaker, I hope that you are not going to entertain frivolous points of order from the Government all day. She did cancel \$14.2m worth of capital works, and she tabled the warrants last week. She is taking frivolous points of order.

Mrs Carnell: On the point of order, Mr Speaker: I would like Mr Whitecross to clarify where I ever said that we cancelled \$14.2m worth of capital works.

MR WHITECROSS: That is another frivolous point of order, Mr Speaker.

MR SPEAKER: Order! Standing order 46 allows personal explanations to be made at the end of members' speeches.

Mr Wood: That is what she should have done.

MR WHITECROSS: That is right. She has a right of reply as well.

Mr Kaine: On a point of order, Mr Speaker: Standing order 46 allows the Chief Minister to make a statement, but it does not cover misrepresentation by the Leader of the Opposition. It does not cover misleading the house, which is what he is doing.

MR WHITECROSS: Mr Speaker, I understand that they are nervous about this, because they have cancelled \$14.2m worth of capital works. They tabled the warrants last week. Mrs Carnell will have a chance to tell her version of the story in her reply, Mr Speaker.

MR SPEAKER: Under standing order 46 or standing order 47 - - -

Mr Moore: Or standing order 47.

MR SPEAKER: Or standing order 47, as Mr Moore agrees with me, there will be an opportunity at the end of the speech, unless the member likes to take note of what has been said at this point and corrects it.

MR WHITECROSS: Mr Speaker, the facts are very simple. She has stuffed up the health budget - by \$14.2m - and she has reduced the capital works expenditure by \$14.2m to pay for it. That is the reality. Mrs Carnell might not like it. (*Extension of time granted*) Mrs Carnell might be embarrassed that at a time when the economy is slowing down she is helping to slow it down by cancelling public capital works; she might be embarrassed that she has stuffed up the health budget and blown it out by \$14.2m. The fact is that is what has happened.

Her explanation, her response to the Estimates Committee, shows how confused she is about the role of the Assembly, the role of government and the role of appropriation Bills. The fact is that she has the power to move this money. If we are to believe her explanation of the state of her budget, she has the power. We have the right to scrutinise it. Whether or not she has an Appropriation Bill, we have the right to scrutinise what she is doing. We will take up that right any time we want, whether or not she introduces an appropriation Bill.

Mrs Carnell: Not if you do not know about it.

MR WHITECROSS: Mrs Carnell, this was my point: The issue is one of principle, not of process. The principle is that you should tell us what is going on with our budget, not that you need an appropriation Bill to do that. The point is that Mrs Carnell admits that she would be only too happy to use section 49 if she decided to change her priorities but not if she has just stuffed up the health budget.

It is an interesting claim she makes that it would have been appropriate to use section 49 to move money around if she changed her priorities, because it is very apparent from the Estimates Committee report, it is very apparent from the evidence that was given to the Estimates Committee, that the Health Department made a deliberate decision - no doubt with Mrs Carnell's full knowledge - to increase the throughput of patients in order to drive down the waiting list. They bought a reduction in the waiting list by blowing out the health budget. There can be no doubt about that, and that is a change in priorities from what we were told in the budget. They spent extra money to achieve a goal that they had set; they could not achieve it in the budget that they had originally been given. I do not quarrel with reducing waiting lists; I never have. But the reality is that Mrs Carnell has chosen her priorities; she has made deliberate decisions; she has blown out her health budget; and she has been found wanting in the construction of her health budget by the Estimates Committee. She did not effectively respond to that in anything she said last week. More importantly, she has not taken seriously her accountability to the Assembly. She tells us exactly as little as she thinks she can get away with telling us. When we get to the Appropriation Bill, I will have more to say about that.

MR SPEAKER: Chief Minister, did you want to make a statement under standing order 47?

MRS CARNELL (Chief Minister and Treasurer): Yes, Mr Speaker, under standing order 47. I never, at any stage - to quote Mr Whitecross's exact words - cancelled any capital works program. It is certainly true that there was underspending in a number of capital works areas; but to indicate for one moment that I or, for that matter, any other member of the Executive cancelled any capital works project at all is simply untrue.

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MR HUMPHRIES (Attorney-General) (10.53): Mr Speaker, I had to pinch myself during the beginning of this debate to - - -

Mr De Domenico: To remain awake.

MR HUMPHRIES: Not just to remain awake, but to get myself to believe that I was not dreaming about this particular issue. The Assembly is being confronted with an opportunity to scrutinise the Government's health program more comprehensively and earlier than has hitherto been the case; and, if Mr Whitecross's view is the view of the Assembly, the opportunity is being knocked back. It seems to be being knocked back.

Mr Whitecross said in the course of the debate that the Government says that it believes in some things but does not actually do them. When Mrs Carnell was in opposition she said very clearly that she thought the tactic of the Follett Government of transferring money between appropriations in the dead of night, so to speak, was not an appropriate and transparent way of dealing with problems in particular areas of the government budget. She criticised that consistently and continuously while Ms Follett was Chief Minister and Treasurer. Far from not doing what she says she believes in, Mrs Carnell has actually reversed that practice on coming to the treasury bench. She has now said, "No more; we are not doing this anymore. We are not having these sleight of hand movements of moneys around in this way, particularly in respect of a budget as sensitive as the health budget. We are going to take that budget, and if it runs over like this we are going to seek an extra appropriation from the Assembly. In doing so, we are going to expose ourselves, the Government, to a higher degree of scrutiny than was hitherto the case".

Mr Berry: Oh, rubbish!

MR HUMPHRIES: I will take up the interjection of Mr Berry that it is rubbish that there is a higher degree of scrutiny involved. It is true that there is scrutiny, both with a yearly appropriation Bill and with a Bill of the kind that Mrs Carnell has brought to this house. It is true that there is scrutiny of both of those Bills. It is true that both of those Bills generate estimates committees and those committees have the chance to ask Ministers questions. The difference between this process and that which the governments in the past have brought forward is that the process that was used in the past was tied in with the rest of the Estimates Committee work - a committee that looked at Urban Services, Education, Health, Attorney-General's and all the other components of government. Health was just one of those many issues within that, and members of the Estimates Committee were focused on a number of other issues at the same time.

I think it is quite understandable that that process does not put the focus onto the continuing problem with management of health budgets that this Territory and this Assembly particularly have to grapple with. It is an important issue. Members obviously can make jokes, can make snoring sounds and can pretend that it is all very funny, but the fact is that we have brought down six or seven budgets in this place over the last few years since self-government and we still have not solved the problem of health management.

Mr Berry: Labor solved it.

MR HUMPHRIES: No, Labor did not solve it. Oh dear, no! The man who is saying this is the man who brought down four budgets that blew out. What is more, it was all four that he brought down; four out of four. For goodness sake, how much credibility does he think he has on this question? He has absolutely none.

Going back to the question of scrutiny, it is true that in the July or September Estimates Committee we can have consideration within the broad framework of the health budget. We can have questions asked of the Minister for Health on the health budget. But this process is separate and freestanding and enables particular focus and debate in this place on the health budget and its problems. That is simply not possible in the same way as part of a global debate about the whole of the Appropriation Bill because, as in previous years, there will be a distraction, to use Mr Whitecross's words, on other issues. To give you an example, three years ago the health budget blew out, but the debate in the Estimates Committee and on the floor of this place was not about health; it was about education; it was about the sacking of 80 teachers. That was the absorbing debate on the floor of the Assembly. Health got very little time in here and no attention in the media. That is a distraction. This is the opposite of a distraction; it is the focusing on the issue in a way that previous governments have not had the courage to do.

It absolutely stuns me that we can have people coming forward in this place, sensitive to the fact that they did not expose themselves to this kind of scrutiny, and now saying that Mrs Carnell has not taken seriously her accountability to the Assembly. What has she done if not taken seriously her accountability to the Assembly? She has exposed herself to several days of debate in this place - debate which, I might say, has focused almost exclusively on the process, not on the fact of the problems within the health system. Those members opposite are obsessed with the process of bringing this forward.

Ms McRae: Because we know what the problem is; it is the person in charge, for heaven's sake.

MR HUMPHRIES: They are focused on the process. In response to Ms McRae, the person in charge has made a great deal of difference in this respect. The person in charge has resulted in most health budgets since self-government being blown out. Do you ever notice, Ms McRae, that most health budgets are blown out? The health budgets have all blown out, including from that man sitting on your right, Mr Berry, four times. You tell me that personnel matters. I tell you to have a look at the history.

The fact is that, if the Assembly rejects this process of using this mechanism to scrutinise the Minister for Health on these issues, it throws away an opportunity which is not available in the same way in the estimates committee process which comes later in the year. You want to somehow reject an opportunity for these things to be put on the table earlier in the year. This will always happen earlier in the year. If it happens ever again, it will happen at about this time of year. The budget is not brought down until, at least, June. If you want to reject the opportunity to focus on this issue at an appropriate time, then be it on your own heads. But, if you do so, you do so in a way which I think is most discreditable to the Assembly. The Assembly has an opportunity here to - - -

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Mr Berry: Gary, stop the belly laughing.

MR HUMPHRIES: Can I have a little bit of order, Mr Speaker?

MR SPEAKER: Order!

MR HUMPHRIES: Thank you, Mr Speaker. If the Assembly is serious about these issues, if it really wants to get to the nub of the health question, it will give it more priority. It will not do so by engaging in the nonsense that is evident in the report of that committee.

Mr Whitecross criticises Mrs Carnell for having changed her priorities. Mrs Carnell's priorities are very different to those of the previous Government. Her priorities are to make sure that throughput is greater and that the waiting lists go down. Mrs Carnell believes, naively perhaps, that the health system is about getting people through and about reducing the waiting lists. Mr Whitecross and Mr Berry obviously believe that the health system is about bringing in the budget on target.

Mrs Carnell: But they failed on that, too.

MR HUMPHRIES: They failed on that score as well. I believe that both things are important; but, if I had to choose between the two, I would rather any day that we spent that money on getting sick people better as quickly as possible. That is the priority the Government has taken on that matter. I think it is astonishing in the extreme that the Assembly should take Mrs Carnell to task for that consideration.

Mrs Carnell has also put in place for the first time the mechanisms for solving these problems on a permanent basis. There has not been the attention given to the problems in the system that Mrs Carnell has given them, and I am confident that it will deliver, within the time of this Government, an end to the sorts of problems that we have seen in the past. I would appeal, particularly to those on the crossbenches, to not be sucked in by the rhetoric that those opposite have used. There is no way that we are increasing the level of accountability of the Assembly by rejecting this separate process.

The Government gains nothing from this. We are subjecting ourselves to a process of scrutiny which we could do without. Members opposite are correct. We do not need to do this; we can do without it. I tell you what: I will be a lot happier, because it will mean that I do not have to come down here and defend Mrs Carnell's health budget at this time of year and at this point in time. We do not have to do it in this way, but we are doing it because we think it is time that we focused the attention not just of those in this place but also of health administrators on fixing these problems. Do not throw that opportunity away, I say to the Assembly.

MR BERRY (11.00): I think I will write off Mr Humphries's speech as something that you would hear from someone on a university debating team that did not believe in what they were arguing. Let us get the history right, for a start. There is no question that the history of the Health Department is peppered with budget problems. The first, and worst, was Gary Humphries. In later budgets, Labor gradually restored the management of the financial affairs in Health. Eventually we matched the outputs of Health; we matched the

separations in Health - do you remember the little lesson on separations last week, colleagues? - with the amount of money we put in, and the budget balanced in the final year of Labor. From a history of dreadful under Mr Humphries - the first and worst - through those years of Labor we gradually took the financial arrangements in Health to a better position where we matched the amount of money with the amount of output. That is good management. There is no other measure. We matched the money with the throughput. That was great management. That is the history of it.

Then the best manager in the world came along - the master, if you like, of cheap theatrics, Mrs Carnell! The best manager turned up on the scene, and how she was going to manage health better!

Mrs Carnell: I will.

MR BERRY: She says, "I will". Well, we all say, "When, when?". This was going to be the year, we were told. It was all going to be fixed up; there would be no business rules. "I will anticipate everything that is going to happen in the health budget. Nothing can go wrong. Do not worry about it", we were told. So, \$14.2m later, we have somebody who could beat Gary Humphries - Mrs Carnell, the expert! Mrs Carnell has taken us to our present position. There has been a history of problems in health budgets. They gradually improved under Labor, but they have returned to a complete collapse again.

Mr Whitecross: Full circle.

MR BERRY: My colleague says, "Full circle", and that is correct - back to the worst again. Mr Humphries, bad; Mrs Carnell, worse. You ought to be embarrassed and you ought not to sit there quietly because you are so embarrassed about the situation that you have yourself in.

The Estimates Committee looked at this process and discovered, to their credit, that the Department of Health and Community Care budget was overambitious, having regard to existing and projected activity in Woden Valley Hospital. It was clear that Mrs Carnell knew exactly what was going on in the hospital system and did nothing about it. She encouraged the budget to blow out and she allowed it to blow out. This is all Mrs Carnell's doing.

Now we get to this situation: You asked, "How are we going to cover this up?". This is where you bring in the team of media advisers. You say, "We are in trouble here, and I am looking bad. This is the worst result for Health ever. What am I going to do about it? You have to think of something new; that is what you have to do". So what do you come up with? This phoney Appropriation Bill. You wheel out the phoney Appropriation Bill and say, "This is something new for the Assembly". While you are in the process of trying to sell the phoney Appropriation Bill, you also reflect on previous Assembly decisions. This Assembly endorsed the Audit Act which gave you the power to act in these matters, the same as it has given power to previous Treasurers to deal with this issue. Why do you have to reflect on a vote of this Assembly?

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This Assembly's ascendancy on this issue has already been exercised. You can endorse the Audit Act which gives you certain powers. You might choose not to use those powers because you would rather go through an exercise of these cheap theatrics to try to create an impression that something positive has come out of the worst health budget blow-out ever. There is nothing positive. Nothing positive can come out of it, because the news is all bad.

Mr Humphries: On a point of order, Mr Speaker: Mr Berry said that mine was the worst budget. I resent his denying me that special place in the pantheon. I would ask him to clarify his intentions.

MR SPEAKER: There is no point of order.

MR BERRY: The news is all bad, and they will be popping up and down like this all the time over this issue because they do not want to hear about it. No matter how you approach the issue, this has been an issue of public relations rather than good sense.

Mrs Carnell had an option open to her under the Audit Act to move with propriety and within the law to deal with this issue, and face the music over her budget blow-out in Health. Well, she is facing the music over the budget blow-out in Health; there is no question about that. She has been censured for her mismanagement of the health budget and she has been censured for recklessly misleading the Assembly over health matters. She has been the subject of significant scrutiny, and she would not want to be questioned on this issue either. Here we have a situation where the media relations team is called in, but it has failed because the Assembly committee, through the processes, has discovered exactly what happened.

Where do we go? What is Mrs Carnell's reaction then? We got a letter in the course of the Assembly inquiry in relation to where the \$14.2m would come from, and it is described thus:

Potential sources could include a degree of underspending in capital works, -

“could include” -

a degree of underexpenditure in the centrally held redundancy pool -

maybe -

and possibly by utilising a portion of the Treasurer's Advance.

How on earth could you call that better scrutiny? They did not know when they came to the Estimates Committee where they would be getting the money from, and Mrs Carnell has the hide to stand up and say that this is to allow a process like an estimates committee to scrutinise her actions. They could not tell us. Indeed, this was all compounded when her highly qualified, highly paid, experienced officials came up with this answer in response to a question about how much they would spend: “Somewhere between \$1 and \$14.2m”. I tell you what; that is a wide ambit. You have all the bases covered; you cannot make a mistake; you have them all covered.

How can Mrs Carnell come out and say that this is a more open process and the Assembly can decide appropriately, on the basis of the evidence in front of them, where we should go from here? The fact of the matter is that we cannot. We are then faced with this position again: Acting under the Audit Act, which, of course, has the authority of this Assembly, Mrs Carnell cancels those capital works. The \$14.2m expenditure on capital works is cancelled, and the reason it is cancelled is that it has now gone; it is going into Health, where this historic mismanagement has occurred. The worst ever has occurred. For Mrs Carnell to stand on her feet in this place and bleat that she has not cancelled capital works is quite untrue. She has. There has been a deliberate underspend in Urban Services to cover up for her health mismanagement.

What does the community get as a result? One thing they do not get is a possible 600 jobs. They are down the gurgler. At a time of crisis for the ACT, under Mrs Carnell we have 2,300 extra jobless on the unemployed list - 2,300 extra unemployed since she became Chief Minister of the ACT; we have instability in the small business sector; and we have Mr Howard threatening to come down on the Territory like a ton of bricks. Mrs Carnell's mismanagement has, in effect, hit the jobless again, because we have money coming out of capital works to support her mismanagement in Health.

A little while ago, across the chamber, we were being taunted, "Well, do not vote for the Appropriation Bill". Well, we never did, because we knew that it was a dud. We know that this one is a dud, too.

Mrs Carnell: You mean spending more money on health?

MR BERRY: We have never been wedded to it. Mrs Carnell harps from across the chamber, "You mean spending more money on health?". No; we mean mismanagement. We mean mismanagement and a dodgy process, because that is what we have in front of us - mismanagement and a dodgy process. (*Extension of time granted*)

For the Labor Party's part, there is clearly no need for this Appropriation Bill. It is a phoney process; it is not necessary. This Bill should have been withdrawn. I cannot understand how Ministers, in a government that they themselves describe as responsible, can come in here blush free and say that this is something new and more open. It is not. The evidence before the committee that inquired into it made it very clear that we were never going to discover anything about what was going to be spent and where it was coming from. That is the very clear situation, and the onus is, therefore, on other colleagues in this place to decide whether or not they are going to support this Appropriation Bill.

A technical argument has been waved around that, if you do not vote for an appropriation Bill that has been put forward by the Government, that is a vote of no confidence in the Chief Minister. Well, we would support a vote of no confidence in this Chief Minister, and that would not surprise anybody. But my view is that this opposition to this appropriation could not be so regarded. From our point of view, this ought to be opposed because it is a shonk. It is a shonk.

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This Assembly has discredited Mrs Carnell for her management of the health budget by censuring her, first, for recklessly misleading the Assembly in relation to certain matters in relation to VMOs which, of course, relate to overexpenditure in the health budget; and, secondly, for her mismanagement of the health budget. I think it is most appropriate that this Assembly send a message to Mrs Carnell that it will not tolerate these sorts of cheap theatrics either. This is very clearly an attempt to divert attention from the facts of the health mismanagement. There is no question about that. It is an unnecessary Bill and ought to have been withdrawn. I trust that members in this place will see through this and see this for what it is.

MR DE DOMENICO (Minister for Urban Services) (11.16): Mr Speaker, is it not incredible the way people who have been involved in this place for a number of years tend to have these memory lapses from time to time when it suits them? We just heard a litany from Mr Berry. I recall that many years ago, before I was elected to this place, there was a public furore because some health budgets had been blown out. I think the first one that was blown out was Mr Berry's, actually. Mr Humphries, unfortunately, was also seen to be human because Health blew out under him as well.

Mr Berry: But Labor got it right. It balanced the books.

MR DE DOMENICO: Mr Berry interjects and says, "Labor got it right". I recall Mr Berry being interviewed on, I think, the ABC. I used to listen to it at that stage. Mr Berry kept saying, "No, no; the health budget really did not blow out because we have these business rules", which literally meant that you overspend and you introduce these things called business rules and they catch up the money that you overspent. By transferring money from one thing to another, you say, "Listen, I did not really overspend; they are business rules". That was the litany under Labor.

Mr Berry did it not once, not twice, not three times, but four times. Did he ever once think to himself, "I must do something about fixing it."? You would think that, having done it four times, he had learnt his lesson. Of course not. He did not do anything about it. Let us see what he tried to do to stop people from realising that he had overspent budgets. Without doing anything to solve the problem, the waiting list doubled under Mr Berry. That is one way of doing it. The fewer people you get into hospital, or the more people that line up waiting to get in, the less money you can spend. Perhaps he thought that was a good idea.

Mr Kaine: It did not get the total bill down.

MR DE DOMENICO: It did not get the total bill down; and it doubled the waiting list. Mr Berry stood up and said that things were hunky-dory under Labor. They were fantastic; things were on the mend. He doubled the waiting list. What a wonderful way of fixing the health system - by doubling the waiting list! Mr Berry supplemented the health budget through business rules. He saw no more patients although he spent more money. That was Mr Berry's economic rationalism. The loony Left economic rationalism so ably discussed by Graham Richardson was, "Spend more money and treat fewer patients". That is what this mob opposite are wanting people out there to believe - spend more money, see fewer patients, and therefore they will fix the health problem.

Mr Berry came into this place and told us, under questioning, that he closed some beds. His thinking, once again, was that the fewer beds that remained open the less money he had to spend to service those beds. He thought, "What do we do? We will double the waiting list. We will close some beds". But he spent more money anyway. That is what Mr Berry did, not once, not twice, not three times; he struck the quadrella. He did it time and time again. Is it any wonder that people like ex-Senator Graham Richardson describe this mob opposite as a place where Castro is still spoken of in heroic terms and call them the loony Left? They have no idea at all as to how to make anything run. Mr Berry would also have known, had he looked into the mirror, that the ACT was spending on Health 30 per cent more than the national average. Under Mr Berry's administration, notwithstanding the fact that he had closed beds and doubled the waiting list, we were still spending 30 per cent more. Do you think that Labor tried to do anything about that? Of course they did not.

What happens under the Liberal administration? Mrs Carnell overspends on her health budget. She realises that she overspends on her health budget. She could do one of two things. She had a look at the Audit Act. The Audit Act enables her to shift money from one place to another without telling anybody about it and you get to find out about it down the track. The Audit Act enables her to do another thing, which is what she did. She said, "Let us get another Bill into the place. Let us admit that we have overspent the health budget, loudly and clearly, in the consultative way that this Government operates; let the Assembly realise what we have done; and get the Assembly's approval to change from one thing to another, to get some more money out of the Assembly. The Assembly can either accept or reject that, but they cannot accuse this Government of not being open in the process". What is wrong with that, Mr Speaker? Nothing is wrong with that. This Assembly quite rightly said, "Okay, let us put it to an Estimates Committee", and that Estimates Committee was convened.

Did the members of the Opposition use that Estimates Committee to look at the way we could fix the health problem? Of course not. Did they try to use it as a political football? Of course they did. Is it surprising that they should do that? Of course not. But they now come into this place in a hypocritical way and say, "Oh, listen, this Government is doing this as a political stunt". For heaven's sake! What nonsense! What absolute nonsense! How can the most accountable government in the history of self-government be having a political stunt in terms of this Bill?

We are not masochists, for heaven's sake. We do not put ourselves through this sort of nonsense because we like to do it; we put ourselves through it because we have promised to be accountable. The only way to try to fix the health problem is to come out and say, loudly and clearly, "Hey, listen, there is problem; there is a problem that we need to fix". If it takes all the Assembly members to try to fix the problem, well, so be it. If the majority of Assembly members believe that this is a political stunt, let them vote down Appropriation Bill (No. 2). The Government will still fix the health problem anyway. At least we have had the guts, Mr Speaker, to come clean and say, first of all, that there is a problem, and, secondly, that we have mechanisms in place that will fix it.

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Mr Berry used some wonderful phrases like “cheap theatrics”, and “it is public relations instead of good sense”. He used the fact that the Assembly had constantly censured the Chief Minister. It is the typical Labor ploy. They must have a book there, Mr Speaker, that says, “When you are in opposition you have to whinge, moan, knock and use personal attacks on individuals”, because that is what we have heard from Mr Whitecross and, in particular, Mr Berry. Mr Berry would not know what the Audit Act says, for example - he probably has never read it in his life - but he waxed lyrical about the fact that there is power under the Audit Act to allow this open process. Mr Berry, had he read the Audit Act properly, would have realised that the Audit Act also allows Mrs Carnell to do what she has done because it is a more open process. Mr Berry might not like the fact that he spent more time on an estimates committee trying to ask questions - that is his problem - but to come in here and accuse this Government of not being open is utter nonsense.

Mr Berry talked about the cancellation of public works. Once again, had he not had a memory lapse, he would have remembered that there has been underspending in public works every year that I can remember since being elected to this place, and in the years before I was elected to this place. It is nothing new to be underspending on public works. It happens all over the place, Mr Berry. If your memory serves you well, you would recall that it happened under your Government as well. But no, he comes in here and says, “Let us use this now as a political football”, because it might get a good headline for a couple of days. That is, after all, what it is all about - to get a good headline.

Mr Berry also spoke about the fact that Mrs Carnell has been censured in this place from time to time. I think I made the interjection “Every day” at one stage during a previous sitting. Mr Berry would walk in and say, for any reason at all, “Let us have a censure motion”, thereby debasing the use of the censure motion. Once again Mr Berry's memory seems to have gone into reverse. Mr Berry should have known that the only member of this Assembly that I am aware of in the history of self-government who was ever thrown out of the place or forced to resign because of misleading the Assembly, through a no-confidence motion, was not Mrs Carnell but Mr Berry himself. Mr Speaker, how memories pale. How easily people forget about these things. How easily people use anything they can to try to score political points.

Mr Speaker, the bottom line is this: This Government could have done one of two things. It could have done what the previous Government did, and that is nothing, and continued to spend more on health; or it could do what it should be doing, and what it was elected to do, and that is to be open - have the process open, have this Assembly realise that we have problems in the health system, and the only way we are going to fix them is to actually do something about them. What Mrs Carnell has asked here today, and what we ask, is that this Assembly realise the fact that this is what open government is all about. This is one way in which we can really try to help get us out of the trouble we have in our health budget; not by sitting on our hands but by being very open about what we want to do from time to time and allowing the Assembly to have proper scrutiny of what we are doing. If this Assembly does not vote for this Appropriation Bill it will be for political reasons.

MR HUMPHRIES (Attorney-General): Mr Speaker, I seek leave, under standing order 46, to make an explanation.

MR SPEAKER: Proceed.

MR HUMPHRIES: Mr Speaker, in the course of his remarks Mr Berry made reference to my being responsible for the first budget blow-out that the Assembly - - -

Mr Berry: First and worst, I said.

MR HUMPHRIES: You also said that Mrs Carnell's was the worst; so I am not sure who actually gets that prize. You said both. As usual, Mr Berry contradicts himself. In respect of the issue I have risen to redress - the question of having the first budget blow-out - my memory seemed to beckon that something different had happened; so I went and had a look in the files, Mr Speaker, and I found this headline dating from 16 November 1989 - "Government acts to shore up Berry". There is a very nice picture of Mr Berry.

Mr Stefaniak: With a moustache and everything.

MR HUMPHRIES: With a moustache, and a bit more hair, but it is still him. He cannot disguise himself. I know that he tried to disguise himself by taking things off, but it is still him. Mr Speaker, this article refers to a letter from the Interim Board of Directors of the Royal Canberra Hospital and Woden Valley Hospital indicating that at the rate that the health budget was going under Mr Berry there was a \$2.5m overspend which "would result in a \$10m deficit in operating expenses" by the end of the year. Mr Speaker, of course, that did not happen, and the reason it did not happen is that the Alliance Government - - -

Mr Berry: It was \$17m.

MR HUMPHRIES: No, it was not; it was nothing. This was 1989-90. The Alliance Government took office and the budget came in on target. Mr Speaker, the record remains. I am one of only two Ministers in this Territory who have ever brought in a budget on target.

MR WOOD (11.28): There are two components to this. One is taking the \$14m and providing it to the health budget, with a compensating deduction from the public works program of that amount of money, and it is that that I want to focus on, just briefly. I want particularly to criticise the Deputy Chief Minister for the con job that he is trying to pull on the ACT community. In this Assembly last week I urged the Government to advance the public works program so that we could get some work done.

Mrs Carnell: We agree.

MR WOOD: The Chief Minister interjects, "We agree". I wish they did. I have yet to see evidence that they have agreed. I have yet to see evidence - - -

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Mrs Carnell: You have to do the planning bit first.

MR WOOD: All right, let us look at that. I have yet to see any evidence that they have backed up their statements and that we have not got anything other than a con job. When I asked the Deputy Chief Minister last week about budget rearrangements and whether he was increasing this year's budget - perhaps it is a bit late for that - and next year's budget to allow for extra works, or the third year of this three-year budget cycle, to generate employment, I got a totally evasive answer. Then on Friday night I saw a report that the Deputy Chief Minister had addressed the MBA annual dinner and said, "Great news, folks, great news! We are going to fast-track upwards of 35 projects". Then he gave three examples of what a wonderful job he was doing. In terms of the Chief Minister's interjection, it would appear that this is their agreement to what I was saying last week.

But let us look at these projects. The three examples that were given were the Tuggeranong police station, the Gungahlin high school and Gungahlin Drive. They say, "We have advanced things on these, folks; we are going to bring these forward". Let us look at them one by one. The Tuggeranong police station, as reported, is now scheduled to be tendered for in August, with construction beginning in September and completion by 1998.

Mr Whitecross: That was before it was fast-tracked.

Mr Osborne: Just in time for the election.

MR WOOD: Exactly. The question has to be asked: When was Gungahlin high school planned to be opened anyway? I rather think 1998 was the date. The planning has been under way to do that. I refer to the report of the Standing Committee on Planning and Environment, the committee that examined the public works program for the year 1996-97. It examined next year's program, what we are going to do next year. Lo and behold, Gungahlin high school, \$17m, funding provided for the first stage next financial year, 1996-97, just when Minister De Domenico says that he is going to fast-track it. It is a fraud, a con job, and he won the headline he wanted. This is not going to be finished or started a moment sooner.

I had in mind that we would be changing the program and allocating more money so that there would be more work. That was the intention. I did not expect that I would get as an answer, "Well, here is one on the program. We will pull this out of the program and pretend that it is being fast-tracked". Pretence!

Mrs Carnell: No. Bring them forward.

MR WOOD: Bring them forward? That was the program timetable for it, Chief Minister.

Mr Humphries: So you say.

MR WOOD: No, I do not say; the documents say. Let me read this statement on page 40:

The following table shows the construction proposals that are supported by the ACT Government (source: Treasurer's letter to the Standing Committee on Planning and Environment dated 15 January 1996, Attachment B).

It is your document, it is your timetable, and Mr De Domenico created a fraud when he stood up last week and said, "We are fast-tracking this; we are bringing this forward". The same can be said for the other two examples that are indicated here. The Tuggeranong police station is dear to Mr Osborne's heart, and I give him credit.

Mr Kaine: Mine too.

MR WOOD: And yours; but it is probably Mr Osborne's work that has brought that forward, not today, but - - -

Mr Whitecross: We promised it in the last election, you know.

MR WOOD: Yes, we did too. What has changed? The Tuggeranong police station is listed here under the maintenance of law and order public works program on page 42 of this document. It is due to commence in the 1996-97 financial year. That was when it was due to commence. That is when the Government acknowledged it was going to commence, and that was wonderfully relaunched, magically relaunched, by Mr De Domenico the other day.

We also have Gungahlin Drive listed. It was approved by the Government for 1996-97 and relaunched by the Minister in his con trick at the MBA dinner the other night. These projects have not been fast-tracked. This is typical work by the Government, who stand up here and say a whole lot of fancy stuff, hoping to convince our community but actually misleading our community. They are grossly misleading them, trying to inspire confidence in the building sector, and failing miserably.

Mr Whitecross: When he says "fast track" he means fast lips.

MR WOOD: Yes, fast lips. I think that is right. That is what it is.

Mrs Carnell: No, it is not.

MR WOOD: This program has been approved.

Mrs Carnell: There is a big deal of difference between starting next March and starting in August or July.

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MR WOOD: You have put your foot further in it. The money has been allocated. It has been there. You are trying to tell me that you were not going to start building a high school until March next year. We know the time you need before you can start a high school to make sure that it is going to be completed on time. You are flat out doing it in that time.

There is nothing new about this. There is no new money to be spent. Indeed, the public works program is going to have less money as a result of this. The Chief Minister says, "It has not been cancelled; it is just not going to be spent". Somehow or other we might work out the logic of that. I am particularly annoyed with the Deputy Chief Minister for creating a fraud on the people of Canberra, on a thousand people at a dinner the other night, by claiming to bring something forward when there is no change. It has been on the program, it has been planned for 18 months ahead of this time, and it is now proceeding in the normal routine way.

MR SPEAKER: I would like to welcome representatives from Kaleen High School, who are attending a local government course. We welcome you to your Assembly.

MS McRAE (11.37): I want to focus my remarks on a statement that was made in the Government's response and that my colleagues have touched on but have not necessarily gone into detail about; and that is the sheer hypocrisy of the statement in regard to the primacy of this Assembly, which I find absolutely breathtaking. What we are seeing here is a pattern from this Government - that whenever there is a problem you suddenly shift the blame to somebody else. This Government has put all senior bureaucrats on contracts and we have heard time and time again that, if they do not deliver, out they go.

What is forgotten in all of that is a primacy in the Westminster system, and that is ministerial responsibility. We have a Chief Minister. The Chief Minister forms her Executive and those people have the primary responsibility for managing the ACT on our behalf. They have a budget to manage, they have portfolios to manage, and they have policies to implement, more or less on behalf of us and, through us, the people of Canberra. That is their contract with the people of Canberra. Now, what have we heard from this Government about, "If you do not deliver, out you go."? Nothing at all. In any other parliament if a Minister does not deliver on their budget, if a Minister does not deliver on their contract to the Assembly, to the parliament, to the people, that Minister is responsible for their mistakes, and either they resign or their Chief Minister pulls them into line.

This is where the sheer hypocrisy of this nonsense of the primacy of the Assembly has to be tackled head-on. It is not for Assembly members to manage the Health Department. We are not privy to the information that the Minister has. We are not privy to the day-to-day decisions. We are not given the sort of information that not only must a Minister have but a Minister must demand as part of their responsibility. There is no escaping this responsibility; but there is a pattern that we see time and again from this Government, as I have said before, and that is, "When we find a problem, put it on to somebody else to solve it".

We have seen this Government's attitude to the Assembly, and this is where this attitude suddenly to give primacy to the Assembly on this question of a health budget blow-out is just breathtaking in its hypocrisy. Every question time since this Government came to power we have seen them refuse to answer questions.

Mrs Carnell: Oh, rubbish! Look who is talking.

MS McRAE: They bleated constantly. Here they go again. They bleated constantly in the past about their perceived attitude of our shortcomings in terms of answering questions. They carried on endlessly about how dreadful we were, supposedly, and they still bleat about that; yet, when they get an opportunity to be in power, do they show any leadership? Do they set a standard? Do they give leadership to the people of the ACT? We have not seen that once in question time. We have not seen it once in response to any member, not just Opposition members but also crossbench members. They are treated with contempt - "How dare they ask questions! How dare they ask for information! Labor never answered questions". What a lot of nonsense! It is an absolution of leadership on the part of these people, a transferral of responsibility, a refusal to accept what it means to be a Minister or a Chief Minister.

Of course, they all carry on endlessly and point fingers, but it does not wash. It does not wash with the members of the Assembly, and it does not wash with the people of the ACT. They are not impressed one bit. These are Ministers with responsibilities and the responsibilities are not being delivered. We find that we ask for papers and we do not get them. We have to push and push for every single bit of information.

Mrs Carnell: What about the VITAB contract? We still have not seen that.

MS McRAE: They bleat again. What about the VMOs contracts, Mrs Carnell? You are now in charge. You are showing no leadership. You are not taking responsibility for the things that you have claimed that you will take responsibility for. It is absolutely useless to talk about what other people do or do not do. You are in charge. You are to set the leadership standards, and you have failed.

The Appropriation Bill (No. 2) is simply an off-loading of a problem that the Executive should have dealt with. It does not matter how they dealt with it; they should have dealt with it and come and told us how they dealt with it. It is a Minister refusing to accept responsibility for mismanagement of her own department. In any other parliament the Chief Minister would have dealt with that Minister. That is what Cabinets are for. That is what the Executive is for. That is the responsibility that they have been vested with.

Mr Humphries: Like Ms Follett dealt with Mr Berry.

MS McRAE: Here we go again: "What somebody else did is good enough for us". You are in charge now and you are ducking your responsibilities. All we have seen from this Government is an attempt to cover up mismanagement. We were told at the Estimates Committee, this open process, this amazing new world that we were given

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in regard to Appropriation Bill (No. 2), that, as one of my colleagues has already pointed out, there were three areas that the money could come from. That was less than a month ago, Mr Speaker. In front of an estimates committee we were told about three separate areas - the Treasurer's Advance, redundancy money, and public works. Less than a month later what do we get? An audit transfer taking the money straight out of public works despite - - -

Mrs Carnell: That is because it is a month closer to the end of the financial year.

MS McRAE: We will find out where the money goes. There will probably be no money in the Treasurer's Advance, and there will probably be no money in the redundancy pool, will there, Mrs Carnell? We do not know anything about that, do we? We were told of three separate areas that this money could come from. Now we are being told that it is not the end of the financial year. Why were we told two different stories? In this supposedly open process we are being spun a tale in order to off-load responsibility that Ministers should take. If the \$14.2m was being taken straight from public works, why were we not told that three weeks ago? The impact of that is devastating. We raised concerns about it at the Estimates Committee. Every single member of this Assembly has raised concerns about taking the money from the public works program, yet what are we told? We are told that \$14.2m is to come straight out of that, when we were told less than a month ago that there were two other areas from which the money could come.

It is not good enough, Mrs Carnell. You are off-loading responsibility. You are obfuscating. You are creating an impression of openness. Less than a month ago we were told one story. Three weeks later in you come with an audit transfer under the Audit Act which you could have come in with in the very beginning and which we could have debated at any time. It is a pattern of obfuscation, off-loading of responsibility, a pretence of the importance of Assembly members which is not verified by any other action on your part or anybody else's in the Government. It is a contempt for other Assembly members which is palpable from this Government whenever - - -

Mrs Carnell: You are just bitchy.

Mr Humphries: Do you believe this rubbish, Roberta?

Mrs Carnell: I hope not.

MS McRAE: Now, of course, we hear personal comments thrown in for good measure. Thank you very much.

Mrs Carnell: What have you been doing?

Mr Humphries: Like what?

MS McRAE: I am talking about the Government and the Government's approach to this Assembly.

Mr Humphries: You are talking rubbish. That is not personal.

MS McRAE: Of course you are taking it personally, perhaps because it stings; but it is the total Government's approach to this Assembly that I am talking about this morning, and I am not talking about any individual. I am talking about the collective approach of your Government to this Assembly. One day you refuse to answer questions and you mock members of this Assembly when they dare to ask questions. The next day you come before us and say, in a response to an estimates committee, that the primacy of the Assembly overrides all. If the primacy of the Assembly overrides all, why were we told three weeks ago, or more, that there were three areas where the money could come from, and, all of a sudden, lo and behold, it is all coming from one area? Your actions do not match your words. The hypocrisy of the claim has taken my breath away, and that of everybody else. We will feel much more comfortable about the Assembly being treated with some level of consideration and seriousness when we see this Government treat all of us with some consideration and seriousness.

MS FOLLETT (11.46): There are a couple of comments I would like to make, Mr Speaker, that are particularly relevant to this second Appropriation Bill. Mrs Carnell has got rid of so many of the CEOs in the ACT government service that corporate memory is a bit of a scarce resource anywhere in the government service, but I would like to remind members of what happened to the budget the last time the Liberals had the purse strings. It was a very tentative grip on the purse strings, Mr Speaker; nevertheless, we did have a Liberal Treasurer on one previous occasion.

Casting my mind back to the outcome of that 1990-91 budget, Mr Kaine's budget, there are two aspects that I would like to draw attention to. The first of those is that, in fact, that budget was the only budget ever to deliver a deficit on the recurrent side. I do not believe that that is an ambition that any other Treasurer should aspire to, but the fact of the matter, Mr Speaker, is that in addressing the 1990-91 budget outcome I said:

The Alliance Government was unable to contain recurrent expenditure within the estimated levels.

Mr Humphries: Mr Speaker, I rise to take a point of order. I am edified about the 1990-91 budget, but I am not sure what it has to do with an appropriation Bill for 1995-96.

MR SPEAKER: The question of relevance, under standing order 58, does need to be addressed. I uphold the point of order. I trust that you will come back to the debate.

MS FOLLETT: Mr Speaker, I am dealing with the question, of the Liberals' total inability to contain a budget. I think it is entirely relevant. Mr Speaker, the blow-out in health expenditure has contributed significantly to this outcome - that is, to the deficit in the recurrent budget.

Mr Humphries: Mr Speaker, I have to maintain the same point of order.

MR SPEAKER: I uphold the same point of order. Mr Humphries, I uphold your point of order. Standing order 58 states that members should not digress from the subject under question. It is difficult to imagine the 1990-91 budget having a relevance to the matter before the Chair at the moment.

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Mr Berry: Mr Speaker, if I may assist you in relation to the question of relevance, I would draw your attention to the committee's conclusions. The committee inquiry to which this response is directed also referred to the Department of Health and Community Care's budget, and so on and so forth. Mr Speaker, there has been a debate about history to this point, and I do not think that should be ruled out.

Mr Moore: If I may add to that point of order, Mr Speaker, in the Government's response to conclusion 5 they say in the penultimate paragraph:

The 1995-96 budget was largely influenced by industrial arrangements made prior to the Government taking office.

They are talking there about industrial relations. I think there is a clear implication about history playing a role here. I think that should be taken into account.

Mr Humphries: Mr Speaker, on the point of order: There is really no validity to that point of order. The history referred to in Mr Moore's quote was the history immediately beforehand, not the history five years ago. With great respect, if there is any importance of a relevancy rule it comes into play in a situation like this.

MS FOLLETT: Briefly, speaking to the point of order, Mr Speaker, I distinctly heard members from the Government side referring to incidents which occurred when I was in government, incidents which occurred within my budgets, and to my Ministers. That surely falls within the category of history. I would now conclude - - -

Mr Humphries: Mr Speaker, on that point of order: That was not in the course of the debate. That was in the course of a response under standing order 46 to an issue Mr Berry had raised in his own comments.

MR SPEAKER: Order! The opportunity is available, under standing order 46 or standing order 47, if members feel that they have been misquoted or misunderstood; but I must draw attention to the fact that we are dealing with relevance here and we are dealing with the item in front of us. Ms Follett, you referred briefly to an earlier budget. I would ask you to bring it back to the current discussion. If you wish to make an explanation later under standing order 46 or standing order 47, you are welcome to do so.

MS FOLLETT: The Bill which we have before us, Mr Speaker, is evidence of the total inability of the Liberals to contain a budget, and in particular their inability to contain the health budget. The relevance that I mention relates back to the only other occasion so far on which the Liberals have had the purse strings. We ended up with a deficit, and a large reason for that deficit was, in fact, the blow-out in Health. I think that is entirely relevant. I would like to quote further another very relevant aspect of the debate on the second Appropriation Bill. Back in 1990-91, Mr Speaker - - -

Mr Humphries: Mr Speaker, I rise again on the point of order. I believe that you have ruled already on this issue.

MR SPEAKER: Yes, I have.

Mr Humphries: You have ruled that it is irrelevant. Ms Follett proposes to quote from it again and I would ask you to ask her to obey your ruling.

MR SPEAKER: I uphold the point of order. If we are going to start debating or quoting from debates relating to the 1991-92 budget, I find it extremely difficult to understand the relevance of that in relation to this matter here.

MS FOLLETT: On the point of order, Mr Speaker - - -

MR SPEAKER: I will rule it out of order.

MS FOLLETT: Mr Speaker, could I raise a further point of order? Do you rule out of order generally an historical reference to any other Territory budget? I find that extraordinary. How is this Assembly to consider any budget without reference to other budgets?

MR SPEAKER: I cannot see the relevance of a quote that you are about to make, or that you indicated you are about to make, in relation to the 1991-92 budget.

MS FOLLETT: Would you like me to read the quote, Mr Speaker? It may help in your judgment of the relevance.

MR SPEAKER: You will read it into the *Hansard*, but if it is out of order I will rule it out of order.

MS FOLLETT: Thank you, Mr Speaker. It is very short.

MR SPEAKER: I fail to see how you can find this relevant.

MS FOLLETT: Mr Speaker, I put it to you, with all due respect, that in dealing with any budget - whether Liberal, Labor, or whatever - it is entirely relevant for the Assembly to consider previous budgets and also future budgets. I fail to see how you could make any other ruling.

Mr Wood: We have been talking about earlier health budgets in this debate.

MR SPEAKER: We have not been quoting from debates going back to the 1991-92 budget, though, Mr Wood.

MS FOLLETT: Mr Speaker, I will not quote from it. I will merely say that in the 1990-91 budget - the only other time the Liberals held the purse strings - there was an amount of \$14m underspent on the capital works budget. There are two aspects of this historical material that are entirely relevant. The first of those is the Liberals' demonstrated inability to manage the health budget. The second is their inability to spend their capital works budget. That is exactly the same situation as we are faced with here, Mr Speaker. What we are seeing from the current Treasurer, I put it to you, is nothing more or less than a tooth fairy approach to budgeting.

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Mr Speaker, it is also a fact that when the Liberals last had the purse strings they had recourse to the Treasurer's Advance on a number of occasions under Mr Kaine as Treasurer. On 30 May, on 15 August and on 25 October 1990 the Liberals tabled documents as to their usage of the Treasurer's Advance. Mr Kaine never produced a second Appropriation Bill. Mr Kaine never said to the people of the Australian Capital Territory, "There has been a blow-out here, but it is not my fault. I am the Treasurer". Mr Kaine tabled his Treasurer's Advance documents like a responsible and open Treasurer. He did not attempt the fraud that is being attempted here today. This was a publicity stunt by Mrs Carnell, the tooth fairy Treasurer, and it is a stunt which has fallen flat on its face.

MS REILLY (11.55): Mr Speaker, there are certain things that I would like to raise. We saw this Government go to the polls last year, talking about health management and how they were going to manage health well. The discussion here has all been on their mismanagement. I have heard this for several weeks. The thing that I am particularly concerned about is what sort of example this Government is setting for the community sector at this time. Obviously, many community organisations fall into the Chief Minister's portfolio responsibilities. These organisations are hammered all the time about being efficient, about managing within their budgets, about managing within the grant allocation that they are given by the Government.

I would like to see the response of the Government if these organisations come back and say, "Can we have some more? We are not sure how much we want. We would like something between \$1 and \$14m to add to our budget. We are a bit sorry; we have not quite managed it properly. Yes, we are seeing more and more people and we want more money". I am quite sure that the response would be, and it has been previously, as I know, "Why do you not just cut services? Why do you not just leave people stranded?". People looking for transport services at this time cannot get access to the taxi subsidy because that has run out and there is no more money to top it up. No, you cannot have money to get transport services for social outings. That is a very important thing for people who are living in isolation. The suggestion is that these organisations just work for no money; that they just do many more hours of unpaid work, which is what a number of them do already. They do not have the opportunity to come back to ask for somewhere between \$1 and \$14m to top up their budget allocations.

There have been a number of increases in costs in the last year. Community rents have gone up, there has been an increase in electricity charges, and there is a possibility now that people working in the community sector will receive the wages that they should have been receiving over a number of years; but the community organisations are sitting there at the moment wondering how they can pay for these, because there is no indication that they are going to get any money to pay for these additional charges. So what are they supposed to do? Do they cut services and leave people stranded - and this is what is going to happen - or do they just lose their jobs?

If there is not sufficient money to pay staff, do you just get more job losses? Do you just say to these people, "You no longer have jobs."? Is the Government concerned about these things? They are quite happily accepting massive job cuts from their Federal colleagues. They might be making a few token protests but - - -

MR SPEAKER: Relevance, Ms Reilly.

MS REILLY: They do not seem to be looking at the community sector here. I am quite sure that there are a number of community organisations at the moment - - -

Mrs Carnell: Relevance, Mr Speaker.

MR SPEAKER: I draw members' attention to what we are debating, which involves Health. I must admit that the particular division is Health and Community Care, but I would remind them that we are dealing with this issue. Please do not stray from it.

Ms Follett: She is talking about community care.

MR SPEAKER: Capital works is germane to this.

MS REILLY: Community care plays a very important part in the health of the community. Community organisations - - -

Mr Moore: Mr Speaker, I raise a point of order. I have heard you raising this issue of relevance a number of times. I am drawn to standing order 58(b), which talks about the motion for agreement in principle to appropriation Bills for the ordinary annual services of the Executive. Although that is not exactly what we are talking about now, I think the standing orders recognise that the appropriation Bills are different and that they allow people to go a little broader in their discussion. I think it would be appropriate under those circumstances to have some tolerance in terms of the relevance issue here.

MR SPEAKER: Mr Moore, I think we have allowed a reasonable amount of freedom on this. However, I cannot allow references to Federal Government policies.

Ms Follett: Even when they are funding our programs?

MS REILLY: All right; I will not refer to Federal Government job losses any further. I remind the Assembly that we are fairly dependent on Federal Government moneys in the ACT, even though we do provide a lot through our tax revenues.

I want to come back to what the community must be considering when looking at this process now. The community organisations provide very many valuable services within this community that contribute to the health of the community, not just through doctors but also through looking after people, providing social interaction, providing a number of services that continue to support the work done by the health system here, and possibly also save money through providing a number of social services that they would not have access to in another way. I am quite sure, as there has been discussion of the mismanagement of the health budget and the requests for more money, that these organisations are looking at this process, and looking at it in fear, wondering what is going to happen to them next year. I am quite sure that the clients who use these services are also feeling grave fear. They see how you can just take money from one bit of the budget and put it somewhere else. You can allow slippage of quite considerable funds in the public works budget and it is just accepted.

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What is going to happen next year if the health costs go up further? What is going to happen to these organisations? Will the budgets just be taken off them? Will the money just be put somewhere else? Will the traditional health systems take priority and primacy and community services not have a say in what happens to their budgets? Or can we be assured that their budgets will be fully sourced next year and that they will be taken care of? We are seeing here a situation where the Government have suggested that they have not managed the health budget and they need more money; that you can merely ask for more money and the money should be given. If that is the case, I am sure that a number of organisations will be gratified because they know that they can just ask for more and, of course, it will be given.

MS TUCKER (12.02): I am surprised at Mrs Carnell's response, for a number of reasons. She says quite strongly that she was astonished that the Estimates Committee should come down with a report that says that such scrutiny should not have occurred. Mrs Carnell felt that, effectively, what the majority of the committee members said in their conclusion was that they were not convinced that there was even a need for the second appropriation and, therefore, for the supplementary estimates committee process that went with it. I was part of that committee, I attended all hearings, and it was certainly not my impression that at any point members of that committee said that they did not think scrutiny of some kind of movement of money by the Government was not appropriate. What the committee said was that there were other ways that movement of money could be carried out equally clearly under scrutiny, and they were questioning the relevance or the appropriateness of the second appropriation. We have talked at length about whether or not that was necessary or appropriate. I have to make it quite clear as a member of that committee that I never said, and I do not believe that anyone else did, that members of that committee did not welcome the opportunity to look closely at these sorts of movements of money.

I would also like to say that by focusing on the process, by saying that it is superior because of its transparency, Mrs Carnell and her Government have tried to deflect attention from the real issue, which is the mismanagement of the health budget. I have already spoken about the serious implications of the other apparent motivation for this process, which was that we need to make health officials take responsibility, or shame them, as it were, for blowing the budget. But when we look at the reasons for the blow-out in the budget we have some pretty serious questions to ask about who actually was responsible for that blow-out. I have already gone through all that in previous speeches, so I will not repeat it.

Mrs Carnell is suggesting that we do not have a great deal of respect for the need for the Estimates Committee to look at these sorts of movements of money. I think she has shown some disrespect or is making a bit of a farce of the whole process. We were told in that Estimates Committee that this money would be coming out of urban services capital works, the Treasurer's Advance and the redundancy pool. Since then we have been told that that is not going to happen; that it is capital works and it is frozen there. You start wondering what was the point of all the questions anyway if it just changes straightaway afterwards.

I support Ms Reilly's concerns about the community health sector. Mrs Carnell was saying, "What are you asking - that we spend more or less?". The issues about community health and primary and preventative health care have not come up in this discussion and it is about time we heard serious discussion about them. If we are interested in the long term in preventing blow-outs of health budgets, we have to give very serious attention to preventative health care. We are seeing very little focus on it.

Mr Humphries said that Mrs Carnell's priorities are waiting lists and throughput. As I have asked before, where are the waiting lists for the poor people who do not bother to go to the doctor now because they cannot afford the up-front fee? Where are the waiting lists for the people who cannot access allied health professionals because they do not have the up-front fee for that? There is a growing disincentive for people in this community who are on a low income to seek medical help or to try to access a doctor when they really need the doctor. We would like to see greater focus on this aspect of health care and then, in the long term, governments will not have to face these blow-outs in Health which are often caused by - Mrs Carnell has acknowledged this, and I would not disagree - the very expensive procedures that are necessary in our hospital system.

In conclusion, I would say once again that this whole process has been interesting, but not very enlightening. Most of the debate has been around one process versus another and no really serious health issues were debated at all, which is a pity.

MRS CARNELL (Chief Minister and Treasurer) (12.07), in reply: Mr Speaker, I would like to start by correcting a number of statements that were made by previous speakers. Mr Whitecross started the debate today by commenting, with regard to section 49 of the Audit Act, that a deliberate change in policy is okay, but budget blow-outs are not. That is actually the policy of the previous Government, not of this Government. In fact, the previous Government used that approach. In other words, it moved money around, using section 49, without coming back to this Assembly. For small amounts of money, where access to the Treasurer's Advance is needed, our approach has been to table that in the Assembly, as can be seen from the document we tabled in, I think, July last year; but we did not perceive \$14.2m to be a small amount of money.

Mr Whitecross used the analogy of money being lent and money being moved from one area to another. Say the bank lent you some money for home extensions and, all of a sudden, you wanted to spend it on buying a new car. It would not be all right just to do it, Mr Speaker. It would not be all right just to take that money that the bank had lent you or that the bank had put aside and spend it on a car. You would have to go back to the bank and ask whether it was all right to do that and tell the bank what you were doing. That is exactly what we are doing here, Mr Speaker - coming back to this place and explaining that we are using a significant amount of money for a purpose for which it was not appropriated. To assume for one moment that it is somehow all right to sign off a change to the Appropriation Bill of the significance of this one without coming back to the Assembly is patently ridiculous, Mr Speaker, and we did make that point time and time again from opposition.

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I do not think anybody could really believe, even though they said it a lot in this debate, that an estimates committee is somehow not accountable, or that using an estimates committee is somehow hiding the issues or trying to be secretive. A debate on the floor of the Assembly does not allow the sort of questioning that can occur in a committee process, particularly an estimates committee process. An estimates committee process is, I suggest, the most accountable process that this Assembly has. Members of the Assembly can ask questions of the Minister responsible, and of anybody else they choose to call, in a public forum for as long as they choose to ask them. How much more accountable can you be than that? We believe that that is an appropriate approach, and it is one that we will continue to follow because we believe that it is the right way to go.

Mr Whitecross also made some comments about the Audit Act 1989 being passed by this Assembly. Mr Whitecross should realise that that was a Commonwealth ordinance prior to self-government. Although that is not central to this debate, Mr Speaker, I think it is important to realise that that Act was automatically taken on board at self-government. Those opposite who were there in those days indicated in that First Assembly that they were going to rewrite the Audit Act to make it more appropriate for the ACT. That has never happened until now, of course. That is just a tiny history lesson but one that is very relevant.

Mr Speaker, a lot has been said in this debate about capital works. This Government totally supports Mr Moore's committee, which suggests that we desperately need to change the way we have approached capital works; but, Mr Speaker, the underspending in total capital works has not been unique to this Government. It was interesting to hear Ms Follett make the comment - shock, horror! - that the Government has underspent in total capital works. Just for interest, in 1992-93 the underspend in total capital works was \$13m. That same year the overrun in Health was \$12m. In 1992-93 we had an underspend in total capital works of \$13m and an overspend in Health of \$12m. That was quite a number of years ago now, Mr Speaker; but I suspect that that might even have included business rules - those wonderful things that allowed you to fudge the amount of money you were really spending on health. In 1992-93, though, Mr Speaker, the total capital underexpenditure - wait for this - was \$30m.

Mr De Domenico: Under Labor?

MRS CARNELL: Under Labor, in 1992-93.

Mr De Domenico: The hypocrites who came in here and said what they said.

MRS CARNELL: The same people who came in and said what they said. After significant use of business rules we still got a budget overrun in Health of some \$4.4m; but guess what, Mr Speaker? Did we see any new clients? Did we have any more patients for that sort of money? What did we have, Mr Speaker? We had 200 fewer beds and we had a waiting list that went up from, I think, about 1,789 to very close to 4,500, Mr Speaker.

In 1994-95 the approach taken with the health budget was to front-end load it; in other words, to put in an extra \$14.5m at the beginning of the year, not see any extra patients, and use business rules as well, and say, "Wow, we brought the budget in". They spent \$14.5m more, did not see any extra patients, used business rules and, lo and behold, supposedly did not have a blow-out. Mr Speaker, spending more money for no extra patients is not something that should be crowed about. I think it is very important that those listening to this debate - they probably are somewhat bored by now, after listening to those opposite whinge on - realise that these problems that we are facing now have been around in the Assembly for a long time. That means that they have to be solved, Mr Speaker. It does not mean that we are saying that it is all right because everybody else has underspent in their capital works and everybody else has overrun in their health budget; but those opposite had, I think, about five years in government to fix it. So far we have had 15 months and, Mr Speaker, we have put this as a priority.

I now want to address Mr Wood's comments about the underspending in capital works. Mr Wood said that this is somehow a con trick. That is absolutely ridiculous. In fact, up to \$2m has been set aside this year, Mr Speaker, for the early stages of design of those 35 projects that Mr De Domenico was talking about. We found \$2m in this budget to make sure that all that early design work is in place so that we will be able to go to tender in June. Going to tender in June is something that has never happened before on that number of projects, and the total value of those projects, Mr Speaker, is \$55m. I must admit that I am somewhat stunned at the view that bringing \$2m into this year's budget that was not planned for, to make sure that we can go to tender at the end of the financial year, in June, to make sure that we will be in a position to award tenders the moment the money becomes available in the new financial year, is somehow not fast-tracking, Mr Speaker. I think that is fast-tracking in the most definite and most appropriate manner, and it is certainly in line with the recommendations of Mr Moore's committee. It means that from now on we will have projects that have gone through early design phases, and if any of them cannot go ahead, for whatever reason, we will have another one to slot in. That is what Mr Moore's committee has suggested.

I do not have to defend Mr Moore. I think Mr Moore's comments on the capital works projects were quite right. A situation where \$14m-plus worth of projects slip in one year - as I said, it was \$30m in 1993-94 and \$13m in 1992-93 - is simply unacceptable. We have to have in place an approach that stops that happening. Mr Moore at least was honest enough to accept that the \$14.2m worth of projects that slipped this year did not come about because the Government had somehow cancelled them, as those opposite said. He at least admitted that slippage in capital works programs is something that happens to all governments, but what we have to do is have other projects to put in their place. (*Extension of time granted*)

Mr Speaker, the projects that were subject to slippage this year were projects such as the North Watson infrastructure, the Holder High refurbishment and the Acton Peninsula. We have been through the list lots of times. A lot of that slippage was due quite definitely to decisions of committees of this Assembly or things that were outside the control of the Government. Mr Moore has accepted that, but his view is that we should have slotted in new projects. I agree with that. Those opposite have somehow suggested in this debate

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and in others that this Government set out to achieve that slippage, that we set out, somehow, to have a problem with North Watson, or not to be able to go ahead with the Acton-Kingston swap, or all of the other things that caused slippage. That is simply rubbish, Mr Speaker, and they know that it is rubbish; but fact has never been an extremely important thing.

Mr Speaker, there is one other thing I need to speak about. There is no doubt that we are going to spend \$14.2m too much in Health this year. There could be a degree of latitude, but it will be very small. There was never any indication that the overspend in Health would be somewhere between \$1 and \$14.2m, as has been said here. I can guarantee that the overspend in Health will be in the vicinity of \$14.2m.

The comments I made in the Estimates Committee about where we could get that money from were quite right. We could get that money from a number of sources. There are still a number of sources we could get the money from; but, as the year is heading to an end, it became very obvious, Mr Speaker, that we could get the whole \$14.2m out of capital works. We made it very clear in the Estimates Committee that the underspend in capital works was in that vicinity. In fact, we made it clear on the record that the underspend in capital works was round about \$14.2m. We also ran through the underspends that existed in the Treasurer's Advance and in the area of redundancies. We made it quite clear that there was a lot of latitude in those three programs to pick up the \$14.2m. Now that there is no doubt that \$14.2m will be available just from capital works, I find it difficult to understand why it is so shocking that we should use one of those programs. We made it clear, Mr Speaker, even in the Estimates Committee, that we could have got the whole \$14m out of capital works. Then we spoke about other programs that also had some money that had not been allocated at that stage. Mr Speaker, I think we have been totally consistent all the way through this approach.

The bottom line here, Mr Speaker, is yes, we could have used a different approach. We did not have to go to an appropriation Bill. We could have done it the same way previous governments have moved money. We could have taken a bit from here and a bit from there, signed it off and said, "Well, that is all very nice". But I believe that when you have a problem of this significance in a budget, and it is a significant problem, it is important that this Assembly get an opportunity to debate it and to have maximum scrutiny of it. Nobody can doubt that an estimates committee is maximum scrutiny, and the debate in this Assembly, on the Bill, the committee report, and the Government response to the committee report, is about as much scrutiny as you could ever hope for.

MR WHITECROSS: Mr Speaker, I want to make a personal explanation under standing order 46.

MR SPEAKER: Proceed.

MR WHITECROSS: Mr Speaker, in Mrs Carnell's closing remarks she said that I had misrepresented the situation when I said that it was the Government's position that section 49 of the Audit Act could be used to transfer money where there had been a change in priorities and suggested that that was rather the policy of the Labor Party. I want to put on the record that the Government response to the Select Committee on Additional Estimates says:

The Government believes that ... this section -
that is section 49 -

relates to budget neutral transfers to reflect decisions to change priorities.

That is exactly what I said, and Mrs Carnell was incorrect to say that I was wrong.

MR BERRY: I seek leave to explain certain words under standing order 47.

MR SPEAKER: Yes.

MR BERRY: Thank you, Mr Speaker. Mrs Carnell has either misquoted or misunderstood something I said in the course of the debate, and I would like to clarify the issue. In relation to the cancellation of the capital works, it is very clear that the capital works intended in the capital works budget have been cancelled this year. Unless Mrs Carnell is prepared to give an unequivocal indication that she will be adding a further \$14.2m to next year's capital works, then - - -

Mrs Carnell: Mr Speaker, this is out of order under standing order 47.

MR SPEAKER: I am watching this very carefully. Do not debate it.

MR BERRY: Then, Mr Speaker, Mrs Carnell cannot make the claims that she did.

Mrs Carnell: He cannot debate the issue, Mr Speaker.

MR SPEAKER: He did not. I was watching that very carefully.

Question resolved in the affirmative.

Sitting suspended from 12.24 to 2.30 pm

QUESTIONS WITHOUT NOTICE

Question Time

MR WHITECROSS: Mr Speaker, my question is to you. I preface the question by saying how pleased I am to see that you are still here. Mr Speaker, the Liberals' 1995 election promises under the heading "City Government" included the commitment:

Question Time is a forum where Ministers should be held accountable and provide real information to the Assembly and residents.

Will you exercise your authority under standing order 118(a) to ensure that Ministers do provide real information to the Assembly, or do you believe that the responsibility for the failure to keep the Liberals' election promise to provide real information lies with Mrs Carnell and her contempt for the Assembly?

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MR SPEAKER: Mr Whitecross, as Speaker, I am required to uphold the standing orders. I will do that to the very best of my ability. My attention has been drawn to standing order 115, which states:

Questions may be put to the Speaker relating to any matter of administration for which the Speaker is responsible.

I will uphold standing orders.

Hospital Bed Numbers

MR BERRY: It shows you what the crossbenches think of question time.

MR SPEAKER: Now, now, Mr Berry!

MR BERRY: My question is directed to the Chief Minister as Minister for Health. Is it true that the accident and emergency section at Woden Valley Hospital was on bypass for emergency patients this morning as a result of a clogged accident and emergency department due to a lack of beds in the hospital and that there were only two beds available at Calvary Hospital?

MRS CARNELL: I will take that question on notice and report back as soon as I can get the information.

Contaminated Sites - Watson

MR KAINE: Mr Speaker, I put a question to Mr Humphries, the Minister for the Environment, Land and Planning. Minister, I am sure you are aware of the concerns of some residents of Watson about their input to the expert group that you formed to advise the Government on contamination in some areas of the suburb of Watson. Can you inform the Assembly of what has been done to address those concerns?

MR HUMPHRIES: Mr Speaker, I thank Mr Kaine for the question. I know that there are some contaminated sites within his electorate, and members generally across the house are concerned about this issue. I also acknowledge that Ms Horodny, who has now arrived for question time - welcome, Ms Horodny - was also concerned about the question of contaminated sites, at Watson particularly, and about the existence of the expert group that we have established to look at the question of whether contamination occurring at that site was naturally occurring or man made and, if it was naturally occurring, whether it posed the same health risk, or any health risk for that matter, to residents on that site.

As a result of those concerns, I have taken the point raised with me by Ms Horodny that there needs to be some representation by residents on that process, so that they can be assured, since there is some sensitivity about the subject, that the people who are formulating a scientific view about these matters - that is, the extent of contamination and the cause of the contamination - are not merely doing the Government's bidding but in fact have a real commitment to finding the truth about the matter. As a result, I have acceded to a request from her to add to the group Mr Ravi Nadu, a CSIRO soil scientist from Adelaide who is regarded by the Watson residents association as an expert in the area and was nominated by them as an expert representative, and also Mr Phil O'Brien, who is, I understand, a resident of Watson and possibly one of the affected residents and who was also thought to be a person who would have a contribution to make in assessing the work of that group.

I have not loaded the committee with community representatives as such, because I do not believe that the committee's role is to determine what policies should be pursued in respect of those sites; but I do believe that we need to make sure that the expert assessment of the scientific questions in relation to that site is done entirely above board. If the addition of those two people assists in that process, then I am more than happy to do that.

Hospital Bed Numbers

MS REILLY: Mr Speaker, my question is to the Chief Minister as Minister for Health. Is it true that in the last 24 hours the Wagga Base Hospital has been contacted and canvassed as an option for the overflow of general beds?

MRS CARNELL: Mr Speaker, I am unaware that anything out of the ordinary is currently happening at Woden Valley Hospital. Certainly, the hospital is very busy at this stage, and it is quite normal when the hospital reaches a certain level of occupancy to ensure that if it gets busier or there is an accident we know exactly what we are going to do to send patients elsewhere. I think it is very important - - -

Mr Berry: To Wagga.

MRS CARNELL: Wagga is one of the hospitals that are usually canvassed when we reach a high level of occupancy in our hospital system. Mr Speaker, I think it is very important to understand that the number of beds in our hospital system has not been reduced in any way. In fact, the number of beds in our hospital system has actually increased marginally since we came to office 15 months ago.

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Health Care

MR HIRD: Mr Speaker, my question is to the Chief Minister and Minister for Health. Mrs Carnell, I note from recent media reports that the new Commonwealth Government has given the go-ahead to a trial of a new style of health care called coordinated care. Can you explain what coordinated care means for the residents of the ACT?

MRS CARNELL: I am very pleased to get that question from Mr Hird and I am very interested - - -

Mr Berry: You were not too pleased about the earlier two, though.

MRS CARNELL: I am very happy with the other two as well. It is very disappointing that those opposite have chosen to laugh at this question, even though this morning Ms Reilly and, I think, Ms Tucker made some comments about how important it was in our health system to start focusing on preventative health care to keep people out of our critical system and how that was going to be the only way that in the longer term we could really bring health budgets under control. It is interesting that this afternoon they snigger, they laugh and they think it is simply unimportant.

This area of coordinated care is probably the single most important change in our health system that we are likely to see in the foreseeable future. The okay from the Federal Government to go ahead with our coordinated care trial will mean for the first time that we will be able to provide the appropriate care based upon the needs of particular patients, particularly patients with complex problems, people with multiple conditions or people who have such conditions as insulin-dependent diabetes. In the past we have always funded services, not the patients themselves. It has been up to the patient to access what service suits them, assuming that a service exists. I notice that again Ms McRae sighs.

Ms McRae: Why do you not just make a ministerial statement? Boring!

MR SPEAKER: Order! Ms McRae, you will have a chance to ask a question in a moment. For the time being, the Chief Minister is answering someone else.

MRS CARNELL: She obviously does not believe in coordinated care and what is a significant change in the way we fund people, particularly those with the most complex needs. Coordinated care is a very practical way of ensuring that people with complex needs get better care in the most cost-effective way; but, more importantly, it is a way of ensuring that these people do not end up getting sick and having to access our critical care system.

Instead of a patient having to deal with a whole range of different service providers, the coordinated care approach brings together funding services from the Commonwealth, from the non-government sectors and from the ACT sector at one point that focuses on the patient. If a patient, shall we say, is an insulin-dependent diabetic and needs podiatrist care, foot care, then that will be provided. If the patient needs a GP, that will be provided. If they need a specialist, that will be provided. If they need respite care or if

they just happen to need a service that may not currently be provided at all in our health system, such as a masseuse, that will also be provided via a coordinated care approach. In other words, the approach is about keeping patients well rather than treating them when they are sick. Again we hear sighs from those opposite suggesting that this is somehow boring, to quote Ms McRae.

Ms McRae: Boring - absolutely!

MRS CARNELL: I find it certainly not boring but the most exciting change in the way we fund health care that I have seen in my time of being involved. Taking into account that those opposite, certainly the Green members of this Assembly, are very interested in changing the focus of health funding away from critical care to a coordinated care approach, to an approach that focuses on the patient, that focuses on keeping people well rather than treating them when they are sick, this approach will go ahead and our coordinated care trial will start in January 1997. It is being put together as a joint effort from - - -

Mr Berry: Mr Speaker, I raise a point of order. On the face of it, it sounds as though the member has asked the Executive to announce Executive policy and Mrs Carnell is responding to the request of the member. The member is not allowed to ask the Executive to announce Executive policy.

MR SPEAKER: I am well aware of that. However, this has been announced earlier.

MRS CARNELL: It has been announced, and very recently the Commonwealth Government made a statement indicating that the coordinated care trials will go ahead. I believe that the Assembly would be very interested to know that our coordinated care trial will go ahead on 1 January 1997. It will be based on a coordinated approach between our College of General Practitioners, the ACT Government and some ANU representatives.

Hospital Bed Numbers

MS McRAE: My question is to the Chief Minister in her capacity as Minister for Health. Is it true that this morning at least - - -

Mr De Domenico: Boring!

MS McRAE: I do not make ministerial statements during question time, so I will go ahead and ask my question. Is it true that this morning at least two patients were on operating tables for major surgery and no intensive care unit beds were available at the time?

MRS CARNELL: As I took the earlier question on notice, I will take that one on notice as well.

Woden Plaza

MS HORODNY: My question is directed to the Minister for the Environment, Land and Planning and relates to the proposed redevelopment and expansion of the Woden Plaza shopping centre. Public comment on the preliminary assessment for the proposal has recently closed, and I assume that the Planning Authority and you are now considering what further processes need to be undertaken in assessing this development. I note that it is proposed to extend the shopping centre to the edge of Corinna Street by building over the existing car parks to the south and west of the existing complex. To the west will be built two new supermarkets and other smaller shops, with a level of car parking in the basement and on the roof, and to the south will be built a new discount department store, also with one level of car parking on its roof. Minister, could you please advise whether a variation to the Territory Plan is going to be prepared to allow this? In the Territory Plan, as it currently stands, those car parks that are going to be built over are zoned only as car parks, but in the proposed new buildings the car parking areas are clearly secondary to the main purpose of the buildings, which is to house a massive increase in the shopping area of Woden Plaza.

MR HUMPHRIES: Mr Speaker, as it happens, I have the results of the preliminary assessment of the Woden Plaza redevelopment here. They arrived in my office today. I have not yet had a chance to have a look at them. I will do so later today. Some of the issues you have raised will become clearer as a result of that. On the question of whether a variation to the Territory Plan will be necessary, I will take your word that there is a purpose clause covering the car parks which does not permit the development of retail space, for example, on those areas; but I must say that it was my impression that the proposal to develop Woden Plaza could proceed without there being a variation to the Territory Plan. However, I do not want to be dogmatic. Therefore, I will take that part of the question on notice and I will find out.

It seemed that Ms Horodny was suggesting in the question that the Government needs to be very cautious before it proceeds to make a decision to allow the expansions. The short response to that is yes. That is very true. We do need to be very cautious. The Government will be balancing two important competing considerations. One is the need to ensure that the effect of such an expansion on local shops is not such as to significantly damage the viability of those shops across the catchment area concerned. The second consideration is to make sure that development in this city which is appropriate and which can generate real jobs is given the go-ahead. They are the two forces that the Government will be looking at and reconciling, if possible, in the case of this particular application.

MS HORODNY: I ask a supplementary question. It is also the case that apart from the inherently biased public consultation process - - -

MR SPEAKER: Order! No preamble, Ms Horodny.

MS HORODNY: The public will have no opportunity to formally comment on, or object to, the details of this proposed development. Can you clarify this issue for me?

MR HUMPHRIES: I will clarify, if that is possible, the misapprehension in your mind about the process of considering these things. A preliminary assessment is, by its nature, a process involving public consultation. I do not believe that you could level a charge that there is not an opportunity for the community to be involved in commenting on the specific concepts. If Ms Horodny believes that it is not sufficiently consultative in its nature, then it is her duty to bring to this place an amendment to the planning Act to effect a change to that arrangement.

The fact is that the planning legislation was worked out in this place over a long period of time and with much blood, toil, tears and sweat. Whether we are satisfied with it having reached the right conclusions in terms of the processes that these sorts of applications need to go through or not is a matter that every member will have their own view about, but I as Minister am compelled to comply with the planning legislation as it stands. If the mechanisms are not there for appropriate consultation, it lies in Ms Horodny's hands to remedy that problem. I believe that there is appropriate consultation. I believe that there have been a large number of comments on this preliminary assessment, and there will be ample opportunity for people to express a point of view on a decision as large as this as it affects people in the surrounding areas of Canberra.

Police Force - Special Projects Unit

MR OSBORNE: I must apologise for being late to question time today, but I was coming back into work along Drakeford Drive, and you would not believe it but they are marking the roads today.

MR SPEAKER: Ask your question, Mr Osborne.

MR OSBORNE: It is amazing the things you have to do, Mr Speaker. My question is to the Minister for Police, Mr Humphries. Minister, I would like to bring to your attention - I am sure that you are aware of it - the outstanding work of the city police special projects unit. I read in the *Canberra Times* earlier in the month that over 650 offenders had been arrested in the previous eight weeks for a variety of offences, of which I believe the majority were drug related. When you consider that the unit is only six strong, their efforts can only be described as outstanding. I ask the Minister whether he has any plans to introduce a system of awards or medals or commendations which would properly express the appreciation of the Canberra community not only for its police but for all emergency service personnel.

MR HUMPHRIES: Mr Speaker, I am aware of the work of the special projects unit. Members may be aware that this is one of those units that have been established pursuant to the new flexible staffing arrangement the Government has introduced which allows teams to come forward from a variety of backgrounds and disciplines within the police structure to deal with a particular problem for as long as that problem is perceived to be there and then to move on and to do other things, depending on the profile of the work that the Federal Police need to attend to within the ACT context.

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This group, as Mr Osborne indicated, consists of six police - male and female officers - who have been assigned to a tactical reactive/proactive policing role. What they have done, Mr Speaker, is, I think, different to what has generally been the case in the past with policing. When someone has called them to a place, say in Civic, to respond to a particular problem, they have tried to deal with that problem and have then left the site of that particular problem. They have identified that very often the particular people who have given rise to the problem have moved on by the time the police arrive to attend to a particular issue. They have now started to follow through the issue by developing a tactic which looks at where those problems have moved on to, and I think it has been very successful. It has allowed them, in fact, to trace some particular problems with connections all the way from Civic to places like the north of Belconnen and elsewhere where significant issues have been dealt with.

In the last eight weeks 63 offenders have been dealt with on drug matters - that is 93 offences all up - using a mixture of arrests, summonses and SCONs, simple cannabis offences notices. There have been 31 street offences recorded. Over 550 traffic and negligent driving matters have also been recorded, of which about 10 per cent were drink-driving related. The team has processed about 652 offenders in that period of time - a very significant workload for a team of just six police officers. As I said, they were also connected with activities tracing drug trafficking. This particular team has been responsible for seizing drugs with a street value of over \$1m in that period of time.

Mr Berry: How many SCONs?

MR HUMPHRIES: They are not the sort you have with jam and cream, but they are very important devices. I am very pleased with the work that this special projects unit has been doing. I am also told that it has been within only the last week that two alleged heroin dealers have been arrested. One is allegedly a 17-year-old selling to other minors. Being able to apprehend people of that kind is very important in dealing with the network of drug trafficking in the Territory.

In terms of giving such officers awards or commendations, I had a letter the other day suggesting that police should be allowed to keep a proportion of the proceeds of crime that they happen to be responsible for clearing up.

Mr Osborne: They do anyway, do they not?

Mrs Carnell: I think they did that in New South Wales.

Mr De Domenico: You mean that they do not?

MR HUMPHRIES: No, Mr De Domenico, they do not at present. I think Mr Osborne would have some other form of reward or award in mind. There are police medals awarded, but they generally come after very long years of service. The concept is commendable, and I am happy to take it up with the Police Commissioner to see whether such an idea might be workable.

Hospital Bed Numbers

MR WOOD: Mr Speaker, my question is directed to the Minister for Health, who should spend less time organising dorothy dixers - - -

MR SPEAKER: Order! How about asking your question, and then she can see whether she can answer it?

MR WOOD: She should spend more time on important issues. Chief Minister, is it true that this morning coronary care patients were waiting in the accident and emergency department because the beds in the coronary care unit were all full?

MRS CARNELL: I will take the detail of the question on notice, Mr Speaker, but I think it is really important to alert this Assembly to a certain level of hypocrisy that exists.

Mr Berry: Mr Speaker, I raise a point of order. The Minister either takes it on notice or she does not take it on notice.

MRS CARNELL: Okay. I am very happy not to take it on notice.

Mr Berry: Give us an answer. We will pursue you on an answer.

MR SPEAKER: Order! The Minister has been asked a question and she is answering it.

Mr Wood: She took it on notice.

MRS CARNELL: Mr Speaker, I said that I will provide details later, but I will go on and answer the question. This morning those opposite said, "Shock, horror! You have treated too many patients". They said, "Shame on you" because I had allowed the system to treat more patients, I did not close hospital beds and we spent too much money. They said, "Shock, horror! Is it not dreadful? The nasty Government did not close hospital beds as the previous Government did".

Ms McRae: I did not say that.

MRS CARNELL: That is exactly what you said. That is exactly what those opposite were saying - that, when it appeared that our hospital was going to treat more patients than we had anticipated or planned, I, very nasty me, did not close hospital beds and stop that happening. In fact, Mr Speaker, there are currently 591 beds at Woden Valley. When we took over, there were 584, I seem to remember. It means, quite definitely, that we have opened more public hospital beds. Yes, hospitals do get full from time to time. There is no doubt about that.

I am very happy to provide information on the status of the hospital at the moment. This year we have treated an extra 1,000 patients. As I said, we have made some increase in the number of hospital beds. We have decreased waiting lists by nearly 350. I do not think that is too bad an exercise at all. One of the most important things that came out of the Booz Allen inquiry was a suggestion that one of the best ways we could

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handle the sorts of problems that may exist today at Woden was to have better bed management. That means a better discharge policy and all of these sorts of things that we are currently putting in place. The Government is not sitting on its hands. It is not closing beds as Mr Berry did - some 200 beds, I seem to remember. It is not allowing waiting lists to more than double. We are addressing the very real problems that exist in our health system.

Nursing Costs

MS FOLLETT: I have a question for Mrs Carnell in her capacity as Minister for Health. Minister, you have constantly complained that the cost of nursing in the ACT is some 30 per cent above the national benchmark. Reports that I have heard today point to an agreement in the long-running dispute with the Australian Nursing Federation. If that is so, if there is an agreement, where will the ACT then stand against the same benchmark in the light of this new agreement with the ANF?

MRS CARNELL: Thank you very much. I could not have written a better dorothy dixer myself. Mind you, Mr Wood, I actually do not write the dorothy dixers. We do lots of things; that is not one of them. Mr Speaker, the question from Ms Follett is a very important one. Yes, we have reached agreement with the ANF on a number of issues, and with the HSUA as well. There are two issues here. One of the them is the triple-eight nursing roster issue, which was separate from EBA issues, and we have also reached agreement with regard to the enterprise bargaining agreement.

First, I will correct Ms Follett on one comment. The 30 per cent per patient above national averages relates to the cost of treating a patient in our health system. In other words, it costs 30 per cent more to treat the same patient at the same level with the same quality in the ACT system than it would in a similar hospital elsewhere. We certainly have not indicated that it costs 30 per cent more for nursing care alone, although nursing care in the ACT has been and is one of the major expenditure items.

The triple-eight nursing roster issue has been an ongoing problem. In fact, I think Mr Berry had a level of industrial disputes on the same issue. I think on two occasions the previous Government ended up toe to toe with the ANF on the issue. We now have an agreement on the triple-eight nursing rosters. If we are willing to leave the current roster system in place, the ANF are willing to make significant changes to the way our nursing rosters operate and also significant changes to the patient-to-nurse ratio within our system. Currently, in some circumstances we have more nurses per patient than would be the benchmark elsewhere in Australia.

We also have an agreement with the nurses to use our rosters much more efficiently. Mr Speaker, some of those here might be interested to know that we actually close our operating theatres at lunchtime. That means that everything comes to a halt for a couple of hours every day. The cost of that, both from a patient perspective - it is interesting that again Ms McRae seems to think that that is particularly funny - - -

Ms McRae: Have you got a problem with me today, Mrs Carnell? Come on! I am in a good mood, for a change. Be nice to me.

MRS CARNELL: I am just interested that you are sitting there and cackling.

MR SPEAKER: Order! The Chief Minister is answering Ms Follett's question.

MRS CARNELL: Fully.

MR SPEAKER: Fully - thank you - and I believe that we should all be listening.

MRS CARNELL: Mr Speaker, as I made the point, better usage of our rostering can mean that, instead of having to close down our theatres for two hours each lunchtime, we will be able to continue operating. That costs us a lot, both in patient care terms and financially, because if one operation finishes at, say, 11 o'clock and the next operation is likely to take longer than an hour that operation simply does not go ahead under the current system. The patient is shoved off back to the ward to be rescheduled. That obviously is not good for the patient and definitely is not good from a financial perspective. With a much better approach and much better usage of the overlap of the 10 by 8 by 8 roster from a staff training perspective and utilising our theatre time much more efficiently, we believe and the nurses believe that we can both improve the cost-effectiveness of treating patients and improve the professionalism of the nurses involved by improving training, the costs of training and certainly the whole focus of our hospital on patient care.

MS FOLLETT: I have a supplementary question, Mr Speaker. I think Mrs Carnell missed the thrust of my question, so I will rephrase it slightly. What impact will the changed agreement have on the situation that you have often complained about, of the ACT's costs being 30 per cent above the national benchmark, and/or what will be the savings arising from the new agreement?

MRS CARNELL: Mr Speaker, I am surprised that Ms Follett would perceive that an enterprise bargaining agreement was about saving money. It certainly was not, from our point of view. In fact, the increased efficiencies that are part of the enterprise bargaining agreement with regard to the ANF are being shared and are predominantly going back to the nurses involved, as they should. I am not sure which agreement Ms Follett is referring to. I assume that it is the agreement on the triple-eight rosters. As I have already explained, there are a number of parts to that agreement which will provide quite substantial financial improvements to the hospital system while looking after the professionalism and the quality of life of the nurses. I think we should be really quite proud of this agreement.

Mr Berry: Carnell backs down again.

MRS CARNELL: Mr Berry says - - -

MR SPEAKER: Order! No, Mr Berry did not say anything. Mr Berry interjected, and we will not be answering interjections.

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MRS CARNELL: Certainly, Mr Speaker. I think any negotiated settlement is about both sides being willing to give. In this case I congratulate the ANF for being willing to compromise, as did the Government. We have come up with an agreement that I think is in the best interests of the health system and in the best interests of patients.

Section 52, Civic

MR MOORE: Mr Speaker, my question is to Mr Humphries as Minister for the Environment, Land and Planning. Because it refers to a specific location, I gave Mr Humphries a couple of hours' notice of the question. Would the Minister please advise what plans are now proposed for section 52 in Civic? That is the car park near the Boulevard and opposite the Parkroyal, for those people who do not know. Has the lessee sought any planning or leasing variations for the site?

MR HUMPHRIES: Mr Speaker, I thank Mr Moore for the question and for the notice. Expressions of interest for the development of section 52, block 3, for residential serviced apartments, hotel and mixed uses opened in January last year and closed on 7 April last year. Members may be aware that the Hindmarsh Group were the proponents of the successful expression of interest, and they offered the reserve price of \$6.5m. The scale of the development, being in excess of 7,000 square metres of gross floor area on a block size of 3,855 square metres, does of course require a preliminary assessment. That assessment, I think, is under way at the moment. It is being prepared by the Hindmarsh Group, as the proponents of the development, and it is expected to be released within the next month or so for public notification.

A site of that size is significant and will require some community input into the proposal for the development. I should make it clear to members that the Territory Plan foreshadows a range of uses for that site. The uses presently comprise residential and/or hotel, with a minimum of 200 hotel rooms or equivalent. The other acceptable uses include shops not exceeding 1,850 square metres GFA, eating and drinking establishments not exceeding 2,900 square metres, personal service establishments, offices not exceeding 4,600 square metres, and indoor recreation and/or entertainment facilities. A large range of commercial uses are possible for that site. The exact combination of those uses is something which the successful bidder for that site will ultimately have to determine. I believe that the PA will require 42 days from the date of public notification of the assessment. The preliminary assessment may give rise to a further process, a public environment report, but that really is a question we should answer when we have seen the preliminary assessment.

Public Service - Performance Indicators

MS TUCKER: My question is to Mrs Carnell in her capacity as Treasurer. I am just going through the ACT Public Service guide to performance measurement for outputs. There are a lot of interesting statements in it about performance target principles. I was reading about performance target characteristics - - -

MR SPEAKER: Ask your question, Ms Tucker.

MS TUCKER: It is relevant that I make this point. It says that they are measurable; that they are a balance between realistic and challenging. You say in this document that you are going to have an outputs committee and a performance measures committee. Who exactly is going to be on these committees?

MRS CARNELL: I am sorry that I cannot give you all the names of the people who are on the committees. We currently have an outputs committee and a performance indicators committee comprising people from my office and from various departments, particularly from OFM, which has been doing an enormous amount of work putting together the various outputs and performance indicators that I am sure this Assembly will be very pleased to get. Every estimates committee, certainly since I have been here, has complained about performance indicators, saying that they are not measurable on the whole or mean very little. I think you will find that when the final documentation is available the outputs committee and the performance indicators committee, by pulling together the input from various departments and from my office as well, will come up with a set of performance indicators and outputs that this Assembly will then have an opportunity to make comments on.

MS TUCKER: I ask a supplementary question. You could not tell me exactly who was on it, but I think you were implying that they were basically from the Chief Minister's Department. Maybe you could tell me the departments that are represented on those committees.

MRS CARNELL: If it is of interest, I am very happy to get Ms Tucker the actual names of the people who are on the committees. Certainly, there is a representative from my office and representatives from the various departments, as you would expect to be the case. This is one of those issues that have been a long time in coming. We will actually have outputs and performance indicators that are both achievable and measurable and that really give goals for our departments and, for that matter, this Assembly to reach.

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

Cotter Catchment

MR DE DOMENICO: Mr Speaker, on 16 May I took on notice a question from Ms Horodny. Ms Horodny's question related to what financial or other contribution ACTEW makes to the cost of managing Namadgi National Park. I am advised that ACTEW does not contribute directly to the cost of managing Namadgi National Park although, quite obviously, the corporation does pay a substantial dividend to the ACT Government which contributes to the management of the Territory as a whole. It is in the interests of ACTEW and the community to ensure effective environmental management of our catchment areas and nature reserves, and in this context ACTEW has sponsored or contributed to several small projects in these areas. The ACT Government, like other governments around Australia, is also considering the issues of user pays and polluter pays in developing its integrated environment protection legislation. Consideration of these issues will allow us to look at how ACTEW Corporation and other users and beneficiaries of the catchment area might contribute to the cost of managing our environment. I thank Ms Horodny for her question.

Roadworks - Drakeford Drive

MR DE DOMENICO: During question time on 16 May Mr Osborne asked me a question concerning roadworks on Drakeford Drive - the northbound lane between O'Halloran Circuit and Sulwood Drive. In answering I undertook to report back on when the re-marking would take place. I am advised by the Department of Urban Services that the re-marking of the resealed road commenced on the 18th, on Saturday, as scheduled, and will be finished on the 22nd, which is tomorrow. Mr Osborne's original question related to why it had taken over 12 months to reseal a section of Drakeford Drive. It was not 12 months. It was actually eight months. The section of the road had to be resealed by the original contractor - at their cost - due to the problems with the original surface. The work could be done only during the warmer months and rescheduled within the roads program.

Woden Plaza

MR HUMPHRIES: Mr Speaker, during question time today I took on notice part of a question from Ms Horodny about whether the proposed extension to Woden Plaza over the car parks required a variation to the Territory Plan. As I suggested at the time, in fact the extension does not require a variation to the Territory Plan. The car parks are leased and, of course, their purpose at the moment consists of or includes car parking. There will probably have to be a variation to the purpose of the lease. Of course, it does not require a variation to the Territory Plan to achieve that.

Contaminated Sites - Watson

MR HUMPHRIES: I table the list of members of the special advisory group on the Watson contaminated sites which I had meant to table when I was giving my answer to a question on that matter.

Public Service - Performance Indicators

MRS CARNELL: Mr Speaker, in response to a question I took on notice during question time, I inform Ms Tucker that the members of the outputs committee are Ian Wearing, the chair, who is from my office; John Parkinson, the Auditor-General; Phil Sadler, from OPAM; Neil Morgan, from OFM; and Steve Anderson, who is with the financial management reform unit.

ADMINISTRATION AND PROCEDURE - STANDING COMMITTEE

Report on Legislative Assembly (Broadcasting of Proceedings) Bill 1995 - Government Response

MRS CARNELL (Chief Minister) (3.11): Mr Speaker, for the information of members, I present the Government's response to the Standing Committee on Administration and Procedure report on the Legislative Assembly (Broadcasting of Proceedings) Bill 1995, which was presented to the Assembly on 20 February 1996. I move:

That the Assembly takes note of the paper.

Mr Speaker, the Government response to the committee's report states that the Government will support the passage of this Bill, as amended by the committee, while more comprehensive privilege legislation is being investigated. The Government views the broadcasting of Assembly proceedings to Public Service offices as a priority. As the committee's report indicates, this will provide more efficient and flexible arrangements for public servants. The current practice is for public servants to come to the chamber for debate on a particular issue. Often debate is delayed by an unforeseen motion or extended debate on another issue. Alternatively, public servants may miss a great deal of debate while trying to get to the Assembly building when debate on an item is brought on early. Mr Speaker, the Government would want to have all broadcasting direct to the offices of the ACT Public Service covered by absolute privilege without qualification. Against this background, the Government is prepared to support the Bill with the amendments proposed by the committee.

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

SUBORDINATE LEGISLATION
Papers

MR HUMPHRIES (Attorney-General): Mr Speaker, pursuant to section 6 of the Subordinate Laws Act 1989, I present subordinate legislation in accordance with the schedule of gazettal notices for a determination and instruments of appointment. I also present a notice of commencement.

The schedule read as follows:

Agents Act - Determination of fees - No. 70 of 1996 (S92, dated 17 May 1996).

Health Promotion Act 1995 - Instruments of appointment to the ACT Health Promotion Board -

No. 60 of 1996 (S89, dated 15 May 1996).

No. 61 of 1996 (S89, dated 15 May 1996).

No. 62 of 1996 (S89, dated 15 May 1996).

No. 63 of 1996 (S89, dated 15 May 1996).

No. 64 of 1996 (S89, dated 15 May 1996).

No. 65 of 1996 (S89, dated 15 May 1996).

No. 66 of 1996 (S89, dated 15 May 1996).

No. 67 of 1996 (S89, dated 15 May 1996).

Radiation Act - Instruments of appointment to the Radiation Council -

No. 68 of 1996 (S91, dated 17 May 1996).

No. 69 of 1996 (S91, dated 17 May 1996).

Weapons Act -

Determination of fees - No. 59 of 1996 (S88, dated 14 May 1996).

Weapons (Amendment) Act -

Notice of commencement (14 May 1996) of sections 3 to 37 (S86, dated 14 May 1996).

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

MS FOLLETT: Mr Speaker, I present Report No. 6 of 1996 of the Standing Committee on Scrutiny of Bills and Subordinate Legislation, and I ask for leave to make a brief statement on the report.

Leave granted.

MS FOLLETT: Mr Speaker, Report No. 6 of 1996 contains the committee's comments on three Bills and 25 pieces of subordinate legislation. For the information of members, the most outstanding item on which the committee has commented relates to some appointments under the Statutory Appointments Act. In particular, at least one appointment has some question as to its validity. I would urge Ministers to pay prompt attention to the comments made by the committee. I commend the report to the Assembly.

APPROPRIATION BILL (NO. 2) 1995-96

Debate resumed from 16 April 1996, on motion by **Mrs Carnell:**

That this Bill be agreed to in principle.

MR WHITECROSS (Leader of the Opposition) (3.15): Mr Speaker, there is no doubt that the debate on the Carnell Government's second appropriation will be spirited and intense. It will be spirited because there is a plethora of important issues to be discussed, because there are many unresolved issues of concern to members of this place and the Canberra community, and because mystery and subterfuge still surround the motivation behind this Bill. This debate will be intense because I am sure that those opposite will be feeling the heat for the unnecessary process they instigated, a process whereby they are asking for a further appropriation. This Bill seeks to provide \$14.2m out of the Consolidated Revenue Fund, which does alter the bottom line of the budget. This is something members of this place must consider prudently.

Before I canvass some of the very important events that precipitated the Government's drive for a further appropriation, I think it is necessary for me to outline why I called on the Chief Minister and Treasurer, Mrs Carnell, to withdraw this Bill following the Estimates Committee's report. The second Appropriation Bill is unnecessary. The Bill is unnecessary because Mrs Carnell herself says that she does not need it. She does not need the further funds to supplement her budget, which this Bill provides for. Mrs Carnell is asking the Assembly to take her on trust, to believe her when she says that she will not spend it. But can we? Mrs Carnell has already changed her story several times on this matter, and she is the master of doublespeak. This Appropriation Bill is unnecessary because section 49 of the Audit Act invests the Government with the ability to transfer between appropriations to accommodate variances in budget priorities or, in this case, a disappointing budget blow-out. It is disappointing since, once again, Mrs Carnell has let the people of Canberra down. Mrs Carnell has a penchant for talking big, for being overly and misleadingly optimistic, and not being able to deliver.

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I asked for the withdrawal of this Bill because section 49 of the Audit Act is an effective, transparent and appropriate mechanism for altering a program's appropriation. Indeed, the Estimates Committee concluded that the use of the Audit Act is lawful. The appropriation is unnecessary because subsection 47(2) of the Audit Act enables government expenditure in excess of an appropriation to be charged to the Treasurer's Advance. Subsection 47(3) allows for the Treasurer's Advance to be increased by not more than 5 per cent. I am not advocating that the whole of the \$14.2m should be extracted from the Treasurer's Advance, but the combination of this and section 49, and savings in the redundancy pool, means that the Government can easily scabble together the \$14.2m Mrs Carnell says she needs.

At this point, it is interesting to note Mrs Carnell's comments about why she instigated this process of a second appropriation. Mrs Carnell said that it was undesirable to use the Audit Act, that it was clumsy, inefficient and not good management. Despite these claims, and Appropriation Bill (No. 2), this is effectively what she plans to do - to transfer money from one place to another. Mrs Carnell also has cancelled \$14.2m worth of capital works and now plans to spend that money on Health. This Appropriation Bill is unnecessary, Mr Speaker. It is merely a political stunt.

The Labor Party is rejecting this Bill. It is rejecting the Bill because it is unnecessary and because the implications of its successful passage are just too great. Members of this Assembly are accountable. We are all accountable to the people of the ACT. My Labor colleagues and I understand and value the notion of accountability, and it is simply not prudent for members of this place to sanction a further appropriation when we do not know whether, when, where or how the extra money will be spent. We do not know whether it will be spent on Health. We do not know whether some or all of it will be spent according to evidence given to the Estimates Committee. Mrs Carnell has changed her story so many times; she is the master of doublespeak. This Appropriation Bill (No. 2) is effectively an emergency fund for the Carnell Government. I am sure that they are gleefully rubbing their hands together at coming so close to getting a second Treasurer's Advance which can later be drawn on. It opens the way for additional spending.

I am calling on the Assembly to reject this Bill because it makes a mockery of statements by Mrs Carnell about being open and transparent with ACT finances. Mrs Carnell is asking us to give her a further \$14.2m. She says that she does not need it because she can transfer the money from other appropriations. Let me indulge in some speculation - speculation which may just turn out to be reality. Mrs Carnell takes the money for Health. In this scenario, what I am saying to every member is that the Assembly can say that by passing this Bill we are giving Mrs Carnell an extra \$14.2m for Health. She has frozen \$14.2m for capital works, but who is to say that that money will not subsequently be called on?

Mrs Carnell started off this process last month, with a speech in which she gave no details at all on where this Health blow-out would be funded from, where the money was coming from. In the Estimates Committee, she told us that there were three areas the money could come from to offset this new appropriation: The Treasurer's Advance,

the central redundancy pool, and capital works. In her Government response to the Estimates Committee report a matter of a week or so later, Mrs Carnell announced that she had frozen \$14.2m worth of capital works and that that was where the money was coming from. This begs the question as to what the Treasurer's Advance is going to be used for, if it is not going to be used to plug the health budget. The Treasurer's Advance is to make budget adjustments to cover unforeseen problems with the original appropriation. Moreover, it begs the question why the Government did not use the central redundancy pool, which we were told in the Estimates Committee was \$7m.

During the Estimates Committee hearing, Mrs Carnell noted that on revenue collection they would be right, and now it is possible that Mrs Carnell has not used the Treasurer's Advance and has not used funds from the central redundancy pool because she will need them to supplement other budget items, because there are undisclosed blow-outs in other areas which we are going to learn about, maybe next week, maybe the week after, once this Bill is passed. Mrs Carnell has not been, and is still not being, open and transparent with members of the Assembly and with the Canberra community. Mrs Carnell has changed her story several times; she is the master of doublespeak. Mrs Carnell has said that this Appropriation Bill reinforces the Government's view that additional funding is not treated lightly. Budget adjustments have never been treated lightly, and I am at a loss to see why this process is an appropriate way to pursue and achieve administrative efficiencies. If and when Mrs Carnell and her Government really need a further appropriation, they can come back to the Assembly. The Assembly will then, hopefully, be in a position to assess such a Bill on its merits, with all the information to make an accountable and informed decision.

I must say, before addressing some of the issues surrounding this Bill, that rejection of Appropriation Bill (No. 2) does not represent a no-confidence motion in the Chief Minister. I am not suggesting for one moment a blockage of supply. Mrs Carnell supposedly does not need the \$14.2m. Let the Independents be under no illusion: This is not about confidence in the Government. This is about upholding the sovereignty of the Assembly. This is about not giving the Government money which, by their own admission, they do not need.

I will take the Assembly back to September last year, when we sat here for an extraordinary amount of time scrutinising the Carnell Government's first budget. Remember Mrs Carnell's three-year budget strategy, which she and her colleagues launched with great fanfare? Remember all her platitudes about her Government under her stewardship setting real and achievable targets? Remember the real and achievable targets? In her budget speech Mrs Carnell said that they were "real, achievable bottom lines that we will live within". She went on to say that the three-year budget strategy "demonstrates that we can regain control over our expenditure in a responsible, measured approach". Well, Mrs Carnell, one year on, it is not looking too good, is it? We will see how it is going at the end of the financial year, but just at the moment it is not looking too good. You can hide behind that three-year budget story for a while, but sooner or later you are going to have to come out from behind the wall and be counted.

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For the record, I would like to repeat and expand on some of the observations made in September last year about the three-year budget strategy, a strategy that was fundamentally flawed from the beginning. The cracks that are surfacing in the strategy now will continue to spread across it, like a chip on a windscreen. First, you start off with a little thing, and then it spreads out. So the cracks are spreading in Mrs Carnell's three-year budget strategy. It was ambitious or, should I say, rather than ambitious, misleadingly optimistic. It provided a plan that was dependent on too many ifs and buts and assumptions, which meant that it was more of a forward estimate than a budget.

The three-year plan - it was not really a budget - relied very heavily on bottom lines which were to be achieved with magical formulations like administrative efficiencies. When these administrative efficiencies are not achieved, the budget falls over. This is what has happened in Health. Mrs Carnell and her Government set themselves up. The three-year budget plan was fundamentally flawed because it was not drafted to take into consideration, and did not recognise, that we do not live in a perfect world. The plan purported to lock in financial outcomes but it was not realistic.

Let me look for a brief moment, leaving Health aside for the present, at some of the persistent signs of a three-year budget plan in trouble. The three-year budget plan was based on unachievable assumptions about what was going to happen as far as wage outcomes were concerned. Mrs Carnell thought big, talked big, but could not deliver. She was not able to negotiate, to respond to pressure which affected her bottom line. The budget and its fiscal rectitude were put before flexibility, consultation and commonsense. Only in question time today, Mrs Carnell tried to say the word "compromise". Gee, it took a lot of trouble to get it from her lips. She had two or three tries to get the word out - c-c-c-compromise. It is a hard job, Mr Speaker, for Mrs Carnell to say it.

What about changes to revenue collected, Mrs Carnell? Mrs Carnell told the Estimates Committee that, on revenue, "We will be right". That is what you told the Estimates Committee. Not that we have seen any monthly statements to analyse when debating this Appropriation Bill; but, by all accounts, falls in the level of revenue collected are now highly likely. Mrs Carnell, when saying that there was not a budget blow-out in city services, said, "There is no budget blow-out, but maybe the receipts are down a little". This is Mrs Carnell's doublespeak: "There is no blow-out; we just do not have enough money". Mrs Carnell will not tell us how these revenue problems are going to affect the bottom line; she just will not tell us.

Let us turn to the problems with the health budget that have precipitated this unusual process of a second appropriation, an appropriation that by Mrs Carnell's own reckoning is unnecessary. The problems within the health budget were predictable, given the inherent problems with the three-year budget strategy. There are also many problems with the original appropriation for this program. Miscalculations and structural weakness were rife in the development of the Department of Health and Community Care budget. Your projected savings were optimistic, and you should have been far more prudent in your predictions of gains to be achieved in the current year. Of course, the worst kept secret in the ACT Government at the moment is the story about how the health budget was formulated. The story is all over town of Mrs Carnell phoning up in a blind panic at the last minute, saying, "Quick, quick, I need another \$8m off the health budget",

the health officials saying to Mrs Carnell, "I am sorry, Minister, but we cannot get another \$8m off the health budget", and her saying, "No, no, do it anyway". Now what have we got? A \$14.2m health budget blow-out. It was the worst kept secret in the ACT Government Service.

Expenditure by the Department of Health and Community Care exceeded its original appropriation because Mrs Carnell's reform package was always unachievable. She could not even achieve her VMO savings. This miscalculation occurred for two reasons: First, Mrs Carnell's reform agenda was unrealistic to begin with; and, secondly, Mrs Carnell was and is incapable of driving or encouraging or guiding her own reform agenda. Once again, Mrs Carnell thought big, talked big, but could not deliver. It was not as easy as you thought, was it? Mrs Carnell, not only have you failed in your Treasury portfolio but you have failed in your Health portfolio as well. Two out of two is a pretty bad record.

There is one other substantial issue I must address. This issue not only illustrates the developmental and structural weaknesses of the Government's original appropriation, but also has many other short- and long-term implications for the ACT. The health budget will be financed through savings in capital works, among other measures, though these are not really savings. The appropriation will be transferred through shelving, postponing, cancelling - I think that is the word of the day, is it not? - important capital works projects. The total projected underexpenditure for the capital works program is \$14.2m; 24 projects have been shelved, reconsidered, delayed. This brings into question the original planning process and expenditure allocated. Since the Government reported to the Planning and Environment Committee on the capital works budget, the Government has reduced capital works by a further \$5.4m. In February they told the Assembly committee that the underspending for capital works would be \$8.8m, yet in April they told the Estimates Committee that it was going to be \$14.1m. By coincidence, between these two dates the Government announced that it had blown its health budget by \$14.2m. How fortuitous! What a coincidence! How convenient!

There are, however, much more tangible problems associated with the shelving, reprioritising, rescheduling of capital works expenditure. Capital works, in an economy in the state the ACT economy is in, stimulate employment growth but, more importantly, can act positively on business confidence. They are a sign of activity and growth. In a period when public service employment is coming under intense pressure from those opposite, and especially their Federal counterparts - the Government Mrs Carnell campaigned for in the last election, which is driving the ACT economy into the ground - Canberrans need confidence and jobs. In the long term, capital works spending is an investment in the Territory. The movement of funds between programs and the magnitude of the movement will place a further burden on future capital works appropriations. If these projects, deemed important enough to receive funding from Mrs Carnell in September last year, are not to fall off the agenda, extra funds will need to be added to the 1996-97 program. This is yet another pressure on Mrs Carnell's so-called three-year budget plan. The shift backwards of these projects will also possibly be at the expense of programs previously scheduled for the 1996-97 year. You get the feeling, do you not, that Mrs Carnell is moving the Territory backwards?

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As with the Territory's budget, the Assembly must be confident when it is approving appropriations that the amount appropriated is required for additional spending. In this case, there will be no new spending, no new programs. Money has been taken from another area, capital works, to fund this health budget blow-out. This Bill is unnecessary because Mrs Carnell says that she does not need it. When Mrs Carnell needs a further appropriation, Mr Speaker, she can put it to the Assembly; but this Appropriation Bill and Mrs Carnell's dishonest handling of it must be rejected by the Assembly.

MR HUMPHRIES (Attorney-General) (3.33): That was a breathless speech by Mr Whitecross. I think we have all been left physically exhausted by the energy and pace he put into that very important speech. But the speech was replete with contradictions and anomalies. I must say that the overwhelming impression I got, listening to Mr Whitecross make that speech, was that he seemed to have taken it as his duty to defend the practices of the previous Government, which never exposed the Government to these sorts of pressures. He believes that we should go back to a process whereby this sort of thing is done in the Chief Minister's office with the stroke of a pen on an instrument under section 49 of the Audit Act and not have to worry the Assembly with little details about these sorts of things.

Let me put this to Mr Whitecross: For the sake of this argument, I am prepared to concede the point he repeatedly made throughout his speech that the Bill is not necessary. Let us concede that point. Let us concede, at least for the purposes of this debate, that you do not need to have this sort of Bill. Let me ask Mr Whitecross in turn: What harm does it do to require those health officials who are part of the process of assessing and managing the health budget each year to front up to a special estimates committee to answer the sorts of incisive questions that I am sure people like you and those on the crossbenches would have to ask about the health budget? What harm does it do?

Mr Whitecross: It does not do any harm, and we could have done it anyway without a Bill. We did not need a Bill.

MR HUMPHRIES: Precisely; it does not do any harm at all. Mr Whitecross says that we could have done that anyway. True; but not until after the budget was brought down.

Mr Whitecross: No, we could have done it at any time we wanted to.

MR HUMPHRIES: No, generally speaking, estimates committees are convened following appropriation Bills.

Mr Whitecross: The Public Accounts Committee.

MR HUMPHRIES: It is possible that the Public Accounts Committee could do it; but it would not be open to the same membership that the Estimates Committee is open to, it would not be a process that is akin to the Estimates Committee. Also, it would not necessarily happen. There have been very few inquiries by bodies like the Public Accounts Committee into that kind of thing. Normally, the information is structured around the Appropriation Bill.

Mr Whitecross accuses us of using a clever tactic; but he has not asked himself why it is clever to put the Government, and particularly the Minister for Health, through the mill of an estimates committee hearing and a debate like this on the floor of the Assembly ranging over two weeks. What is clever about that?

Mr Whitecross: There is nothing clever about blowing out the budget by \$14.2m.

MR HUMPHRIES: Another issue is raised. We will come back to that. Mr Speaker, any fool can realise that there is nothing politically clever about that. What is the distraction? What are we distracting the attention of the Assembly from? I cannot see it on this program. No, Mr Speaker, we have put ourselves through the wringer for the sake of generating some better focus on the health budget and a higher understanding by health officials that if we do not achieve our targets in Health there will have to be accountability in a way that has not been the case under previous governments. Mr Whitecross insists that he wants to preserve the option of going back to that secretive mode of previous governments. That is his privilege. We take a different view about that. We think these sorts of things should be out on the table in this way, through an appropriation Bill.

Mr Whitecross also made a point about the budget blow-out - "This is a terrible crime; Mrs Carnell cannot manage her budget". I am sure that, being a man of integrity, Mr Whitecross would have been heard to utter very similar words to those within the policy mechanisms and party forums of the Labor Party over the last four years that Mr Berry was Minister for Health. I am sure that he was equally adamant that a Minister who delivered a budget that had blown out must be branded a failure.

Mr Whitecross: I was very impressed that Mr Connolly brought his budget in on target.

MR HUMPHRIES: Mr Connolly did not actually bring a budget in on target; he left office before the budget came down. The fact is that Mr Berry tried for four years and was unsuccessful, and I assume that Mr Whitecross hammered Mr Berry hard in party forums, calling him a failure as well.

Mr De Domenico: No, George Wason would not let him.

MR HUMPHRIES: George Wason would not let him? That could be, too. Either way, I am quite certain that a different standard is being applied to Mrs Carnell than was ever applied to Mr Berry. But let us not dwell on the past. The point the Government is making very clearly in this debate is that the problem in Health is not licked. It has to be licked, and we will lick it in a number of ways - by instituting the kinds of structural changes of which the Booz Allen report is only a small part, and by having a higher degree of accountability in this Assembly.

The last comment I would like to make, Mr Speaker, relates to the rumour to which Mr Whitecross referred in his remarks. He said that he knew all about a rumour where Mrs Carnell had got on the telephone in a panic, at some time during the budget preparation, and said, "Oh, oh, oh, I need \$8m; oh, oh, quickly, get me \$8m", and so on and so forth. I do not believe that that rumour is true, but I do believe that

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Mr Whitecross has a much better idea of the validity and origin of rumours than anyone on this side of the chamber has. The last rumour I can recall that had a large currency around the Assembly chamber happened in February this year. The rumour was that Rosemary Follett was on the skids and was about to be dumped. Mr Whitecross said, "No, no, no; that is not true. We are not trying to put the skids under Ms Follett. No, no, no, no, no". In fact, Ms Follett even accused me of having started the rumour. I am still waiting for the apology, by the way, but I was accused of having started the rumour.

Mr De Domenico: She would have loved you to be in the party room to vote for her; perhaps it would have been three all.

MR HUMPHRIES: I think I would have voted for her, too, frankly. Mr Speaker, I would not believe anything Mr Whitecross said in respect of rumours. I think Mr Whitecross has demonstrated that he is not to be believed when it comes to rumours. Overall, I think the Assembly is well served by this Appropriation Bill, and I urge members to support it as an indication that they want this practice of openness and accountability, instituted under this Government, to continue.

MR BERRY (3.40): What a pathetic defence from a weak Minister of a phoney process! This is one of the phoniest processes ever dragged before this Assembly by this stage-managed group opposite. This is the worst process I have ever seen dragged before this place. It has been said that some governments do things differently and that therefore there is a reason for this Government, the Liberals opposite, to deal with their health mismanagement in this way. On the basis of Mrs Carnell's proposals, I suppose that this is a more open and consultative way to deal with things. Of course, that theory of Mrs Carnell's clearly has been blown out of the water by the inquiry into the matter, and not one of these Ministers opposite has been able to demonstrate that Mrs Carnell needed has been proven, and with plenty of precedent, as has been proven, for Mrs Carnell to adopt the processes that have been adopted by governments before her and, indeed, even by her. To try to present this as some new blinding light on openness and consultativeness was, as has been said, an exercise in doublespeak. That has never been the case and it has never been able to be proved.

Mr Speaker, this Appropriation Bill is about extra money for a budget that already has the money in it. Mrs Carnell has demonstrated that the money is there by putting forward this piece of paper, which was tabled on 14 May under subsection 37(3) of the Audit Act, where she has put aside or frozen \$14.2m that is already in the budget. It is not extra money that she requires. It is already in the budget. So why go on with this nonsense? Why go on with this deceit? The money is there.

Mr Humphries: How is it deceit to put it on the table?

MR BERRY: It is deceit, absolute deceit, and it is about a blatant attempt to mislead the community. An appropriation Bill is about appropriating extra funds for the Consolidated Fund, or the Territory Fund in this case, for the purposes of the Government. There are no extra funds required; so, given Mrs Carnell's incompetence in the health budget, why would you give her more money to play with? We would be regarded as geese if we were to give somebody who had bungled so badly more

money to play with. You would not do it. If somebody has just blown \$14.2m, you would have to be a goose to give her another \$14.2m, especially if she already has \$14.2m socked away. Mr Speaker, this is clearly one of the most shonky deals ever dragged in front of this place.

It has been said that governments do things differently. At least in all of the other processes where overspends were dealt with pursuant to the Audit Act, they were dealt with lawfully and in a way which was open and transparent.

Mr De Domenico: So is this one - more open and more transparent.

MR BERRY: There was no attempt to cover up by some grand media performance that something terrible had happened in Health.

Mr Humphries: Doing things in the media is covering up - that is a good idea! Like the secret press release that goes to all the media.

MR BERRY: Fewer interjections would be helpful, Mr Speaker.

MR SPEAKER: Order!

Mr Humphries: Look who is talking.

MR BERRY: Say it again, Mr Speaker. They did not hear you the first time.

MR SPEAKER: Mr Berry has the floor.

MR BERRY: They might be a bit deaf.

Mr De Domenico: Just get on with it.

MR BERRY: They still cannot hear you, Mr Speaker.

MR SPEAKER: Mr Berry has the floor.

MR BERRY: Say it a bit louder, Mr Speaker. They cannot hear you.

Mr De Domenico: Just hurry up and put us out of our misery.

MR BERRY: They cannot hear you. Try it again.

MR SPEAKER: Mr Berry has the floor. Order!

MR BERRY: Thank you. That is about the right volume, I think, Mr Speaker. We have here a situation where Mrs Carnell has demonstrated her incompetence in Health. A little while ago she was accusing the Opposition of saying certain things, trying to rewrite history again - "The Opposition would have me close down beds; they would have me treat fewer patients", and all that sort of stuff. That is rubbish.

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The fact of the matter is that Mrs Carnell mismanaged her budget, came in here touting herself as the greatest health person who ever hit the floor in this place, and it has all fallen in a big heap. My sympathies to Mrs Carnell; but you cannot pretend that you are something and get away with it when it suddenly turns out that you are not, especially in this game, especially after somebody like Mrs Carnell has pursued other people in relation to budget management, as she has done over the years.

The history of the matter has made it clear that, throughout the years, management of the health budget has been a difficult problem. It was a difficult problem for the Liberals when they were in office, and over a succession of years, through Labor governments, it gradually came more and more under control until, as I said in an earlier debate today, the Labor Party matched the outputs with the inputs, the right amount of money for the right amount of services provided. Nobody had ever done that before and, having achieved that, it is a great disappointment to me that, once Mrs Carnell had her hands on the reins, we have gone down a well again. We have to drag ourselves back again after all the years of hard work that went into managing to tie together a decent health budget.

Mr Humphries: Managing? “Mismanaging” is probably the better word.

MR BERRY: Mr Humphries still stings. Mr Humphries has always touted himself as bright and wonderful, a bright young thing in the Liberal Party who was capable of wonderful things in politics. He came up against something in Health and he did not do too well out of it. That is life. Over the period, Mr Humphries was sitting over there seething and seething as the situation was gradually corrected. What made him seethe even more was when what went in equalled what went out. We had the right amount of money and the right number of people, the right match. At the same time, more and more people were treated.

Mr Humphries: This is Wayne “George Orwell” Berry. Rewrite history. Budget blow-out? “No, our budget did not blow out”.

MR BERRY: You cannot deny it. Mr Speaker, we have a situation where the community of the ACT is entitled to see over and over again the incompetence of the Health Minister. On the standards Mrs Carnell tried to set over the years, on the standards she set, she should have resigned.

Mrs Carnell: But you did not, after four times.

MR BERRY: I did not set the standards. I am talking about the standards you set. You set the highest standards for everybody else, and - hypocrisy - the lowest for yourself. Have a look at your own standards for your own Ministers. You set the highest standards for them; you set the standards for yourself. You are the one who set the really high standards, and you could not even stick by them. Why do you not resign? Against the background of difficulties in Health in this place, Mrs Carnell is the worst performer thus far. I heard her moaning a little while ago about business rules. They were an open and honest - - -

Mrs Carnell: - - - a way of hiding your budget blow-outs.

MR BERRY: An open and honest process where the rules - - -

Mr De Domenico: Your nose is getting longer, Wayne.

MR BERRY: Mr Speaker, try the volume again.

MR SPEAKER: Yes. Continue, Mr Berry.

MR BERRY: Thank you, Mr Speaker. It was an honest and open process, and Mrs Carnell was so smart alec about it. She was going to build all of these factors into this budget and nothing would escape her notice. She was going to anticipate everything that could go wrong. There was no need for business rules. Nothing was going to be unexpected. We were going to make all these savings from the VMOs. They were going to be so generous as to say, "Look, we will give you some money back. We will give a little bit back, Mrs Carnell, to help you along". Of course, it did not happen, so part of the \$14.2m was from this wild expectation.

This has been a situation where the Chief Minister has created a problem for herself which could have been dealt with in the normal way. There is no need to go down this path, there is no need for an extra appropriation, and who trusts her with the \$14.2m, after what she has done thus far? There is no genuine need for the money, because the money is already there. You are not going to fool anybody. It is already socked away; you have it in the bank.

Mr De Domenico: You vote against the Bill.

MR BERRY: You just watch. Mr Speaker, this is one of the most phoney attempts the community will ever see from this Government. "I have the \$14.2m", Mrs Carnell says, "I have it stored away".

Mrs Carnell: In capital, not in recurrent.

MR BERRY: No, you do not have it in capital; you have it stored away. Mrs Carnell has the money stored away, and now she is going to press this phoney appropriation process to try to demonstrate that she is doing something differently. That was basically the reason - "They did it one way and therefore I have to do it in a different way, otherwise that which I criticised in the past might show me now as being a hypocrite". You have to have better reasons than that. If you made a mistake in the past, that is just too bad; you have to live with that sometimes. But this does not get you off the hook.

Mr Whitecross: You would have to say that you were wrong then, and Mrs Carnell cannot say that.

MR BERRY: That is right; it is not in her vocabulary. Mr Speaker, for our part, this is a totally unnecessary process. We will not be party to these sorts of charades. They are not sensible. They do not lead this Assembly any place. It is a pretence to say that they need the extra money. They do not need the extra money; they already have it.

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To come in here and dishonestly say that they need it has to be exposed for what it is. Mrs Carnell does not need it. It is already there; and she should use the appropriate processes to use the money she already has, instead of coming in here and expecting members of this Assembly to hand over a blank cheque for \$14.2m to somebody who has demonstrated in this debate how incompetent she is.

There is a possibility - I have not talked to my colleagues about this - that there could be a glimmer of support for this Bill if Mrs Carnell were to say, "I mucked it up last time. I would never put the community at risk again, so I am prepared to give it away if you give me the money". There is a bit of a chance there, a glimmer of hope. I am not saying that we could deliver, but there is a bit of a glimmer. But to give it to Mrs Carnell again? No way.

MR STEFANIAK (Minister for Education and Training) (3.55): Mr Speaker, listening to that speech by Mr Berry was like listening to a combination of George Orwell's *1984* and a Grimms fairytale. We can forget Castro, Mr Speaker. Maybe Wayne should try writing something like the great Soviet encyclopaedia written under Joseph Stalin. What a lot of gobbledegook we heard! This action by the Government is probably the most transparent, honest and open that any government could take. Indeed, in the overview of the Bill, in the third paragraph on page iv, it is stated:

Introduction of this Bill avoids the practice used in previous years of making artificial cash management arrangements to conceal an overrun in the Health and Community Care budget. A second appropriation by the Legislative Assembly is a more open and transparent mechanism for budget adjustments.

Quite clearly, it is. Mr Speaker, maybe Mr Berry should ponder - and so should Mr Whitecross - a not totally dissimilar sort of situation in the courts. It is an old rule in criminal trials that a person who is defending a matter can, in a trial, remain silent - do nothing. The person can make a statement from the dock, to which a jury will give such weight as it sees fit, and not be cross-examined. But the best form of evidence, the most open form, the most believable form, is to go in there and give evidence on oath and be cross-examined.

In relation to the process here, rather than just signing money around and doing some administrative procedures under section 49 of the Audit Act, what the Chief Minister has done has been open, honest and totally transparent. She has come back to this Assembly; the matter has gone to an estimates committee; and she has subjected herself and her officials to rigorous cross-examination in relation to this matter. How on earth can Mr Berry call that a blatant attempt to mislead the community? It is totally opposite to that. That is absolutely crazy. I cannot think of a more honest and open approach than the approach taken by the Chief Minister in this instance. Quite clearly, it is the most appropriate way to handle a situation such as this. Not only are Mr Berry and Mr Whitecross clutching at straws there; they are sadly mistaken. They are completely twisting the facts in relation to what has occurred.

There are a number of other points, Mr Speaker, that I would like to make briefly. Mr Berry should talk! He had a four-times budget blow-out - which is a record for this Assembly - back in 1989. They were not there very long, because, I think, in about late November or early December the Alliance Government took over. Today Mr Humphries produced a *Canberra Times* article, dated 16 November 1989, showing that in one quarter of 1989 good old Wayne was well on the way to a \$10m budget blow-out. It was about \$2.5m, I think, for those three months. So, if anyone should be throwing stones, it certainly should not be Mr Berry, who holds the Assembly record for blown health budgets.

Mr Whitecross talked about cracks in the window getting larger if you do not do anything about them.

Mr De Domenico: He used about 4,000 cliches.

MR STEFANIAK: He did, indeed. In relation to cracks in the window, the Chief Minister has indicated in some detail how to ensure that any sort of crack, if there is one, simply does not get any larger. One way to do something about a crack in the window, Mr Whitecross, is simply not to just sit there and let it continue. You take steps to rectify the situation, as this Chief Minister and Minister for Health has done. Quite clearly, with a crack in a window, Mr Speaker, if you put a little indentation at the base of that crack, that stops the window from cracking further. It is taking action. Just like stopping a crack in the window of a motor vehicle, what the Chief Minister has done here and what she is proposing is to take action in relation to this matter.

Mr Speaker, there is one other point that I would like to make about this Appropriation Bill. Mr Berry, Mr Whitecross and, no doubt, other speakers for the Opposition have talked and will talk about problems, mismanagement and such like. They can hardly talk, with their record. I think that in only one instance did they get a health budget right. Let us also look at a couple of things in terms of some of the extra expenses here. One of the main reasons why we have hospitals, Mr Speaker, is to actually treat people. There has been an increase in throughput under this Government and under this Minister for Health - some 1,000 extra people, I understand, in a six-month period. There has been a 7 per cent increase in hospital admissions. Yes, that has cost extra money - some \$3.2m - but more patients have been treated.

There have been distinct improvements in the system. Today, on radio, the Chief Minister and Minister for Health indicated, as did Colleen Duff, I understand, that there would be a new enterprise bargaining agreement which has considerable further potential to ensure that our hospital system gets better. So, I think people should be well aware of the improvements made in the health system under this Minister for Health. To listen to the codswallop and gobbledegook coming from the Opposition is absolutely amazing. Their twisting of things, especially as Mr Berry has done, is quite incredible. Really, as someone who has brought in four budgets in Health, all of which needed supplementation, he can hardly talk.

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MS McRAE (4.01): The constant theme we heard from the Government was that this is an open process and that the old one was somehow secretive, underhand and done in the dead of night - as if Mrs Carnell actually knew when Ms Follett did or did not do things. It is an absolutely outrageous accusation, which has no foundation whatsoever. There was never a requirement for this particular activity of Mrs Carnell's, for bringing in a second Appropriation Bill. She said categorically in her opening statement:

The Treasurer's advance, as you know, is also available. It is stressed, however, that at this stage it is not prudent to be definitive about where the exact source of the \$14.2m will be. But you can see, from underspending in capital works, underspending in the central redundancy pool, and the Treasurer's advance, there is more than enough money available between those three sources to fund the \$14.2m.

That is exactly the main point, Mr Speaker. If there is more than enough money, if the money has already been appropriated, then there is absolutely no reason for a new Appropriation Bill. There were good and sound reasons for the old systems of shifting money around. The primary reason was that, if a transfer was made under the Audit Act, it was absolutely clear where the money was being taken from and where the money was being moved to, and there was no ambiguity about adding money to the bottom line. A second Appropriation Bill has exactly that intent of adding an extra appropriation.

When the Chief Minister and her officials were quizzed about this, we were told, "No; things will be frozen". Nothing was frozen at that point. Then we find - when we get back into the Assembly, after this open estimates committee process, at which we are meant to be told everything - that things have changed a little. Sure enough, a warrant had been put out to freeze the expenditure of \$14.2m. So, it was not a second Appropriation Bill at all; it was an Audit Act dressed up in a different form. It is a new procedure that has no merit and no basis in need. In fact, it has gross dangers for the Assembly, which have been talked about at length today. The fact that we had to have an appropriations process and an estimates committee process, only to then find out, when we were back in the Assembly, that funds were being frozen and then shifted in the same way as under the Audit Act, does no credit to this Government.

We were told quite clearly:

Again, because we are not at the end of the financial year, and we have had our Fiscal system out of action for a number of months now, it is impossible to be more definitive than that. But I am sure that I will be required to be lots more definitive in the Estimates procedure after the budget, or after the end of the financial year. I think it is patently clear, as I have said, that more than sufficient funds are available through these numbers of different projects.

So, here is the Chief Minister herself, in her opening statement, saying exactly what she said was wrong about the Audit Act, in that the detail of these transfers can be known about only after the end of the financial year anyway. So, why on earth are proper procedures for the transfer of money to a particular level under the Audit Act - an appropriately guarded Act - wrong, but for us to have to wait until the end of the financial year to discover where the money came from and how it was transferred is not wrong? I think there is an element of doublespeak here that is mystifying to all concerned.

If the Chief Minister really wanted to make this issue public, there is a range of ways by which she could have ensured that nobody would ever accuse her or her Government of doing anything in the dead of night. Question time has been amply shown to be a time when ministerial statements can be made. It could have been done in answer to a question, even a *dorothy dixer*. It could have been done by way of a ministerial statement. It could have been done simply by way of an announcement to the Assembly. It could have been done by way of a motion to the Assembly: That the Assembly accepts that the Chief Minister has had to transfer \$14.2m to the health budget. All those factors were open to the Chief Minister.

But what were we told during the estimates committee process? We were told, "Oh, no. What the Chief Minister is doing, what the Government is doing, is something that is done in other parliaments". Of course, when we explored that a little more deeply we found that what was done in other parliaments was not quite the same as what we were doing; that it was done in only two other parliaments; and that the Federal Parliament's requirements were more or less the same in procedure, but couched in a framework of quite different financial controls from those that apply here. There is no way in the Federal Parliament that it can be put before the parliament in the way that it was before us: "There are three possible areas where this money could come from, but we cannot tell you now where the money is coming from". It is simply not in order. So, we had plenty of reasons to be dissatisfied with what was before us, and I am yet to be convinced that this is anything more than a very strange way to make public something that could have been made public quite easily, in a range of quite straightforward ways, to the Assembly.

After all these open processes where we were meant to find out what was going on, only now do we find out that the \$14.2m is being taken completely and totally from public works. I would like the Chief Minister to now put on record and give the Assembly the full financial information that made her so comfortable about taking the \$14.2m out of the public works budget when, on only 23 April, we were being told that they could not, at that point, make a decision about which area, because all the financial information was not before them. If the financial information is before them, I would like to know why it is so easy simply to take money from public works. I think the Assembly deserves to have all that information before it. If the Estimates Committee had been told categorically that the money was coming purely from the public works program, it would have gone on even more about the implications of that. As it is, people were very dissatisfied about the impact of taking out public works money for the health budget, particularly when it was made clear to us that money was available from other areas. Plenty of members have spoken about it since then.

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Mrs Carnell herself constantly urges us to talk up the economy. Yet, when she had an opportunity to beef up the economy by making sure that this \$14.2m was reserved for public works projects, that opportunity was lost. The money was not taken from the two other areas that were identified during the estimates committee process. No reason has been given for that. What we are left with is a great big question mark, Mr Speaker, and the question mark is: Why was it not taken from those two areas? Does it mean that, suddenly, the central redundancy pool is actually being used? We do not know, Mr Speaker. Does it mean that the Treasurer's Advance is being used for other areas? We do not know, Mr Speaker.

We have been left with more loose ends from this process than we would have ever had, had the Chief Minister simply done what she did at the beginning of the Assembly session last week - come in with her Treasurer's Advance, put it on the table, as she did, and perhaps move the motion: That the Assembly takes note of this transfer. We could have debated the issue there and then. We would have known exactly where the money was coming from. We would not have been taken around in these huge circles in regard to a surplus in redundancy pools or the Treasurer's Advance, the ifs, the buts and the maybes. We would have been under no illusion that there was an extra \$14.2m put into the system. There would not have had to be a warrant to freeze the expenditure of \$14.2m and we would not have wasted a great deal of time. If the Chief Minister and the Government wanted this process to be open, it was completely open for them to do that. This is an unnecessary, extravagant process that solves not one problem, but creates at least three more.

MR MOORE (4.09): Mr Speaker, today I have spent quite some time listening to arguments, particularly those put by the Opposition. For me, those arguments seem to be that the Government could have done a whole series of things. The fact is that the Government decided, instead of the "could haves", to put up a second Appropriation Bill. By and large, Mr Speaker, if a government wishes to operate in that particular way or if it wants to operate in the way in which the previous Government operated, I do not have any particular problem with that. In fact, on quite a number of issues, it has been my approach to allow a government to work in the way that particular government likes to work. For example, with reference to ACTEW, it was the Labor Government's preference that ACTEW be part of a government body and run in that way. It was this Government's preference that ACTEW be a corporatised body and run in that way. Mr Speaker, in either case, I do not have a huge difficulty with the way they operate, provided that the outcome is the same.

In this case, Mr Speaker - I am going to bring us back to the Appropriation Bill, which is before us - the issue is: Where was the Government going to get the extra money to fill in a blow-out? What were the problems associated with that? How could they best be dealt with by the Assembly as a whole? I think the method used in this case is a quite sensible method - introducing a second Appropriation Bill. I have listened to quite a number of the arguments put by Labor as to why this was unnecessary; but I do not think that that in itself is an argument that will sustain a reason to vote against this legislation.

We have had a process that was quite open, in terms of the tabling of this Appropriation Bill. It then went before an Estimates Committee. I must say, Mr Speaker, that halfway through that Estimates Committee - although I was not a member of the committee, I was present as a member of the Assembly and I was given leave by other members of that committee to attend and to ask questions - the way the questioning went, it was quite clear that the committee was going to come out with the style of report that it did. I must say that there were some surprises in it. Mr Speaker, I believe that the estimates committee process here ought to have followed the sort of process that we have followed with previous appropriations - to try to determine the exact details of how those overall views that the Chief Minister had given, with reference to how she had managed to overspend the budget by \$14.2m and the way she had accounted for it, applied at each of the lower levels. I think that was something that was not explored well by the Estimates Committee.

Committees, by their very nature, are vital, living things, and they will operate differently. Having read the report, having looked at the conclusions, having looked at the dissenting opinion and having listened to the speeches today, if the Government chooses to do something in a particular way - when I do not see any huge negatives, but I do see reasonable outcomes in terms of the Assembly's ability to monitor, to check and to assess what has happened - then I am prepared to support the Government in doing it. Mr Speaker, that is why I will be supporting this Bill in principle. But I should also say that the Appropriation Bill has given us more of an opportunity than we have ever seen before for debating such issues. It would take only a review of *Hansard*, looking at the previous Government's moving of money when it had blow-outs, to see to what extent they were scrutinised. The reality is, Mr Speaker, that at no stage were any of those blow-outs - and there has been a range of them - scrutinised to the same extent as this one. So, if there were to be an argument about this, that does not make it any better. You would have to actually look and see the very extent of the debate.

Out of that process came the issue of having the money taken from capital works and moved to recurrent funds, with the issue of the number of jobs associated with that. We have heard a range of different figures. We have heard some interesting claims about it. But the reality is that what has come home, I think, to all of us - and the Chief Minister has accepted it - is that the report of the Planning and Environment Committee, recommending that we should ensure that our capital works budget is spent, has been adopted and reinforced. Indeed, it had already been adopted prior to this process, I must say, and the Government had already accepted it. But it has been reinforced by this process. All of us have recognised the significance, particularly in a time of economic downturn, of how important it is that capital works money is spent on capital works.

I would say, Mr Speaker, that this is probably the last time that we will see a blow-out being funded through the capital works budget. Therefore, I think that departments, and Ministers in particular, will be particularly careful of their budget. However, I also suspect that this will not be the last time that we see a budget blow-out. Of course, I would hope, and I suppose that all of us would hope, that it would be; but, in reality, sometimes things happen that ought not to happen. That is the reality of life.

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Mr Speaker, I think the process has actually been much more open than previous processes. Whether or not we used those previous processes and we applied the same scrutiny to those previous processes, which we could do, I think they could have been as open. However, we had not done that. Through this appropriation process we did have a much more open process. For that, I think the Chief Minister and the Government have probably taken quite a lot of flak. There was a sense in which the Opposition argued that it was just a publicity stunt. Indeed, if that were the case to start off with, it certainly backfired significantly. However, Mr Speaker, I have no problem in supporting this approach by the Government. I do not see anything innately wrong with the approach. I think it has been a more open process. We have recognised that this budget blow-out has occurred. It ought not to have occurred; but at least it has been adequately scrutinised.

MRS CARNELL (Chief Minister and Treasurer) (4.17), in reply: Mr Speaker, I am fascinated by those opposite and their comments that somehow this process was less than adequate and that there was less than adequate information made available. In my opening speech in the Estimates Committee I ran through the whole of the health budget and explained line by line where we had overrun our projections, by how much we had overrun the projections, and why we had overrun those projections. Never before has this Assembly had that sort of information prior to the end of the financial year.

I was very surprised, though, Mr Speaker, as I think Mr Moore was, that the Estimates Committee did not really choose to ask too many questions about those issues. The issue really involved here was an overrun in the health budget - the fact that we are going to spend in the vicinity of \$14.2m more than the budget appropriated for Health. On the basis that we are going to spend approximately \$14.2m more than was appropriated for Health, we believed strongly that it was appropriate to bring an appropriation Bill back to this house to appropriate the amount of money that we were really going to spend on Health.

The approach that we took was open, not only in the Estimates Committee, Mr Speaker, but all the way through the process. In fact, this Government has given to the Assembly not only the usual Treasurer's monthly statements that have indicated the ongoing problem in the health budget but also the Woden Valley Hospital monthly reports - something that was simply never available before, Mr Speaker. In fact, although those monthly reports were produced, the only way that the Opposition - which was us at the time - could ever get those reports was if they happened to leak from Woden Valley Hospital, because the government of the day refused to make them available.

So, right from the beginning of the year, it was obvious to everybody in the Assembly and to the community that there was a problem in the health budget. That was the reason why we went down the path of the Booz Allen relook at expenditure all the way through the health system, not just at the hospital but also in the corporate area and at Calvary Hospital. As I said, Mr Speaker, we then made it absolutely obvious to the Estimates Committee and to all those in the Assembly exactly where we had overspent and why we had overspent.

It was said earlier by Mr Whitecross that somehow I had indicated in the Estimates Committee that revenue was on target. Mr Speaker, I have just been looking at the Estimates Committee report. I have made the comment on many occasions, in the press and in this place, that revenue projections are simply not on target. I thought it was very important to make that comment. They are not on target for a number of reasons, which I have stated in this place before, in the media and at the Estimates Committee - because of industrial action, because of a downturn in conveyancing fees, and for other reasons as well. I thought it was important to put on the record again, Mr Speaker, that revenue simply is not on target.

It is also interesting that those opposite continue to make comments about borrowings. If they knew anything about appropriation Bills, they would know that appropriation Bills actually do not set borrowings at all. In fact, within the limits of the Loan Council, we could borrow the whole appropriation if we chose to or if we had somebody who would lend it to us. This Appropriation Bill - or, for that matter, the previous one - does not place limits on the Government in terms of borrowings. So, this Appropriation Bill in no way increases the Government's capacity - - -

Mr Berry: No, nobody said that it did.

MRS CARNELL: They did, Mr Berry.

Mr Berry: No; they said that you can borrow it if you want to.

MRS CARNELL: They did indicate that the Government could somehow borrow more money. That simply is not the case at all, Mr Speaker. It has also been indicated that we have the money in the budget; therefore, we should just move it around and not go down this path. Mr Speaker, if those opposite really believe that it is all right to move significant amounts of money - \$14.2m - from a capital budget into a recurrent budget, then I think they really have a lot to learn about accounting principles generally, and particularly about the way finances of government work. We have made it clear, Mr Speaker, that that approach is simply not one that we would follow. We do not believe that it follows appropriate accounting principles. But, obviously, those opposite, for whatever reason, do believe that.

In the Estimates Committee it was made very clear that there were a number of sources that this \$14.2m could come from; but it was never claimed that it would come from all three, or, for that matter, any particular one of the three. Again, I was having a look at the transcript and I noticed that Mick Lilley, actually in the transcript, made the point that it could come from any one of those sources or a combination of all three. At that stage, we were not absolutely confident that there would be sufficient money in the capital works program; but, as the weeks progressed, it became fairly obvious that the \$14.2m would be available, unfortunately, in capital works alone.

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Ms McRae: Because the rest has gone; that is why.

MRS CARNELL: No, not at all. It is quite simple, Mr Speaker. If all of the money is available in one program, it is obviously substantially more efficient to transfer it in that way. We made it very clear in the Estimates Committee as well that it could come from any of the three sources or a combination of the three. We have determined to take one of those sources where we know that the money will be available again, unfortunately.

Mr Whitecross made a comment about some rumour or something about \$8m and a phone call of some description. Mr Speaker, I can guarantee to this house that there was no phone call about \$8m, saying, "Heavens! Help! We need another \$8m". In fact, for the information of this Assembly, I would like to actually table the final budget paper for the health budget, which is where Greg Fraser, Mike Woods and I actually signed off on the health budget, indicating that it was achievable, appropriate and, in fact, good enough for both of those people at the time to sign off on. I think, though, it is very important to indicate that any budget must be agreed on by all of the parties - that is, at the time the Under Treasurer, the head of the department and the Minister involved. So, any indication whatsoever that I, as Minister, directed any of those people to find \$8m that they were not willing to sign off on is obviously wrong.

Mr Speaker, I think, from the perspective of the Bill that we are talking about today, Mr Moore hit the nail on the head. There is no doubt that this has received more scrutiny than has ever been given to any other health overrun, or, for that matter, any change in appropriation or change in method of spending money. That, in essence, means that it is more available to the community and to the Assembly, to ensure that they understand what has happened, why it has happened and under what circumstances it has happened. Mr Speaker, from that perspective, I believe that a second Appropriation Bill is the right way to go. I do not believe that signing off significant changes in amounts of money - particularly moving significant amounts of money from capital to recurrent budgets after the end of the financial year and signing them off - and potentially tabling them in the Assembly at some stage will achieve nearly the same level of scrutiny. I believe that scrutiny is extremely important in these sorts of areas.

Mr Speaker, in the past, section 49 or subsection 47(2) has been used to transfer very small amounts of money. I think it is important to look at the document that was signed by me and Mr Walker on 14 July 1995 so that some of these transfers could occur. The transfers were half a million dollars here, \$400,000 somewhere else and \$1.1m to the Attorney-General's Department, for a major court trial. They were for those sorts of issues. They were smallish amounts of money which were for one-off expenditure or for approved expenditure under very specific circumstances. Nowhere in any of these is there \$14.2m for a health overrun. It is simply ridiculous to use that sort of method for large amounts of money. In the past it has not produced the amount of information that this procedure has. Mr Speaker, much as it has been a very painful approach for the Government - we always knew that it would be - we believed strongly that this Assembly and the people of Canberra had a right to know exactly what was happening to their money.

Question put:

That this Bill be agreed to in principle.

The Assembly voted -

AYES, 11

NOES, 6

Mrs Carnell
Mr Cornwell
Mr De Domenico
Mr Hird
Ms Horodny
Mr Humphries
Mr Kaine
Mr Moore
Mr Osborne
Mr Stefaniak
Ms Tucker

Mr Berry
Ms Follett
Ms McRae
Ms Reilly
Mr Whitecross
Mr Wood

Question so resolved in the affirmative.

Bill agreed to in principle.

Detail Stage

MR SPEAKER: Standing order 180 sets down the order in which this Bill will be considered; that is, in the detail stage the Schedule must be considered before the clauses and, unless the Assembly otherwise orders, the Schedule will be considered by proposed expenditure in the order shown.

Schedule - Part II

Department of Health and Community Care

Proposed expenditure - Division 50 - Health and Community Care, \$14,200,000 - agreed to.

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

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Question put:

That this Bill be agreed to.

The Assembly voted -

AYES, 11

Mrs Carnell
Mr Cornwell
Mr De Domenico
Mr Hird
Ms Horodny
Mr Humphries
Mr Kaine
Mr Moore
Mr Osborne
Mr Stefaniak
Ms Tucker

NOES, 6

Mr Berry
Ms Follett
Ms McRae
Ms Reilly
Mr Whitecross
Mr Wood

Question so resolved in the affirmative.

Bill agreed to.

QUESTIONS WITHOUT NOTICE

Hospital Bed Numbers

MRS CARNELL: Mr Speaker, I wonder whether I could read out the answer to questions I took on notice in question time today. I think that, rather than attempting to answer all the questions separately, it would be easier to answer the series of questions that were asked about the Woden Valley Hospital. Mr Speaker, I am advised that, due to the fact that Woden Valley Hospital's intensive care unit and coronary care unit were fully occupied, the hospital was placed on what is called emergency bypass from 2.00 pm yesterday to 2.00 pm today. This essentially means that the hospital does not accept patients from interstate. General medical emergencies are usually diverted to Calvary Hospital, but it too was full. Under these circumstances emergency patients are stabilised at Woden Valley Hospital's emergency department and then either wait for a bed to become available or are transferred to another hospital interstate. I am advised that a call was made to Wagga Wagga Base Hospital to advise them on the situation at Woden Valley, purely as a precautionary measure.

Two coronary care patients arrived at the emergency department at Woden Valley Hospital in the early hours of this morning. They were stabilised and monitored in the emergency department. One was admitted to coronary care at 9.30 this morning. The other had further tests this morning and after review of those results was discharged and sent home. A further two patients who were operated on this morning experienced a short delay - between 45 minutes and an hour - before beds were available in the intensive care unit. Mr Speaker, I am also advised that Woden Valley Hospital has, on average, 591 beds - seven more than when we came to government.

Mr Berry: Would you care to table that?

MRS CARNELL: Yes, I am happy to do that.

Public Service - Performance Indicators

MRS CARNELL: I table the list of people on the outputs group. It relates to another question that I have already answered.

WELFARE OF DOMESTIC POULTRY Code of Practice and Papers

Debate resumed from 12 December 1995, on motion by **Mr Humphries:**

That the Assembly takes note of the papers.

MS HORODNY (4.36): Mr Speaker, the Government's statement on animal welfare and domestic poultry warrants a strong response, because it actually brings no improvement at all in the welfare of domestic poultry. It will not provide additional space for battery cage hens, as it applies only to hens which are heavy enough to be affected. Since the vast majority of hens in the battery cage system are not heavy enough to be affected, there will be no gain in space for them. That leads to the question: Why are the hens not reaching the weight that would allow them additional space? The reason is that the supervision of the hens is so poor that over 600 die each week in the Parkwood establishment alone - and that is not from old age. These hens are no more than one to two years old. They die because of neglect which leads to dehydration, starvation and disease.

Unfortunately, under our legislation farm animals in our society are treated very differently from most other animals. Minimum and unacceptable standards have gone into our codes of practice and, in turn, those codes are increasingly being recognised under prevention of cruelty to animals legislation as the acceptable standard and animals kept in these conditions are exempt from prosecution. If a pet cockatoo was given just 450 square centimetres of space for its life - or even for 18 months of its life, as a battery hen is given - the owner would be prosecuted for failing to provide it with an opportunity

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to exercise. If a cat was castrated or had its ears, teeth and nails clipped without anaesthetic, as pigs are in the intensive piggery industry, the owner would also be prosecuted. But in the intensive confinement systems that have thousands of animals, even if animals are suffering life-threatening illnesses, veterinary attention is not usually provided. Even where there is starvation, perhaps due to a foot being caught in the cage door and preventing the bird from reaching the food trough, or where infection is killing them slowly, prosecution is still unlikely.

In Mr Humphries's view, the welfare of these animals is simply unimportant. It is only business, jobs and the price of eggs that count. Mr Humphries, who is not here at the moment - - -

Mr Humphries: Here I am.

MS HORODNY: You are here. I hope that you are paying attention. Mr Humphries, the cost of battery-produced eggs, in the ACT particularly, is artificially low because it is subsidised by the lack of care for the hens which provide these eggs. We can probably all remember back some 15 years ago when the price of eggs went down substantially all around the country. The reason for this was the establishment of the very cruel battery system for egg production.

Farm animals are constantly being exploited and manipulated in the production of animal-based foods. Modern production practices dictate that the vast majority of eggs that are sold in major supermarkets, restaurants and cafes come from chickens that are raised in intensive confinement systems which do not even begin to address the birds' basic and behavioural needs. The happy barnyard hen that runs about freely laying eggs in straw-filled nests is now not the norm, with very few producers using free-range or more humane barn or aviary systems.

Battery hens spend their entire life - it is a short life of only some 12 to 24 months - in wire battery cages so small that the hens cannot even spread their wings and are forced to lay their eggs on the wire floor. The suffering begins from birth. As future egg layers, the female baby chicks are spared from death, naturally; but the male chicks, having no value in the egg industry, are gassed, suffocated and usually ground up and used for chickenfeed. To limit the damage from excessive pecking and cannibalism in the tiny cages, part of the hen's beak is removed on a hotplate. This has a proactive term, "de-beaking". The suffering and abuse are continuous. Each hen is expected to produce 230 to 280 eggs. Once the hen has become exhausted and can no longer produce - and that is usually between 12 and 24 months - she is sent for slaughter, being suitable only for things such as stock cubes and pet food. In Australia the battery cage egg system is by far the method of egg production most accepted by industry, with the demand for free-range or barn-laid eggs still outweighing supply.

What are the alternatives? There are several alternative systems in operation around Australia and around the world. One of them is the free-range system under which the hens are allowed to roam freely in paddocks. They have shelter, nesting sites and fresh food. This is by far the most humane method of egg production. It results in healthier birds and higher-quality eggs for humans, and generally fewer chemicals and antibiotics are required to combat disease in this system. The deep litter sheds, otherwise known as

the barn system, allow the birds freedom of movement. However, it is a single-level system, overcrowding is still a problem and de-beaking often still occurs. Another system is the aviary or deep litter system. Multilevel perches allow the hens to fly up to roosting sites and get away from the other hens if they desire to do so. This system allows reasonable expression of natural behaviours, with the establishment of social groups, and generally there is no fighting and no need to de-beak.

States and Territories are expected to follow the code of accepted farming practice for the welfare of domestic fowl. This code, however, can be seen as only the bare minimum standard for battery hens and, in fact, is full of anomalies. It says that you must allow freedom of flight, and then a few pages into the code it offers cage sizes which give each hen only the space of an A4 page. These codes are voluntary. They cannot be enforced unless they are incorporated into legislation. As the codes stand, they support not the welfare of the battery hen but rather manufacturing economic efficiency. I believe that it is an absolute disgrace that our modern society allows this very poor and disgusting treatment of our fellow creatures who, at the end of the day, are already losing their lives for the dinner plates of humans; yet we say that we cannot even allow them to have a decent life with very basic essentials such as food and water that they can actually access. Many of the 600 birds that die every week at the Parkwood establishment are dehydrated and starved because they do not have access to the food and water which is their basic right. Why can we not let them be still intensively farmed but - this is the proposal that we will be putting up in our legislation later in the year - in an aviary system which gives them the freedom to move and allows them to express some of their very basic behavioural needs?

Mr Humphries, when he was tabling his statement last year, said that some sections of the community had argued that battery hen farming in the ACT should be stopped. He went on to say that this suggestion was illogical because it would retrench 60 workers. That is wrong. He said that it would close down a major industry. That is absolutely wrong. He said that it would require the ACT to import eggs from elsewhere. Again, that is wrong. He said that it would not improve the conditions of a single bird. That is again very wrong. Mr Humphries's rationale is highly illogical. If we in the ACT allowed only eggs produced from humane sources to be sold here, then Parkwood would actually need to take on - - -

MR SPEAKER: Order! The level of conversation in the chamber is too loud.

MS HORODNY: Indeed it is. Parkwood would need to take on many more workers to meet the additional requirement of a more labour-intensive system. This would provide care for the hens and ensure that adequate hygiene standards were maintained. The system that we are proposing - Mr Humphries and Mr De Domenico, I hope, are listening - would actually mean more jobs. It would be better for our economy; it would be better for jobs in the ACT; and, of course, it would be better for hens in the ACT.

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There are several alternatives to the battery system of egg production, as I have already mentioned. The total free-range system is not one that we are proposing. The barn system is a medium-intensive single-level system. Again, it is not the one that we are proposing. The third alternative system is the aviary system, which is also intensive farming, but there are simply no cages. This is the system that the animal welfare groups - the RSPCA, the Humane Society International, Animal Liberation and the Federation of Animal Societies - are supporting. Even though it is still an intensive practice, in order to meet the demand for eggs in the ACT it is the system that all these groups would support and, indeed, it is the one that we will be proposing.

It is still a big compromise in terms of the welfare of the animals; but it is at least a big step forward, in that the hens would be out of the dreadful cages and would be able to move around. Parkwood would not have to make huge alterations to their existing buildings. They would simply have to remove the cages and put in open ledges for the hens to sit on, much like birds in an aviary. This new housing arrangement would allow for litter to be used and would be a big step forward from the current very cruel battery cage hen system under which we house a quarter of a million hens in six or seven sheds. As I have said, the aviary system is the one that we will be proposing when we put forward our amendments to the Animal Welfare Act.

I turn to the cost of eggs in the ACT. As I have already said, the price of the eggs produced under the battery cage system is artificially low, just as the price of the free-range eggs that are currently available is artificially high due to the relatively low volume that is sold. The price of free-range eggs is no indication of the price of the mass volume of aviary-produced eggs. Aviary-produced eggs in the ACT would mean a price increase of something like 2c to 3c per egg, or 24c to 36c per dozen. It is quite likely that it would be even less than this because of the high turnover.

An AGB McNair poll conducted in March 1994 showed that over two-thirds of the people surveyed believed that the battery cage system was unacceptable, and 68 per cent of those surveyed said that they would pay more to purchase free-range eggs. A considerable percentage of the population is prepared to pay more for eggs to enable hens to have more freedom of movement. The additional cost for the aviary-produced eggs - and it is a small cost, as I have already said - would pay for wages. It is about maintaining hens in a better condition; it is about supervising them and ensuring that they have some quality of life. The additional cost would actually go into wages. That means jobs - something that this Government is always talking about. What we are proposing is about creating jobs. (*Extension of time granted*) We are also proposing that with better care and supervision more jobs will be created in this industry, and this will ensure that the welfare of hens in the ACT is at a much better standard.

I certainly look forward to the debate around our legislation when we put it forward in the next few months. I am very sorry that the Government has done so poorly on this issue. I hope that it will lift its game by looking very closely at the alternatives that we are proposing. I hope that they do not put forward the very paltry arguments about economics and jobs. Those issues have been very adequately dealt with in the proposal that we will be putting forward.

MR WHITECROSS (Leader of the Opposition) (4.53): Mr Speaker, I rise briefly to address the poultry code of conduct. The new poultry code of conduct makes what can generously be described as modest improvements in the welfare of chickens, but only modest. For instance, some battery cage farmers might find that they can squeeze only three chickens into a cage instead of four and - - -

Ms Horodny: Only if they are heavy enough, which they are not.

MR WHITECROSS: I understand that, Ms Horodny. Nevertheless, as I said, they can only be described as modest improvements. This issue is perhaps not the most pressing issue in the minds of lots of members and, on a day when we have been debating the Government's handling of the budget of the health portfolio, perhaps seems like a bit of a letdown; but the issue does go to some questions about our basic humanity.

As Ms Horodny said, concern about battery farming of hens is expressed by such mainstream conservative organisations in this field as RSPCA Australia. RSPCA Australia puts it rather well when it talks about the general issue of the humane treatment of animals. In quoting what it says, I will use inclusive language in place of words such as "man". It says:

RSPCA Australia believes that humans must treat animals humanely. Where people make use of animals or interfere with their habitat, they should bestow a level of care befitting humanity's own dignity as rational, intelligent, compassionate beings and a level of care merited by the nature of the animal as a sentient creature capable of responding to human care and attention. Such care should be marked by sympathy, consideration, compassion and tenderness towards the animals.

RSPCA Australia believes that national and international adoption of set minimum standards of treatment and husbandry, and the observance of the following points, will enable all species of animals to live according to their own behavioural needs as provided by a compassionate and responsible community.

I will mention only a couple of these points. It says:

Animals have an intrinsic value of their own and, accordingly, must be considered to possess the right to live in a way which enables them to have a positive life and to develop and enjoy their inherent qualities.

It also says:

No animal should be used for the production of food ... in any way [which] may cause suffering, injury or distress.

Mr Speaker, it is because of those basic urges in us all as human beings that we get the kinds of reported figures that Ms Horodny referred to, which showed that two-thirds of people feel that battery farming is not an acceptable practice because it radically interferes with the nature of the animals that are being kept, in that it denies them the right to perch, which is a natural instinct. It denies them the right to nest, which is a natural instinct.

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It denies them the right to flap their wings. It denies them the opportunity to mix in social groups of a number that chickens like to mix in, which is more like a dozen than three. Mr Speaker, these are the concerns that people have about the humaneness of battery cage farming. It is the conclusion of the RSPCA, for one, that battery cage farming is an unacceptable practice.

It seems to me that the egg industry is very slow to respond to community values on this matter and is susceptible to the view, explicitly rejected by the RSPCA, that commercial values on their own ought to be sufficient justification for what is, on the face of it, an inhumane way of keeping poultry. In the discussions that I had with people from the government departments, I was particularly concerned when I was told that mortality rates in battery farming systems were between 10 and 15 per cent. Figures as high as 20 per cent have been touted around, but 10 to 15 per cent was the figure that the department came up with. That is an interesting figure, because the inspection guidelines show that any mortality rate over one per cent a year is cause for serious concern.

When I asked the departmental officers whether they were concerned that there was such a high mortality rate, they said, "Yes, we are concerned". I said, "What are you going to do about it? What do you think can be done about it?". They said, "Oh, we are hoping that someone will find a cure for Marek's disease". This is the standard of scrutiny these issues are getting. We really have a right to expect a higher standard of urgency than just saying, "We all have our fingers crossed that they will figure out a way of immunising chickens against Marek's disease or curing Marek's disease". That is not really a very acceptable attitude on the part of the regulators to animal welfare codes.

Mr Humphries: What else are they supposed to do?

MR WHITECROSS: Your own code of practice says that anything over one per cent is extremely unacceptable, and the fact is that the mortality rates are over one per cent. Mr Speaker, it seems to me that more urgency needs to be given to this issue. Finding solutions is a debate for another day, but I do not think we should be complacent about the present state of affairs, and I do not think we should be treating this as a frivolous issue. What we are talking about basically is what is humane and what is consistent with our dignity as people and our respect for other animals.

Accepting that this code is, as I said, a modest improvement on the previous code, I would urge the Minister to take very seriously the business of pressing for a much better - - -

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 that the question be put forthwith without debate.

Question resolved in the negative.

WELFARE OF DOMESTIC POULTRY Code of Practice and Papers

Debate resumed.

MR WHITECROSS: Mr Speaker, I think it behoves the Government to take another look at this issue and to try to press for a better outcome than the outcome that we have at the moment. Quite frankly, I do not think we have reached where we ought to be on this issue. We are not meeting widely held community values in relation to the keeping of these animals. We are not meeting the standards set by such conservative and mainstream organisations as the RSPCA. Quite frankly, we have to do better than we are doing.

MR MOORE (5.01): Mr Speaker, I must say that, having listened to this debate and having looked at the code, I do look forward to the Greens' legislation. That is why today I will not duck and weave. I will not just cluck, cluck about this code and risk making a turkey of myself.

Mr Humphries: You are just chicken; that is all.

MR MOORE: This code is a paltry attempt at improvement. Having heard Ms Horodny and Mr Whitecross, we ought to say that what is good for the goose is good for the gander. I heard Mr Humphries interject about being chicken, but that is just because he is a little cocky. I would not go so far as to call him an egghead, because I do not think this is a matter about which we should "yolk".

When I plucked up the courage to do this speech in this way, it was just in recognition of the small steps taken in this code, and to take the opportunity to publicly state my in-principle support for the Greens' legislation. Certainly, I am aware of the drafting instructions given on that legislation, although I have not seen the legislation itself. I do not want to walk on shells in dealing with this legislation. When members are considering the whole issue of poultry, perhaps we need to extend our view of just what we mean by poultry. After all, there are now emu farms and other farms as well, and it would be best if we did not bury our heads in the sand.

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MR SPEAKER: Mr Humphries will now mercifully close the debate.

MR HUMPHRIES (Attorney-General) (5.03), in reply: All I can say about Mr Moore's speech is that it was pretty "eggscruiciating". Mr Speaker, I thank members for their contributions to this debate; but I would have to note that members, most of whom have expressed some misgivings about the code, have taken an unusual course of action. What we are debating today is the tabling statement for a code of practice approved under the Animal Welfare Act 1992. As members would be well aware, the code pursuant to the Animal Welfare Act is a disallowable instrument.

Mr Whitecross: It would make it worse if you disallowed that, would it not?

MR HUMPHRIES: Mr Whitecross forgets, when he interjects, that disallowable instruments are amendable now. If Mr Whitecross believes that there are some shortcomings in this code, then he had an opportunity, as did Ms Horodny - indeed, if he felt the way he did, he had an obligation - to amend the code in some way to reflect his views or the views of his party. That right has been available for some time. In fact, that right has now expired, because the nine sitting days, or whatever it is, from the tabling of the code have expired. The opportunity has passed.

I would say to members that they have come up against a problem which they have failed to acknowledge in this debate. The issue is not as simple as feeling compassion for domestic animals, in this case poultry, and feeling a desire beating in their hearts that something should be done about it. Mr Speaker, with respect, if they want something done about it, it is up to them to do it. Mr Speaker, I profess as much concern about the position of animals in our society as does anybody else in this place. I have always maintained animals of my own - birds, occasionally reptiles, but generally dogs. I consider myself to have been a responsible pet owner and to have looked after those animals. I certainly feel considerable personal anguish when I see animals suffering.

Having said that, I acknowledge that there are considerable difficulties standing in the way of applying a code which might be more rigorous from the point of view of some in this place who have argued that we need a tighter restriction on the way in which people keep battery hens. The first of those considerations, I suppose, is a philosophical one. We live in a society which, it could be argued, basically operates on the basis of wide-scale exploitation of animals. It uses animals to test drugs which are then made available to humans. It tests other chemicals, including cosmetics, on animals. It uses animals for a whole range of applications, including the production of clothing, handbags and so on. Of course, most fundamentally of all, our society kills and consumes vast quantities of animals every year. I wonder whether any of those contributing to the debate who expressed concern about the position of those animals have in the last 24 hours sat down and tucked into a nice hamburger, a chicken and salad sandwich or something of that kind. I suspect that some have. Mr Speaker, we have to accept - and I pose this as a philosophical issue only in this debate - that our society is built on a very considerable exploitation of animals. We cannot just say that we are personally affronted by particular uses in particular cases; therefore, we will end it. It is a much more complex debate than that.

The second problem is a very practical problem in respect of the code of practice for domestic poultry. The application of a tighter code in the ACT in respect of the keeping of battery hens would result, quite probably, in the removal of the major battery hen producer from the ACT to a place where restrictions of the kind proposed did not apply.

Ms Horodny: No. You did not listen.

MR HUMPHRIES: Mr Speaker, Ms Horodny does not believe that. She maintains that you can conduct this other mechanism for egg production as cheaply as you can conduct battery hen farming and that it would not occasion any considerable increase in cost in producing those eggs. That is not my advice. My advice is that the costs that would flow from the suggestions made by Ms Horodny would be quite considerable and would significantly add to the cost of egg production.

Ms Horodny: Two cents an egg for an aviary system.

MR HUMPHRIES: Aviary production has a number of problems associated with it.

Ms Horodny: Two cents an egg. Can you not afford that?

MR HUMPHRIES: I heard what you said, Ms Horodny, but I have to say to you that my advice - I am not an expert in hen farming - is that there would be considerable costs built into the system of having aviary farming. Many more eggs would be broken because the hens would be in a position to lay away from nests. There would be more opportunity for hens to interact with one another and cause one another injuries. That is a major cause of mortality. The application of those other standards would result in a much higher cost.

I note that presently free-range eggs are more expensive than battery-farmed eggs. That may be a reflection of what I have said; it may be a reflection of something else. I say to Ms Horodny that the Government's policy is quite simple. We will be quite prepared to endorse, in her words, more humane treatment of animals, be they hens or any other form of beast in the ACT, provided that in doing so we do not depart from the nationally developed codes of practice and the national standards in such a way that we cause businesses operating in the ACT to lose their viability and we risk their leaving the ACT altogether. I assure Ms Horodny that if the ACT standards were high enough to encourage people like Parkwood to cross the border and operate in New South Wales there would probably be no threat to their market. The market would still be there. They would not be paying payroll tax or any other taxes to the ACT. We would be poorer for that fact. It is also possible that the people employed there would come from New South Wales rather than from the ACT.

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I say again to Ms Horodny that it is not about maintaining high standards or not being compassionate about hens; it is about accepting that it is better to work within a national framework for these things than to work outside that framework.

Ms Horodny: Not if it is a poor code. That is why we are here - to change things, to improve things. If we just stick with what is already in existence, why are we here?

MR HUMPHRIES: I do not believe that it is a poor code. I think it is a sustainable code and a code which reflects practices around the county. We should work towards change around the country if we wish to see change that is positive in the way that Ms Horodny has suggested.

Ms Horodny: It has to start in our own backyard.

MR HUMPHRIES: No, it cannot start in our own backyard; it cannot start by our having a different standard. If we have a different standard, we destroy the purpose of a great deal of work that has gone on for at least the last five years in Australian governments to reduce the differences between operations in different jurisdictions on matters of regulation. Battery hen codes like this are a form of regulation. If you change the mechanism for regulation so that it is different from that in New South Wales, you create barriers between the two jurisdictions.

Ms Horodny: No, you do not.

MR HUMPHRIES: Mr Speaker, that is the fact of life. You create barriers between the two jurisdictions and people then have to choose between jurisdictions in terms of where they operate and how they operate. I maintain that it is better for us to continue the process of removing those barriers where it is appropriate to remove them. This is one such case. Our policy, as has been the policy of governments for at least the last five years, will be to maintain national standards within the ACT.

Question resolved in the affirmative.

ADJOURNMENT

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

That the Assembly do now adjourn.

Assembly adjourned at 5.12 pm