



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

13 May 1997

13 May 1997

Tuesday, 13 May 1997

Petition: Sale of land - Chisholm	1231
Appropriation Bill 1997-98	1232
References to public servants and senior officials (Statement by Speaker)	1271
Questions without notice:	
Commercial property auction - Chisholm.....	1274
Housing - people with disabilities	1276
New private hospital.....	1278
Textbooks - shortages	1280
New private hospital.....	1281
New private hospital.....	1284
Public Service - executive salaries.....	1287
Transport Reform Advisory Group.....	1289
New private hospital.....	1290
Tidbinbilla Nature Reserve	1292
Former School Without Walls premises	1294
Public Service - executive salaries.....	1295
New private hospital	1297
Subordinate legislation	1297
Education management (Matter of public importance)	1298
Scrutiny of Bills and Subordinate Legislation - standing committee.....	1307
Minister for Education and Training (Motion of censure)	1308
Debits Tax Bill 1997	1333
Rates and Land Rent (Relief) (Amendment) Bill 1997	1336
Health Promotion (Amendment) Bill 1997.....	1343
Private members business - precedence.....	1344
Landlord and Tenant (Amendment) Bill 1997	1344
Adjournment:	
Legislative Assembly - eighth anniversary	1350
Sister city relationships.....	1350
Sister city relationships.....	1351

Tuesday, 13 May 1997

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

PETITION

MR WHITECROSS (Leader of the Opposition): Mr Speaker, I ask for leave to present a petition which, although in order, was not lodged with the Clerk by 5 o'clock last night.

Leave granted.

Mr Humphries: Disorganised!

MR WHITECROSS: When you work with the community you have to make allowances, Mr Humphries. Mr Speaker, I present a petition from 636 residents requesting that the Assembly call on the Government to withdraw from sale the block of land adjacent to the Chisholm shops.

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

Sale of Land - Chisholm

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: the decision of the ACT Government to sell a block of land adjacent to Chisholm Shops for the purposes of a fast food outlet or restaurant. This sale is not in the best interests of employment in the ACT, and will lead to the closure of a number of small food businesses and unemployment for their proprietors and staff.

Your petitioners therefore request the Assembly to: call on the ACT Government to protect the interests of small businesses and their staff and withdraw from sale the above mentioned block.

Petition received.

13 May 1997

APPROPRIATION BILL 1997-98

Debate resumed from 8 May 1997, on motion by **Mrs Carnell**:

That this Bill be agreed to in principle.

MR BERRY (10.32): The failure of the Carnell Government's third budget will be further exposed, I am sure, when the matter is subjected to the scrutiny of the Estimates Committee. In examining the Chief Minister's third budget, it is wise to think about the promises of the first and the way that it was proposed to be, in many ways, the world's first three-year budget for a government. It is wise to look at the lessons we have learnt from the first two years of the Carnell Government. The issue for us to consider is: Has Kate Carnell got the answers she promised? Of course not. Kate Carnell has made a lot of promises over the last three years; but, at the same time, she has not delivered. Kate Carnell has not delivered on her promises; but, more importantly, she has not delivered on the basic services that governments must deliver. We will all recall one of the broken promises in my own electorate, where Mr Stefaniak was responsible for the closure of a school which he promised would not close unless the community wanted it to close. The community said no, Mr Stefaniak closed it, and what did the Liberals say? They said, "We agree with Mr Stefaniak". This budget is part of what Mrs Carnell said when she first came to office would be a three-year budget. What a farce! What a hoax!

That the ACT is in recession now is not in question, and it is clear that Mrs Carnell has done little to ameliorate the effects of the economic downturn in the Australian Capital Territory. The Chief Minister likes to blame her preferred Prime Minister. Let us not forget that Mrs Carnell blames John Howard for most of the problems, in an attempt to divert attention from her own failings. She blames John Howard at every opportunity. John Howard, of course, was promoted by Mrs Carnell before he came to office. It is a bit rich now to blame John Howard for many of the problems that Mrs Carnell, by supporting him, wished on this Assembly. The economic indicators were in their downward spiral long before John Howard was elected. Whom do you think that has something to do with? Of course, it has something to do with Mrs Carnell. The ACT economy started its downward trend in March 1995, and Mrs Carnell in her first year did nothing to address the problems. In fact, she exacerbated them. I suppose it should be no surprise that she was not ready for the acceleration in the decline that occurred when John Howard and Peter Costello got their hands on the levers.

Who will forget Mrs Carnell talking down the ACT economy for months after she came to office? But the degree of failure is not just in the Chief Minister's failure to respond to the worsening economic climate. The added problem is that Mrs Carnell has not been able to manage the basic services. Mrs Carnell has driven Canberra's services down as well. She has interfered in services and bungled them. She has undermined the Public Service and the private sector with her meddling and has focused instead on silly peripheral issues such as futsal stadiums. You get a quick flash on the television and a picture in the paper if you open one of these sorts of things. Over \$300,000 worth of

the community's money has been poured into a stadium that is little more than a publicity stunt. It is good to see that the community is a wake-up to this stunt, and while ever that stadium is there it will be a constant reminder of the failures of Chief Minister Kate Carnell.

Mrs Carnell and her colleagues pushed ahead with the restrictions on trading hours, and I raise that in the context of jobs. The community was well aware of the impact of the trading hours move by the Government. The Government callously pushed on with the trading hours issue, against the wishes of the community, in the recognition that it would cost jobs, but without any compassion at all. Mrs Carnell and her colleagues have shown that their priorities are all wrong. Financial management is not a priority. Presentation is the issue for Mrs Carnell. A cheap picture in the media is all that she seems to pursue.

It is with this in mind that we come to examine this year's budget, and what do we see? The Chief Minister has learnt nothing. Mrs Carnell has shown in this budget that she intends to go on in exactly the same way as she has since she became leader of the Liberal Party: Make glib promises, then break them. Ignore the economic realities, develop no policies to cope with our community's needs, but just keep on the same path, no matter what happens. In effect, allow this Territory to decline. This budget is the third from Kate Carnell, and it no more addresses the ACT's problems than did the first two. We have heard a lot from Mrs Carnell, but the solutions she speaks about never translate into actions. It is all talk, as many people in the community have come to understand. Mrs Carnell does not seem to have worked out yet that it takes a little more action than just trying to talk up the economy.

Nowhere has the failure of the Carnell Government been more evident than in health. Mrs Carnell came to government on a bunch of promises on health. They included such things as better management to cut costs, increased services, increased bed numbers, not closing health centres, cutting waiting lists, delivering a cardio-thoracic unit. She made certain promises in her first budget in relation to those matters. She has delivered only one, and that was to cut waiting lists; but at what cost? All the others are broken. The costs in health have been huge and, even now, the waiting list situation is in doubt because the Chief Minister has identified that there are some sorts of counting problems with the figures she has released. There has obviously been a review of waiting list numbers in the health system, and Mrs Carnell's own figures have fallen into disrepute.

The oft repeated promise to cut health costs was the first casualty of the Carnell Government. Mrs Carnell worked out that, if you move to cut costs in health, some bad publicity comes with it. The easier option was to throw the community's money at it and to save herself the trouble. Mr Speaker, \$1m was wasted on the Booz Allen and Hamilton report. The Auditor-General revealed that the promised \$3m saving on VMO fees had been given away by Mrs Carnell, handed back to the VMOs. The most highly paid visiting medical officers in the country were clearly let off the hook. After all the hard work that had been done by the previous Government in

13 May 1997

trying to get some sense back into negotiating contracts with the VMOs, Mrs Carnell threw her hands up in the air, knowing that it would cause her some bad publicity if she were to pursue the issue. She plainly gave in, and \$3m per year of the community's money was lost.

By February 1996, less than six months after the first budget, the Assembly was asked to give the Health Minister another \$14m and was given the impression that it would not cost one dollar more. Another promise broken! By June that first year the blow-out had hit \$22.3m. Here we have the largest budget overspend since self-government, by the person who claimed at the last election that she would make significant changes to health in the ACT. About the only relief she provided was to Mr Gary Humphries, because her overspend was much worse than his. So, he can hand over the championship belt to Mrs Carnell.

In the second year of this famous three-year budget, Mrs Carnell tried to buy her way out of health problems. She ploughed an extra \$38.6m into health. This is against a background of a promise to cut \$10m per year from health budgets throughout the three-year budget. What a farce! What a hoax! It is starting to make the drop in waiting list numbers look pretty expensive. Meanwhile, Mrs Carnell had delivered only a few of the promised 50 extra beds at Woden Valley Hospital. That was a very quickly forgotten promise. Mrs Carnell made great hay out of the promise that she would deliver 50 extra beds to our public hospital system. She promised to deliver these hospital beds at Woden Valley, in fact. Nobody wants to go out there and count them these days. It is fairly clear that that promise has evaporated, and evaporated very quickly. It was a hollow and shallow con on the community and it will not be forgotten. The Carnell solution to all the problems that are created at Woden Valley Hospital - she promised to put 50 extra beds at Woden Valley Hospital - seems to be to change the name of it and then the promise does not matter anymore. Call it the Canberra Hospital, and we are on new and fertile ground to make a few more promises.

The promise not to close health centres was another casualty of the Carnell Government, and I have to say that Mr Hird's and Mr Stefaniak's approach to their electorate has been appalling. They have not been able to prevent the impact of the Carnell Government on health centres. In fact, it was only by way of a motion from the Labor Party, supported by other members in this Assembly, that the Kippax Health Centre was saved. I see now that the sign has been removed from the City Health Centre, so I suspect that we can put that down as another health centre that has been saved by Labor. The Melba one, regrettably, was bulldozed. The bulldozers were snuck out there and it was demolished. The Kippax Health Centre was saved only by prompt action from the Assembly, and I suspect that the Civic Health Centre has been saved, too, by the Assembly, as a result of a motion moved in this place by the Labor Party. They were promises that Mrs Carnell was forced to keep.

We now have the situation where the Liberals are again on an ideological binge, if you like, in relation to the assets of the Territory. I will speak briefly about that later in relation to ACTEW. The cardio-thoracic unit was another example of the Health Minister's failure and her cavalier attitude to a promise. We heard about this particular service to the community in the lead-up to the last election. We saw the promises in the first budget. We see the promises in this budget. We await
eagerly
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13 May 1997

delivery of this promise. Promises in respect of her cardio-thoracic unit have been broken time and time again, and we wait eagerly to see what happens with this one. This unit has yet to save one patient a trip to Sydney. Under the original plan, it was going to cost \$1m per year; \$500,000 was set aside for the initial set-up in the first year, with the claim that the unit would open in late 1996. Then in the second year \$2.7m was allocated, with the promise that it would be up and running by June this year. In this year's budget, there is \$3.5m and the start date has been put back again until July. This is a budget that merely points to the broken promises made by the Chief Minister and Health Minister, Kate Carnell.

On the matter of employment, the ACT went into shock as a result of Mrs Carnell's activities in the economy very early in the piece. I must say that recent figures are showing some signs of recovery, but only time will tell. That recovery, though, should not blind the community to the tragic circumstances of job losses in the Territory in the first two years of the Carnell Government. It was a government that showed that it did not care for the community, did not care for the unemployed. All it cared about was its public relations image, and that was something Mrs Carnell worked feverishly at, and still works feverishly at, as we grind our way through the Carnell term of office.

Let us look at this year's budget. Some \$4.5m worth of redundancy money is being directed to job creation, but there is still \$5m in the redundancy pool. The *Creating Jobs for Canberra* budget will still spend more on redundancies than it will direct to so-called job creation. There is a strong element of hypocrisy in the Government's jobs budget, especially when you see the circumstances that exist at the Acton Peninsula, where the contract arrangements have encouraged the recruitment of interstate companies, recruit interstate labour and use interstate machinery, when all of those products are available in plentiful supply here in the ACT. In other words, truck drivers in the ACT are missing out on jobs and trucks and heavy equipment are lying idle because of Mrs Carnell's failure to address the issue of jobs and to deal with the issue compassionately in the Territory.

MR HIRD (10.47): I wish to commend the Chief Minister and Treasurer, Mrs Carnell, on the budget she has produced for the ACT for 1997-98. Those members who spend time out in their electorates, as I do, will be well aware that the major concerns of the community are - - -

Mr Berry: You should have been spending a bit of time up at Melba, watching out for the Melba Health Centre.

MR HIRD: Mr Berry, I heard you in silence. You hear me in silence, sir, or I might bring up a few little reminders.

Mr Berry: I cannot wait.

MR HIRD: Good. The major concerns of the community are jobs and business growth, and the two are inextricably linked. At a time when the policies of the Commonwealth Government have caused a major downturn in the ACT economy, with higher unemployment the obvious result, the people of Canberra look to their Government to provide some of the answers to the Territory's employment and economic woes.

13 May 1997

I believe that Mrs Carnell has responded to those calls in the best possible way - in fact, in the only way she could - by producing a budget that has as its central focus the creation of jobs for the people of Canberra, particularly young people. How better to achieve that than by providing incentives for substantial growth in both the private and public sectors?

This is not an election budget - I emphasise that - as most people would have expected from a government that has to go to the people and ask for another term in government within a few months of its final-term budget being adopted. I commend Mrs Carnell for ignoring that temptation in the interests of all Canberrans. There are still cynics out there complaining that Canberra should not have had local government, that our livelihood, our future, our survival, should still be dependent on the whims of a central government that over the years has become increasingly anti-Canberra. I would remind those people that what Mrs Carnell has achieved with this budget would not have been possible under a central government's control. Mrs Carnell has accepted the responsibility of accountability to the Canberra community - the people we all represent in this place - with the delivery of a responsible budget that is the best possible solution for lifting this Territory out of its economic malaise that successive Federal governments have inflicted on us. Canberra has no alternative but to stand on its own two feet. It has become increasingly clear that we can no longer rely on the sort of assistance that past generations of Canberrans had come to expect from the Federal government - those on the hill.

I do not believe that a policy aimed solely at attracting new business ventures is the answer to our employment and economic problems. Existing local businesses are the ones most likely to provide jobs for our unemployed in the short term, and the incentives outlined in Mrs Carnell's budget will help to achieve that objective. This is a jobs and business budget. The \$3m worth of incentives provided for youth employment, in spite of Mr Whitecross's insistence on downtalking and demeaning Canberra and the people he is supposed to be representing, will continue to deliver jobs for the young people of this Territory. We have already seen in the recently released figures that, as a direct result of the Government's policies, teenage unemployment rates dropped from 43.6 per cent down to 31 per cent - still not good enough, but that is a drop of 12 per cent. As well, the unemployment rate was down to 6.8 per cent in April - still not good enough - the lowest since June 1994, before we took government in March 1995. As the Chief Minister has announced, this is lower than any of the other States in Australia.

Likewise, the Government's \$94.7m capital works program will generate jobs in addition to the 1,500 jobs created in April - a total of 5,600 jobs created since November 1996 - further evidence of this Government's policies working for the benefit of all of us, the Canberra community. There is a specific allocation of \$4.5m for creating jobs for Canberra through employment and business, but the true picture of the Government's direct support for business is much greater than that. It is closer to \$12m. Another \$3.2m is committed to continuing labour market programs and economic incentives, plus another \$4m in the business development fund. A \$540,000 commitment to continue the ACT's participation in the assessment of the very high speed rail link will have direct benefits for businesses not only in Canberra but throughout the region.

13 May 1997

In addition, there are business incentives such as payroll tax concessions, electricity and water concessions, direct land grants and educational training programs which cannot be quantified. These incentives are available to both existing local businesses and new businesses establishing in Canberra.

I am pleased that Mrs Carnell has recognised the importance of the capital region to Canberra's future economic stability, not only by the budget but also by her leadership in establishing the regional leaders forum. This important committee, chaired by the Chief Minister, consists of the 17 mayors and shire presidents from the region, allowing for a common understanding that produces a united regional strategy. I know that there are detractors and pessimists out there, and there are some in this place, Mr Speaker; but the two private enterprise projects that have the potential to turn this Territory and the region right around are the upgrading of the Canberra Airport to international status and the high speed train, which go hand in hand. They have the potential to provide full-time permanent jobs for several thousand people directly and many more indirectly. I am extremely confident that both of these projects will go ahead. Mrs Carnell has touched on these projects as being integral to this Government's vision for the future of the Territory and also the region.

I urge Mrs Carnell to continue our Government's pursuit of the international airport cause. I have just returned from Christchurch, New Zealand, with other members of the Standing Committee on Economic Development and Tourism, which I chair. We were able to see there at first hand the impact an international airport can have not only on the city but also on the region and its development. That visit will be the subject of a report to this parliament at a later date. Suffice it to say now that the benefits that have accrued from an international airport in the Christchurch region, with a population of 450,000, are minuscule when compared to what could be expected in the Canberra region, with a population of more than 600,000.

Another aspect of Mrs Carnell's budget that I would like to touch on is the reference to a \$100m contribution to the ACT economy from ACTEW Corporation, which seems to have attracted an incredible amount of controversy. The facts of the matter are that, when ACTEW was corporatised 18 months ago, the corporation acquired many hundreds of millions of dollars worth of assets accrued over the years with financial contributions from the people of Canberra. The ACTEW board members, I am sure, would be the first to admit that Canberra residents, like any other investor, are entitled to a return on their investment. All the Government is asking ACTEW to do is to make good that return by now making a contribution to the running of the community that has financed this operation over the many years.

As I indicated at the beginning of my speech, I believe that this is a budget designed with Canberra's welfare in mind, and I commend Mrs Carnell on the papers she has delivered. Mr Berry criticised Mrs Carnell and our Government over the past 2½ years, but I would like to remind this house of the seven months lead-up to the 1995 election on 18 February; that is, the Executive budget of the former Government was overspent by \$257,000 on salaries and expenses; on employment programs, \$2.5m was overspent on projects, including the Clean-Up Canberra project, before the 18 February election,

13 May 1997

costing a quarter of a million dollars; on public transport, \$750,000 was committed for further studies into light rail, with \$250,000 already spent, and there was \$62,000 for the Nightrider bus service; on sport, there was \$107,000 to establish sports betting and \$85,000 to maintain some ovals - over budget. In all, \$31m was identified by the department in the lead-up to the 1995 election. I thought I would remind the house of that.

MS McRAE (10.58): An interesting point on which to begin is to remind everybody of what happened 2½ years ago, because all we have seen in the last 2½ years - and it is thoroughly exemplified in this budget - is a complete absence of leadership. Whenever I think of this Government, I think of people who have suddenly discovered a car or a coach for the first time; each has a go at pulling all the levers and says, "Isn't this fun? I can make it go this way; I can make it go that way". But nobody has any idea of where it is going or why. There is nothing behind what this Government's drive is all about; there is nothing of substance; and there is no vision about where we are going.

All we have is a mantra about jobs. That is very important, but 93 per cent of the population are not worried about jobs. What about them? What about our community? What about everybody who lives here? What about the fabric of our society? What about the community we share? What about the hopes and aspirations of the people who live here, who care about Canberra and who want Canberra to work? Do we ever hear anything about that? No. All we ever hear about is a reduction in spending in the Chief Minister's Department, which comes at a profound cost which is never discussed. We hear nothing about the longer-term good of Canberra; we hear nothing about what this Government is trying to do for the good of Canberra.

On top of that we have now heard for two years running, "Gee whiz, aren't I clever? I have found a new way to find money". The first time it was by selling off our assets, but it was couched in some sort of fancy rental tax avoidance scheme which merely put our buildings out to somebody else's management and made us pay more for the use of them. It is a "gee whiz, whiz-bang, isn't it wonderful" approach, but really it is leading us nowhere. This year we have discovered a brand new scheme: "Let us milk ACTEW for all it has. That will get us out of trouble this year. Too bad about the consequences; too bad about the future". Where on earth is all this leading us? No-one knows. How many buildings can we sell off? How many times can we milk ACTEW? Where are we going? There is no leadership shown from this Government.

Most of all, we see it in the areas of my concern. In education, what have we seen over the last three years and what has this budget delivered? "More of the same", says Mrs Carnell. Well, yes; well and truly more of the same. What has more of the same meant for the people of Canberra? It has meant a complete absence of concern for the most disadvantaged and for those who have to struggle hardest to survive in the ACT. Firstly, we saw the closure of the evening colleges - the one place where people who, for a variety of reasons, had not completed their education, could have a second go. They went very quickly. The justification was, "They are far too expensive, far too dreadful; we cannot possibly keep them open. No, we will open it up to competition. We will give more opportunities to more places to run this show". What happened?

13 May 1997

That did not work, did it? There was a complete absence of leadership, a complete lack of understanding of how the community works and what the community's needs are. Now everybody has to go to the TAFE and pay a quite considerable sum. As we have seen over the years, the figures have declined dramatically and we have cut off a very important channel of re-education to the people who most need it.

We have seen the closure of one of our poorest high schools, in one of the most disadvantaged areas of my electorate. The suburb is furthest away from any services and is fast declining as a pleasant place in which to live. The Government went in, gung ho, saying, "Yes, a good idea; close Charnwood High; the previous Government did nothing about it". We heard all the rhetoric, but there was no consideration of the long-term impact of that on the morale of the community, on the wellbeing of the people who lived in that area. To top it all off, this year the Urban Services Minister has helped out by rearranging all the buses. People who actually now have to go to Ginninderra High cannot get there anymore on the buses that they previously used. There is a complete absence of leadership, a complete absence of concern for the people who are most disadvantaged and have the most difficulty in surviving in our community. Now, hey presto, Copland College is under stress. Surprise, surprise! What is the Government doing? Absolutely nothing. The market rules, okay! We are worried about jobs and where our next \$100m windfall may come from, but we are not worried about the people who live, work and have to survive in Canberra.

The Minister has done nothing. It took a week of press coverage for him even to concede that there was a problem with the disadvantaged schools. I do not really care about that in the end, because it is only icing on the cake. It shows an absence of basic leadership to begin with, because we should not be topping up disadvantaged schools. The Minister should have taken much more care that schools were funded properly in the first place, as was indicated in the PAC report. What does this Government stand for? It stands for letting the poor fade away, disappear, not have any services, not have any support, not be taken care of.

School-based management is another example, if we stay with the education area. When Mr Stefaniak was asked to deal with the issue he said, "No; there is no problem; it is okay; they will all be okay". That is not what we are hearing from small schools; that is not what we are hearing from the most disadvantaged areas. What is this Government doing? Absolutely nothing. It is finding other ways, I should say, to grab \$100m from here and to grab \$100m from there, but no ways of dealing with the immediate problems that are here and now. This budget paper shows up the absolute lack of direction, vision or concern for the Canberra community.

In the education area, the stress that has been put on families is growing. The first venture into it all came from the push into sport, with absolutely no regard for the extra equipment that was needed, the extra clothing that was needed, the extra financial burden that it was putting on the disadvantaged. Have we seen anything to counter that? Have we seen any programs in place to say, "We do care about you; we are an inclusive community; we are going to support you."? No. For years, the pressure has been on to extend the counselling and support that are offered to students in stress within schools, to offer teachers further avenues of support when they encounter these students in stress.

13 May 1997

Do we see anything come out of that? No. In fact, the two off-line programs that were running have been closed. Has the Minister done anything about ensuring that those children who come from the most stressed and difficult of backgrounds, who are themselves extremely difficult and very often unpleasant students to deal with, are included; that our system actually deals with them; that some support mechanism is there? No; because this Government has no concern, no vision, no protective measures to say that this is a community for all of us and a community that cares.

What else this Government has indulged in - and you can see it again in the budget papers - is a walking away from its link with the Federal Government. This Liberal Government has to work with a Federal Liberal Government, and all we see is Mrs Carnell and others indulging in self-aggrandisement by abusing Mr Howard. I do not think that is acceptable. I think it is a dishonest and deceitful way to deal with party allegiances and loyalties. It gives to the people of Canberra a message that says, "We will pick on him because it suits us politically; we will pick on him and show up his shortcomings because it distracts from what we are doing and provides us with a way to escape responsibility". There is no escaping. This Government has no direction, has no vision and does not care about the people who live within the ACT. No amount of carrying on that it is all Mr Howard's fault is going to delude anyone. A Liberal government is a Liberal government; a Liberal Party member is a Liberal Party member. To say, "He is a purple one, and I am a green one; and we are different" does not delude anyone. All it does is underscore the paucity of vision and the paucity of genuine concern that this Government has for the people of Canberra.

In the area of planning, we have now seen years and years of non-activity, with, again, no real concern to protect the amenity and the rights of the people living in the poorest areas and of the people most disadvantaged. The planning Minister has done nothing to allay the fears of people who are living within the B1 zone and feel that they are under threat. The Minister has done nothing to ensure that the planning regulations maintain an even spread of land. He goes up and down. One minute he is auctioning land; the next minute he is not. He is not keeping a good eye on the management of that area and, therefore, families and communities are being hit hard by the areas of management of this Government.

In the sporting area, all we see is more and more measures to try to off-load costs, to put the burden more and more on families. We see the Minister take a hands-off approach; the swimming pools are no longer his problem. We see higher and higher charges; we see poorer and poorer management. We see small businesses going out of business because Leisure Australia management will not allow them to operate; and the Minister simply stands back and lets it all happen. There is no vision, no concern, no protection of the most disadvantaged people in Canberra. He pulls a rabbit out of a hat and produces a swimming pool for Belconnen as if it is something new. In the meanwhile, families have to pay more to use ovals; sporting communities are being charged more and more to use facilities; facilities are not being maintained at an even level; and there is absolutely no leadership shown for the sporting communities which are poor and cannot build their own facilities but which have a very large following.

13 May 1997

All we see the Minister doing is kowtowing to the major sporting interests that are already well funded. There is absolutely no protection, no guidance, no leadership to ensure that the disadvantaged have a fair go and that sporting communities that do not have a large body of funding or a backer or sponsor of any kind have some sort of protection. He simply lets it all go.

Then, of course, we find out that some groups are advantaged and get a government loan, without any open tendering process for that loan, without any obvious rationale as to why one group should be protected above all others. In the meanwhile, there are other groups struggling, fighting for facilities. It is a disgrace that there is only one ice-skating rink in the ACT and that nothing has ever been done to break that monopoly. That sport is being held back because there is no Government interest in or support for broadening its base. It is a similar situation with table tennis, badminton and a wide range of sports that simply do not have sex appeal and, therefore, do not have major sponsors and a big financial base. Through the absence of proper Government leadership, proper Government support, they have no chance to expand, and there is no chance for people who are genuinely interested in participating to join in. It seems to me that, unless you are part of the rugby fraternity, maybe basketball, maybe a few select others, you have no hope if your child or you want to participate in particular sports.

You can read these budget papers from beginning to end, and all you will find is an obsession with accrual accounting, as if that offers any solution to anything; an obsession with finding money from anywhere at all, rather than dealing with the structural problems that are before us; and a complete absence of any leadership, of any vision for where we are going in the ACT. The vision that may be there is focused entirely on finding clever ways to give more money to the private sector, without ever any guarantee that it will yield anything for the people of the ACT. In the meanwhile, it is simply ignoring the people with disabilities, people who have a very low income, people who are disadvantaged in some way or another and unable to participate in the work force, and those with behavioural difficulties. The Government is hoping that, with all this blather about jobs, they will go away and not create problems for this Government to deal with. It is a very sad budget that shows a sad record of all hype and no action now for three years.

MR STEFANIAK (Minister for Education and Training) (11.12): I think Ms McRae and I are reading different papers. I think everyone should realise, if they do not already, that for some years the ACT has been in a very difficult financial situation. Despite this, this budget does deliver, in the best possible way I think it realistically could, hope for the Territory; picks up areas where we have been affected by some Federal cuts; and, all in all, I think, is an excellent and responsible budget. Obviously, there are things some people would like which simply are not in there. That is the case with any budget, but I think it is churlish to say that this is a more of the same budget, a bad budget. It is not.

I will deal with a number of areas. Ms McRae made a number of statements in relation to education and in relation to sport. Firstly, in relation to a couple of her comments regarding education: She mentioned school-based management. Yes, that is being enhanced this year; but, as I think I have said on a number of occasions, Mr Speaker,

13 May 1997

there are a number of safety nets in place, including help stations for any school which needs assistance there. That is something she conveniently forgets. This Government has not only maintained funding in real terms this year - that is, 1.75 per cent - but actually the education budget is about 3 per cent above what it was last year. I think that is a considerable achievement for this Government in very difficult economic times. Despite what Ms McRae says, there are a number of groups out there in the education community which are quite happy with the effort this Government has made, quite contrary to a number of other governments around the country, in maintaining educational expenditure in real terms. In the difficult economic situation we have found ourselves in since we took over, especially when we found that the cupboard was bare, it is a quite considerable achievement.

As well, just talking about education: Ms McRae made some comments about sport in schools. This was not in this budget but in the previous one, Ms McRae: When the Government's sports policy was introduced - and I make absolutely no apologies for that; it was long overdue and needed and, I think, has gone down very well - we actually did provide some \$30,000 for extra equipment for schools. Programs were developed, too, to include the stress which might be caused to all. I just point that out to Ms McRae.

In this budget this year, Mr Speaker, as well as maintaining education funding in real terms, we have a number of other initiatives. I think one of the foremost is the literacy and numeracy initiative - an additional \$400,000 to enable us to extend literacy testing to high schools and to introduce numeracy testing in primary and high schools. That is something that I think all parents are very keen to see. I was absolutely delighted by our initial successes in literacy testing for Years 3 and 5, when only 10 parents in all in both of those age groups opted out - four in Year 3; six, I think, in Year 5. That is a pretty good result when you realise that there are about 3,000 students in each of those years. That is something that I think is long overdue, a major initiative and something the Government should be commended for.

Obviously, there are some other additional expenditures, including an amount to complete Nicholls High so that it can start in the first term in 1998. There are some other initiatives that many people have been after for many years, because not all of our children go on to university; many go into other streams. Vocational education and training is increasing in importance in terms of providing students with other options. We are expanding that in our senior secondary schools, in cooperation with the Commonwealth. That is very important, Mr Speaker, because already we have a number of courses running where kids can not only learn some vocational educational skills at school but also have them accredited and carry them on into TAFE. I think there is a building and construction course where the people actually running that are even guaranteeing jobs at the end of the line. That, I think, is an excellent initiative; and it is terribly important that students, in the senior years of high school, have the ability to learn subjects other than academic subjects so that they can take those skills into their later life and perhaps get a job as a result.

13 May 1997

Some of the other highlights which Ms McRae, of course, did not mention include the \$3.095m we are spending on upgrading specialist technology areas. Also, our science laboratories are in urgent need of improvements, and we are spending \$2.835m there. Even in the non-government sector, there is an additional initiative of \$200,000 for special education - something that sector has been on about for many years.

I find it rather amazing and somewhat hypocritical that the Opposition criticises what this Government is doing in education when we are, in fact, maintaining the spending in real terms, or a little more this year, when one harks back to the not so distant past, back in 1993, when the then ALP Government attempted to make some savings in education by reducing teacher numbers by some 80. That did not go down very well. That was an attempt by them to actually make savings. I think they are skating on rather thin ice when they criticise our effort. I repeat: In difficult economic times, we have maintained education spending in real terms. It has not been easy, but I think it shows the value, the importance and the emphasis this Government places on our education system; and it bears fruit, Mr Speaker. We have had some very good results in recent times. Only a few months ago two ACT students came second and third in a mathematics and science competition for students from not only Australian States but also other countries around the world; it was a world-wide competition. Two students in our public education system did that. I think that speaks volumes for the standing and effectiveness of our education system.

The CIT's capital works budget of \$5.9m is the best for many years. It is also aiming for 200 extra places for students from semester one in 1998. In the vocational, education and training area, we have started a one-stop trainee and apprenticeship shop. That is a major breakthrough for employers and for both the local government and the Commonwealth Government, because it combines their training, information and support services into a one-stop trainee and apprenticeship shop. Instead of having to go through various government agencies, both ACT and Commonwealth, if you wanted to take on a trainee or an apprentice, now prospective employers will simply be able to visit our shopfront in Civic to find out all they need to know about taking on apprentices or trainees. If they cannot come there, the people there will go to them. That is a major initiative which I think has been very well received by business.

Mr Speaker, a 22 per cent increase in the number of traineeships in this year's Vocational Education and Training Authority budget will mean the number of traineeships available in Canberra has almost doubled since 1995. We reached the 2,000 mark for apprenticeships and traineeships in 1995. This year there are an estimated 3,325 people in apprenticeships and traineeships in the Australian Capital Territory. That is an excellent feat indeed.

In relation to the Children's, Youth and Family Services budget, we have not been idle. Mandatory reporting, of course, is coming in very soon. We have provided an extra \$600,000 to meet the increased demands for substitute care places for children at risk. We have also provided an extra \$200,000 to employ additional child protection workers to handle the impact of mandatory reporting of child abuse, and the training program the Government has undertaken in relation to the training of people who would be mandated to report child abuse has proceeded very well.

13 May 1997

Also, the amount provided for concessional expenditures, Mr Speaker, to people who need support with electricity, water, et cetera, charges has gone up by some \$898,000. In the housing budget, we have capital works of \$34m, \$5.4m of which is dedicated to housing people with limited mobility, such as the aged and the disabled, especially for housing them close to amenities such as shops. Not only will that help a number of disadvantaged people in our community; it will also, hopefully, help a number of shopping centres as well. The maintenance budget, Mr Speaker, is up by \$5.53m. Depending on what Ms Reilly does this afternoon with my amendments, if she allows them to pass, we will actually be able to spend all that money. There is a considerable increase there. We do have a very old and ageing stock and, in some cases, an inappropriate stock. It is always a battle to make sure that is adequately maintained. That is a significant improvement in, again, what is a difficult financial year for the Government.

Ms McRae mentioned Charnwood. In terms of housing, Mr Speaker, stage one of the revitalisation of Charnwood will be going ahead this financial year.

Ms McRae: But no-one lives there anymore. Have you seen how many empty houses there are there?

MR STEFANIAK: Yes, they do, Ms McRae. That will start this year, and that will be in two areas of Charnwood. I understand the residents are very happy, naturally enough, with the improvements that will be made to their amenity, and that will help the suburb considerably. Also, Mr Speaker, in the housing budget, 200 dwellings will be transferred to community-based management in the course of the year to provide more options for our tenants. That is another exciting development. Anyone who has any knowledge of community-based housing, especially in some of the other States where it is quite well advanced, like South Australia, would know that it can be a very attractive option for tenants.

Ms McRae mentions the sport budget. Contrary to what Ms McRae might think - and I can appreciate that she would be clutching at straws here because this Government has done a hell of a lot for all sports - this budget has very much a focus on participation, not just supporting the elite; although, of course, we do that. The results have borne excellent fruit in terms of our success at the Atlanta Games, with some five ACT athletes winning medals; and even greater success at the Paralympic Games held after that, with some 19 of our academy athletes actually going to the Olympics.

But, at the grassroots level, we are finally starting to overcome some of the horrible problems caused by the dereliction of duty of the previous Labor Government. It really affected participation by people when it made 27 ovals low maintenance. That was a horrible legacy for this Government. I would love to have brought them all back to full maintenance, but finances are impossible. However, what we have done is come up with an extra \$350,000 for the watering of our sportsgrounds, to ensure that those ovals that we do have are properly maintained. That was done after a considerable amount of effort to work out the optimum amount needed by our sportsgrounds. That takes a long-term view. It is terribly important for participation; it is terribly important for all kinds of junior sports; it is terribly important for recreation. It is addressing a very real problem.

We have refused, as a government, to make any more ovals low maintenance. That was an anti-sport way of trying to save dollars and a very stupid move, might I say, by the previous Government. That is certainly something we do not countenance. Accordingly, we have made that commitment to extra funding for watering. Might I say, Mr Speaker, that a number of ovals have been improved; notably, Evatt oval, which has been brought back to full maintenance because of the number of teams, especially junior sides, who use it. In relation to several other ovals, we are looking at the Macquarie concept, which is a way of bringing back part of a low maintenance oval to full maintenance, especially for ovals close to schools. They are some sensible and innovative measures which assist grassroots sport.

What better way of improving grassroots sport than through adequate funding by governments in terms of grants. Last year the grants program went up by \$300,000. That has been maintained for this year and, indeed, increased in line with the CPI. Part of that grants program is for some capital works. Ms McRae, you never know; a couple of the organisations you have actually mentioned - and I think I have seen all of the ones you have mentioned - might like to start applying in the grants round which kicks off tonight with an information session at Rydges Lakeside and which will be reviewed by the Sport and Recreation Council, which will advise the Government in relation to grants. There are a number of avenues available for all sporting organisations. This Government, wherever possible, helps them all, to the very best of its ability.

This is a budget which is very much geared towards mass participation in the sporting area. Page 274 of Budget Paper No. 4, volume 1 refers to the "expansion of the 'Aussie Sports' leaders program to train another 1000 leaders to work with approximately 15,000 school children". That is absolute grassroots stuff. It also refers to "the expansion of the number of sporting organisations within the sports skilling program from 6 to 17". Again, that is grassroots stuff. If you look at what we are actually doing in our capital works program, you will see sportsground improvements of \$505,000; minor new works of \$460,000; sportsground floodlighting of \$330,000; a Tuggeranong skateboard park; and feasibility studies, finally, into things such as the Hall Showground remedial works, the athletics centre and the Lake Jerrabomberra Aquatic Centre - a number of projects which have been in the pipeline for many years but which no-one did anything about until this Government did something in this budget.

Ms McRae, I think you will find it is a very good sporting budget. I think it has been pretty well received by the sporting community. Again, I think you seriously missed the mark there. This Government, just in those areas which I have responsibility for, has brought down a balanced and very good budget in difficult economic circumstances.

MR SPEAKER: Order! The member's time has expired.

13 May 1997

MR WOOD (11.27): Mr Speaker, certainly, they are difficult economic circumstances; there is no dispute about that from this side of the house. There is some difference of opinion about the reason behind those circumstances. I note that in her budget speech the Chief Minister said:

The current economic downturn is directly attributable to the massive reductions in both spending and employment by Canberra's largest employer, the Commonwealth.

Mrs Carnell: That is what Access Economics said.

Ms McRae: Mr Speaker, it was nice and quiet before. May I just point that out to you.

MR SPEAKER: Order! It is nice and quiet, and I am enjoying it.

MR WOOD: I point out, too, Mr Speaker, that there had not been an interjection until this moment. It is true that the Commonwealth has created enormous difficulty for the ACT, and I expect that tonight that will continue. The Chief Minister ought also to point out that her Government is not entirely lacking in responsibility and that there were trends evident in Canberra before the election of the Howard Government. Let us not walk away altogether from the responsibility that this Government also has.

Last year the Government covered its very large shortfall, the gap between income and expenditure, by lease and buyback schemes, by sales of government assets which they placed great emphasis upon. We are still looking at the outcome of that through the Public Accounts Committee, to see whether it was the best way to go. The Government then argued that that was preferable to borrowing. Well, we will see about that. I certainly do not believe it was preferable to outright ownership of those government assets and the benefits that that ownership brings to Canberra. Perhaps the lease and buyback did not work as well as it was thought it would, because it has not been pursued this year, despite the claims at the time that we had \$7 billion or some fantastic amount of assets to sell if we could sell them all. It has not been pursued this year, and I am quite pleased about that.

Perhaps they have found a better lurk. Perhaps they have found something better to close what is a very significant gap between income and expenditure. Rather than call this the jobs budget, as the Chief Minister did, it really should be called the ACTEW budget. Do you know that ACTEW is contributing about 12 per cent of the revenue derived by this Government - 12 per cent from one corporation? That is a massive hit and does not include the purchase they will have to make of the streetlights in the next year and the imposition foreshadowed for the next financial year. That 12 per cent from ACTEW is a measure of how the Government has failed in this budget. There is a \$200m shortfall, a \$200m gap between income and expenditure.

The Government seems to have made no ground at all in adjusting to the new financial regime, the long financial regime from the Federal Government to reduce our income.

Mrs Carnell: Mr Berry just said that we had too many redundancies. Are you saying that we should have had more?

Ms McRae: Mr Speaker, on a point of order: May I point out that - - -

MR WOOD: He will not pull her up, no. He will not do it; do not worry.

MR SPEAKER: Order! We have not had - - -

MR WOOD: There are two rules that apply here. There are two rules; we know that.

MR SPEAKER: There will be three rules in a moment.

MR WOOD: I can live with that.

MR SPEAKER: You may suffer from the third.

MR WOOD: I have no doubt I might, yes.

MR SPEAKER: We have not had interjections this morning. I would remind the house that interjections are out of order and that Mr Wood has the floor.

MR WOOD: It depends where they come from.

MR SPEAKER: No, it does not.

MR WOOD: Well, let us get on with it. That \$200m, that 12 per cent, from ACTEW tells the story of the Government's failure, and that is what this budget is about. The money from ACTEW has disguised the problem that we have. It has been claimed that this is not going to have any impact. It may be that ACTEW is in a pretty sound situation. I note that one of its executives indicated that they may have to do some borrowing. Maybe they have had something in the hollow log, but bear this in mind: ACTEW is now entering a very competitive phase of its life. It has to face competition from other suppliers of electricity. It is going to need to be in a strong position to compete. Its position over the next two or three years is going to be quite severely weakened by this impost on the part of the Government.

Mr Kaine: That is rubbish, Bill, and you know it.

MR WOOD: No; it is going to be weakened.

Mr Kaine: Rubbish!

MR WOOD: Do you mean to tell me that taking \$173m out of it this year and more next year is going to have no impact at all on ACTEW? I cannot believe that.

Mr Kaine: Not on its trading ability.

13 May 1997

MR WOOD: It is going to have an impact. It is not going to have any impact, says the Government, on what will happen in terms of consumer charges over the next few years. I saw something last week or the week before, when ACTEW went to the pricing commissioner looking for an increase and was knocked back.

Mr Kaine: It got a price increase.

MR WOOD: It did not get all it wanted, did it? No, it did not get what it wanted. I have no doubt that ACTEW, when it went chasing the price increase that it wanted, had in mind the impost the Government was about to place on it. I expect it was not able to say that to the pricing commissioner. But if you try to tell me that over the next few years this heavy demand now placed on ACTEW is not going to be reflected in consumer charges, I will not believe you. It cannot happen that way; it does not happen that way; it does not work that way; so, do not try to tell me that. If you do, you are trying to tell me that money comes from the trees; it is there for the picking; it is conjured up from nowhere. I am not here to defend ACTEW. ACTEW is an effective body in this town that runs an agenda that it keeps pretty well to itself sometimes. Nevertheless, the Chief Minister and others ought to be up front on this and tell us exactly what that impact will be.

The reality of the budget is, as I have said on a number of occasions, that there is a \$200m shortfall in a budget of almost \$1.5 billion. That is the fact. That is about 14 per cent of our budget, and I think that tells the story of how unsuccessful this Government has been in framing its budget and beyond that, more than that, in running this Territory and in running a viable and prosperous Territory. That is the real story in this budget. In principle, I do not argue with budget deficits. I believe there are times - and perhaps these are the times now, in this recession we have - when you run a deficit; you do undertake activity to generate employment; you generate enthusiasm in the private sector; you set an example to try to bring the Territory out of recession. I am not opposed to deficit budgets. I am opposed to the sort of disguising that has gone on in this budget. It is a jobs budget, but the fact is that there is still far too little applied to those jobs, far too few resources applied to generate much difference in this town. I suspect the reason for that limited amount of money that has been able to be put across is simply that the gap, that \$200m, prevents it or does not allow it to happen.

Mr Speaker, I want to move on to the question of outsourcing. I heard some months ago the Federal Minister, at a meeting of business people in town, suggest that, when outsourced, Commonwealth work would reduce to about 70 per cent of what it currently was. That was the efficiency saving he was claiming. He was also unable to give any assurance to the Canberra business people who were at that breakfast that the business would be held in Canberra. It was a matter, he said at the time, of Canberra business getting together to bid for that and to hold it. But the whole mood at that meeting was one of pessimism that much could be done, given the intention of the Commonwealth.

I took up a lead from some of those business people - and it was an obvious step to take - that we needed some sort of ACT Government program to encourage and support business to apply for those outsourcing jobs and to win them. We have a large number of information technology companies in Canberra, but they are generally fairly small and,

13 May 1997

on their own, would not be able to compete. It would even be difficult for them collectively to be able to compete with the very large national and multinational companies that will be bidding for this Commonwealth work. For some time, I ran a public campaign trying to encourage this Government to do something, to put some resources into this private sector, to work with them and to help them, to get collectives if you like, to get consortiums together, so that they could bid effectively for the outsourced work. I was disappointed then and I continue to be disappointed at the response. Maybe the Chief Minister, when she replies, can tell me more about what happened a week or so ago when an excellent ACT company and an Adelaide company got together. I do not think they had too much ACT assistance for that.

The Federal member, Bob McMullan, and I ran a campaign on this. The day we were making some remarks Mr De Domenico - do you remember him? - had something to say. On the same day, obviously in response to our campaign - and a very slow response, because we had been talking for a while - he brought out a media release which said that he would establish an ACT Supplier Development Committee to work on this.

Mrs Carnell: Which has happened.

MR WOOD: I will tell you the priority it had, Chief Minister. He put out his statement on 18 November. He had to hurry it up a bit because I was out there talking about the need for this. His last sentence read:

The ACT Supplier Development Committee will hold its first meeting early next year.

It was not going to meet for two months. This was the sort of priority that the Government gave to it. I would be very happy to get a progress report from the Chief Minister, to see whether that has been hyped up a bit and whether they have been able to generate something. There was no sign of that at all at the time.

I want to add one more point of caution. It has been a source of minor worry to me for a little time. It concerns the proposals for an international airport and a very fast train. I think there is too much talk about those proposals and what they may do for Canberra. I support the proposals and I think they will do good things for Canberra. We need to identify some of those things, as Mr Corbell seeks to do. But I think we talk about them too much. What are we going to do to attack the recession? A very fast train and an international airport. Okay, let us have them; but let us not use that as the answer to our problems. There are 1,000 other important things to be done now. Let us get down and do things now and let us not think about just those two important future projects.

Let me make one final point, Mr Speaker. I commend the Government on one important matter - in the overall budget context it is a relatively minor matter - and that is "the establishment of an active environmental education program for 'Mugga Mugga' ". There is an education program there now. What has happened at "Mugga Mugga" has been the result of great work by ACT government officers, with a great deal of voluntary effort, including by one of the very large unions in town. By their work, they have put up buildings and an education program too. I pick out the word "active" from that sentence and take that to mean a teacher on site.

13 May 1997

Mrs Carnell: That is right.

MR WOOD: You confirm that. I welcome that interjection, Chief Minister.

MR SPEAKER: It is still out of order.

MR WOOD: To have a teacher there on site, I think, gives proper respect to Sylvia Curley, who donated that property and who was the inspiration for the development of that property.

MR KAINÉ (Minister for Urban Services and Minister Assisting the Treasurer) (11.42): I think there is one thing that is absolutely clear as a result of the debate so far, and that is that this budget is a very good budget. The evidence of that is the failure of the Opposition to really attack it in any substantive way. It is very easy to nitpick around the edges and say, "You did not give any money to this" or, "You did not give enough to that". But, when you look at the fundamental structure of the budget, the Opposition has in no way questioned the substance of the budget. It is a good budget; there is no doubt about it. It is a budget that has been produced after eight years of continuing decline in Commonwealth financing of this Territory. It is a budget that followed a reconstruction period following five years of Labor government which left this Territory absolutely denuded of financial resources. We all know that just before the last election the Consolidated Revenue Fund of the ACT had virtually reached zero, and that says something about the financial management of the Labor Party that now purports to tell us how to run the place and how to produce a better budget. Well, they have not done so.

Mr Speaker, I believe that this budget represents a very fair balancing of demands against the available financial resources of this Territory. It provides a continuing excellent standard of service in education and health. We spend more money per capita than any other State or Territory in Australia, and we have maintained that. We are providing funds to make Canberra a better place to live in. Despite the weak attack of the Opposition, the Government is doing a great deal to attack the one concern that people in this Territory have at the moment, and that is jobs. There is a book, part of the budget papers, 34 pages long, that outlines the initiatives that the Government is taking to address this one problem, which is the greatest concern to Canberrans today. Mr Wood said there are a thousand things that can be done. I suggest that if he goes through this book from cover to cover he will find that most of them are already in here. That, I think, is a mark of the determination of this Government to deal with the major problem that confronts us today.

The Chief Minister and Treasurer in her speech, at page 1, made the statement:

This budget represents a concerted attempt by the ACT Government to take a leading role in restructuring our economy by making the creation of new jobs and new business opportunities our primary focus.

There is no doubt what the intent of the budget is, and I believe it achieves that. Mr Whitecross talks about making \$5m more available for jobs, and I will deal with that in more detail later. This budget, in fact, makes \$7.7m available for jobs - \$4.5m of it through the Jobs Fund, aimed specifically at job creation; the other \$3.2m through continuing labour market programs and economic initiatives designed to boost business and, through that, to generate jobs. The \$5m that Mr Whitecross is proposing is relatively minuscule, and I will deal with that again shortly. I believe that it is a good budget. I repeat: The Opposition has not successfully attacked it in any substantive way.

Probably the strongest argument against it was made by Mr Wood when he talked about taking money from ACTEW, but that can be justified on any grounds at all as being fair and equitable. ACTEW has a substantial amount of accumulated profits, taxpayers' money, which it does not need now and will not need in the future. It is a healthy trading operation and its ability to continue to trade and compete will not in any way be affected by asking it to repay to the people of Canberra the surplus profits that it has been holding ever since it was corporatised. There is nothing in that decision that will materially affect the ability of ACTEW to do its job in the future. It helps us deal with today's problem, and that is what the Government has to deal with from year to year - today's problems, not last year's problems or next year's problems.

I would like to deal with Mr Whitecross's rather poor rebuttal of the budget. There are a lot of words there, a lot of rhetoric; but, when you get to the bottom of it, it is hollow and it means nothing. Mr Whitecross began by saying:

If there was ever a time when the ACT economy needed a solution, a long-term strategic response to the difficulties it faces, it is now.

Did Mr Whitecross offer such a solution, did he make any contribution at all to the solution of the problems that he saw were currently confronting the ACT? He did not. If it is a time for response, where is the Labor Party's response? I would like to have heard from Mr Whitecross - and the electorate out there is entitled to know - what he would be doing to address these problems, because they are going to have to make a decision in the very near future anyway. But he did not come clean on what he thinks should be done.

He did, however, raise the question of *Wizard of Oz* or *Alice in Wonderland* budgeting, which he then expanded upon. Clearly, that is the Labor Party's approach to budgeting - the *Wizard of Oz* approach or the *Alice in Wonderland* approach. He said:

We must diversify our economic core to survive.

This Government has been working on that problem for the last two years and continues to work on it, but how does Mr Whitecross intend to address the problem? He is silent on the issue, no clues at all. "We must diversify to survive", he says, and there it stops. I suggest that is the totality of what the Labor Party has to say on that issue.

13 May 1997

Mr Whitecross said:

... Labor will commit to developing and implementing a strategic industry plan.

Did he outline it? Did he give a clue as to what sort of strategic plan he might put into place? He did not. What is the contribution in that? There is the implication that there is not a strategic industry plan. Well, there is. Again, they are a few hollow words that mean nothing. He said:

Labor will ensure there are mechanisms in place to foster links between our highly skilled work force, educational and research institutions, locally based enterprises and industry bodies.

What new links? The links are there already. This Government has been working to bring those resources together for over two years now and will continue to do so. But does he say how he is going to do it? What new links? He does not; he is silent.

This, I thought, was one of the best statements that he made:

Labor will maintain a watching brief on infant industries.

Is not that a proactive policy statement? I repeat:

Labor will maintain a watching brief on infant industries.

He did not even define the infant industries that he is going to keep a watching brief over. They are a lot of words; but the Labor Party, as expressed by their leader, is totally bereft of any idea of how to go about addressing the problems that they define the Territory as experiencing. Referring to regional development, he said:

An industry plan will be developed in consultation with regional representatives.

The man does not even know what has been going on for years; he has never heard of the South-East Regional Development Council, the Regional Leaders Forum or the joint planning systems that have been in place, to my certain knowledge, for the last five years. What new industry plan, what new consultation process, and with what new regional representatives does he intend to consult? The answer is none. It is a lot of rhetoric but no substance. He said:

We need to identify new and complementary market opportunities for the ACT.

Did he offer any solutions as to what they might be? No, he did not. Does he not know that CanTrade exists for that purpose? Does he not know that the Tourism and Events Corporation is being established for that purpose? Again, they are empty words. He said:

Labor will provide balance in its industry assistance.

Is it out of balance? How is it out of balance? He does not say. What balance is he going to introduce? He does not say. He said:

A Labor government would commit an additional \$5m to real labour market programs and job creation.

My first question is: Where will this gift of \$5m come from? I have already outlined the fact that we have put \$7.7m into labour market and job creation schemes this year. Where does the extra \$5m come from? Is he going to take it out of the education budget, the health budget, public transport, or law and order enforcement? And where will it be spent? Is it going to be spent on new Public Service jobs? He did not define any new project that he is going to put in place. Where does the work come from to justify new Public Service positions? Even if he did, does he know how many Public Service positions it will translate into? Well, I will tell him: Fewer than 100 from \$5m. If he is going to put it into the private sector, what is he going to supplement that we are already spending on? How is he going to inject this into the job creation business? Is he going to borrow it? I do not know. He talks about community projects; he is going to spend some of this money on community projects. What sort of community projects? Digging holes and filling them in again? He is very non-specific.

He said:

Finally, Labor ... would bring forward some essential capital works projects immediately.

Can he show me a capital works project that is in this year's capital works budget that is not essential? What additional essential ones are there that he can identify, and how does he bring them forward? How does he bring them forward unless the initial forward design work has been done? There is a process that you have to go through to justify putting a new major capital work into the system, and you do not do it overnight. But he did not justify that; he did not say what capital works would be brought forward. As I say, Mr Speaker, there is a great deal of rhetoric but no substance. In none of these things did he attempt to show that the budget that we put in place last week is deficient. He just set about telling us all the good stuff that he would do if he were running the Territory. Well, all I can say is, "God help us".

Mr Whitecross concluded, and this is the most telling statement of all the things that he said or did not say:

Canberrans are no fools. They recognise [the] hype for what it is.

Yes, Mr Whitecross, they do; and, if they listened to you here last Thursday, they would recognise it for what it is: Simple hype with no substance, which in no way attacks the credibility of the budget that the Chief Minister and Treasurer brought down last week. Mr Speaker, what we have is a good budget to deal with the circumstances of today. I repeat: The Opposition has not yet, in any substantive way, attacked the fundamentals behind that budget.

13 May 1997

MS REILLY (11.56): Mr Kaine has just suggested that this budget has substance. I suppose whether there is substance or not depends on the way you look at the budget. For those people in the community sector looking for the substance, it is not there. Most of them are waiting for the real budget to be brought down tonight. In most Territories and States - and it is a pity those across the way do not acknowledge it - financing is a mixture of Commonwealth and State or Territory funding. But did we wait to find out what the Commonwealth was going to provide, so that we could be sure of what community services could be provided in this Territory? No, we charged ahead and the budget was brought down early, before the Federal budget came down, before we found out what money was available for community services in the Territory.

What is going to happen if tonight your good friends Costello and Howard do not deliver the community services grants? Who is going to pay? When Mrs Carnell was asked last week, she said that if the Commonwealth cuts the funds these cuts will be passed on to the consumer. The consumer is everyone in the ACT. Those particularly affected are those who have more disadvantage than others. We are not going to take care of them. They will have to bear Commonwealth cuts. There is no consideration in this budget of what happens to the most disadvantaged in our community. One of the previous speakers referred to this being a budget for all of us, but that statement very carefully avoids defining who the "us" are. The "us" always seem to exclude large groups within our community.

One of the gaps in this budget, one of the big holes in this budget, is the fact that there appears to be no strategy for the community, no strategy for community services. In fact, the whole of that part of the budget smacks of adhocery. If you look through the budget papers, it is difficult to realise that this is a community showing stress. It has had a number of outside influences, I suppose you could say, if you could call Mr Howard that, affecting its fabric.

We have had job cuts by the Commonwealth, one of the biggest employers in the ACT. That has led to uncertainty in the whole job market. But there does not seem to be any recognition of the stress and distress being caused to individuals and families within the community through these job cuts. It is easy to say that there is a jobs program coming. Last year it was Jobs for Canberra. This year we have moved back a step. We are only Creating Jobs for Canberra. If we have to expend so much more this year to create jobs, what happened to all the jobs that were created in the 1996-97 budget program? Some of them seem to have vanished into thin air. It is like looking for the ones that were flying out of the Kick Start program.

One of the other major issues within this community at the moment is youth unemployment. A large chunk of the Creating Jobs for Canberra program relates to youth unemployment. This is to be commended. It has been well received within the community. But there is going to be a gap between when you announced these jobs and when the actual jobs, or traineeships as they mostly are, are delivered. What happens to young people during this time while they are waiting to see whether a traineeship comes up or they get a small trip to the country to jump off a cliff in an opportunity to gain more self-confidence in that way?

13 May 1997

There seem to be no services that recognise the situation of young people who are leaving school with a future looking extremely bleak. Their opportunities to get into higher education are reduced because of the costs. Their opportunities of getting independence from their parents are being reduced through the threat of the new youth allowance. Their opportunities to access housing are being reduced because of the reduction in housing availability. These young people are alienated and feel depressed, but we do not seem to want to recognise that.

There is no allowance in this budget for youth mental health services or improving the services provided by our numerous youth centres. There are no changes to public transport so that young people can get around. This is an issue that comes up time and time again. There is no way for young people to go and take part in a number of activities, because the public transport system is so poor. There is no public transport late at night. There is no transport so that they can take part in the many sporting activities that Mr Stefaniak mentioned.

This failure to recognise the changes in the job market adds to the stress that has been put on families, and women in particular, following their decisions to take redundancies. These people just have to manage. Families just have to manage. This Government, even though it continues to talk about supporting families, does not feel the need to provide any services that might support families if they suffer distress of any sort. Another group of unemployed within our community who are recognised nationally are men over 40. The difficulty of those people being re-employed in any shape or form is well recognised, but we do not seem to think that the Creating Jobs for Canberra program should look at this group.

There appears to be no strategy in the budget papers to deal with the social issues in the ACT. There are no increases in funds for community services, except for isolated bits and pieces. The budget does not appear to have been based on any properly calculated or properly collected data. This Government does not seem to need or want any type of demand analysis to find out what is really needed in this community. Do we actually know what services we need, or are the responses in this budget, if you look at the allocation of various fundings, merely based on whom the Minister spoke to last, on rewarding supporters, or on saying, "If they were nice people, let us give them some money."?

Another gap within this budget is that there is no recognition of the SACS award, no recognition of paying the people who work within the community sector proper wages that recognise their dedication, their expertise and their professionalism in working in quite often extremely difficult circumstances. It has to go beyond saying that these people are dedicated and will continue to work. They deserve the same rewards and recognition as other groups within our community.

One of the increases mentioned in the budget is an allocation for six houses for people with a disability, but one is left wondering whether this is the number that is required. How was it arrived at that six was the number that should be given? Was six a nice round number? Does it spread out for the regions in the community? This is the whole way of looking at the community sector. There is no strategy, just ad hoc responses to small issues. If there had not been some fuss, discussion and investigation last year,

13 May 1997

maybe disability housing would not have received any money at all. The same could be said for the HACC services. The increases look quite fabulous; but, characteristically of a lot of this budget, it looks good on the surface, but do not dig too deep. You might find that it is quite hollow. For our HACC services increase, it is just the hollow log that is needed. With that increase of \$0.9m for HACC services, of course, we have to wait for tonight to see what Mr Howard and Mr Costello are going to do, because it is Commonwealth matched funding.

It is good to see within the children's services budget recognition that there could be an increase in services required following the introduction of mandatory reporting. It would also be good if there were some recognition of the need for continuing training for people working in that area. There is an increase for substitute care places, but there is no mention of the fact that we still do not have any Aboriginal care workers in the ACT, and in some of the placements that are made we do not follow Aboriginal child placement principles. With the increase in funding for substitute care places, where is the support for families? Those children who come under the attention of Family Services are in families. I think, as a community, we should be looking to care for the whole of the community, not bits and pieces.

I now look at some parts of the housing budget. It is an interesting budget indeed. We have \$34m in capital works - a similar amount to that available last year. The \$9m for Condamine Court is 25 per cent of that \$34m, but it has been announced again and again that that is Commonwealth money through the better cities program. We have no detail of what the capital works money will be spent on, apart from the information on finishing projects already started. It would be interesting to know the detail on capital expenditure. As is mentioned elsewhere, expenditure on capital works has good flow-on effects and it creates jobs. In the building industry, as is known, it would be good to have new jobs being created.

Mrs Carnell: That is what Kick Start is for.

MS REILLY: Yes, but that is the other magic formula to be found. Let us find the jobs that come from Kick Start. You have been so quiet previously that it is hard to know where you found them. You have been so shy that it is hard to believe.

I go to other parts of the housing budget. There is an increase in maintenance money up to \$19m. There is already an allocation for maintenance in the current budget. At times it is hard to recognise that there have been allocations, because ACT Housing has been shy in expending this money. At the end of March there was an underspend of \$6.5m, although I think we were assured by the Minister that they would get round to spending it pretty soon. For people who are waiting for their houses to be painted, who are waiting to get windows repaired, who are waiting for cracks in the walls and cracks between the floors and walls to be repaired, an underexpenditure of \$6.5m - nearly 50 per cent of the maintenance budget - is very disheartening. It makes you wonder whether our biggest landlord in the ACT is picking up his responsibilities for taking care of the stock under his control when he can be underspent by that amount at

this time of the financial year. If you are underspending your maintenance budget, it must also affect jobs in Canberra, because it means that contractors are not being taken on to undertake the work within ACT Housing. You wonder what the commitment to jobs in Canberra is when you can underexpend by that amount.

Another thing that people raise is the increase in the number of empty government houses. Is ACT Housing so rich that they do not need the revenue from these houses? Are we leaving them empty just in case somebody needs them for another purpose, or are we leaving them empty so that we can sell them and families can sit on the waiting list for longer? According to the 1996-97 budget, there was going to be a large number of sales. Many people pointed out to the Minister the difficulty of selling houses when the market was so low, but he knew better. By the end of March, sales were down by \$4.5m on what was expected.

What has been gained by selling off stock across the ACT? There has been an increase in waiting lists, an increase in people living in rented accommodation or sharing with others and causing overcrowding, an increase in people living in rented accommodation and an increase in older people waiting for appropriate houses. Those still in rented accommodation now know that, come 1 July, there will be no access to rent assistance from this Government. They are cutting the number of houses available, but they are also cutting the rent assistance.

I am quite sure that both Mrs Carnell and Mr Stefaniak would be disappointed if I did not raise Kick Start. It is an amazing program. (*Extension of time granted*) How many other programs can reach three-quarters of the way through the financial year and have spent only 20 per cent of their allocation? We are looking at about a \$2m shortfall, which the budget papers assure us will be spent by the end of the year. That is an awful lot of business being covered in the tiny amount of time left. As I mentioned earlier, where are the jobs? Builders and other people in the industry do not see Kick Start as the great hope for the building industry. In fact, the industry continues to have trouble in selling houses. There continues to be a reluctance in the market, due to other uncertainty, for people to take up the offer of Kick Start. They do not see Kick Start as being a kick-start to the industry at all. They wonder whether they have actually been duded on the whole project.

If we had retained the Commissioner for Housing loans, dreadful though some people considered them to be, about 300 people would have gained access to loans and been assisted into home ownership in this financial year. Some of them would have come off the waiting list, and some of them would have come from public housing, which would have freed up public housing for people on the waiting list. The fewer than 100 people who have taken up the opportunity of Kick Start would have been able to get their loans from other sources. Kick Start only added, I suppose, icing to the cake. It is not helping people to get houses. People can get loans anywhere. One is left to wonder about who is going to benefit from Kick Start and who really supports the program. Yes, there have been numerous inquiries but very little action to follow.

13 May 1997

I notice that crisis accommodation will be changing its department yet again. People living in crisis accommodation face a bottleneck in getting public housing. Because there is nowhere else for them to go and because there are so many people on the waiting list for public housing, they cannot leave the crisis accommodation. There is no public housing available - and this is at a time when we are selling off houses across the whole of the ACT.

People looking beyond the gloss of the numerous pretty coloured books for a real response and a strategy for community services in the ACT will not find it in this budget. All they will find is continual uncertainty and continual wondering about how much money will be available to assist those in the community. If they are in public housing waiting to get some maintenance, they will wonder whether the money will flow this year. They will wonder whether the house will be sold from underneath them and they will have to move again. Of course, if they are waiting in rental accommodation, the chances of a new house being available are very slim. This is certainly an interesting budget, but it is for only some people.

MRS LITTLEWOOD (12.15): Mr Speaker, I have sat here for almost two hours today and for some time on Thursday, and I have heard people whinge about sport, I have heard people whinge about health, I have heard people whinge about everything you can possibly think of. In all that time I have not heard one positive comment; nor have I heard any alternative to what this Government is doing or what the Opposition would do if they were in government. They seem to have selective memories, I would suggest, about when they were in government.

Given that there is an election next year, I guess it would have been quite easy for the Chief Minister and Treasurer to have brought down what is termed an election budget. I am sure it must have crossed her mind on some occasions. However, to have brought down a so-called election budget would have been irresponsible and it would have been an insult to the people of Canberra. This budget, however, is about people. It is not only about jobs. It is about the way people live and the way they are affected.

Despite the significant budget restraints, the Government is providing needed additional funding for the ACT health and community care area, including a convalescent unit for the Canberra Hospital.

Ms Reilly: Only if Johnny delivers tonight.

MRS LITTLEWOOD: What would you do?

Mr Berry: Anything to get Mrs Carnell out of trouble - you just throw money at it.

MRS LITTLEWOOD: You have a very short memory, Mr Berry. The community midwives program has been expanded. Home and community care services have been expanded.

MR SPEAKER: We had peace and quiet until you came in, Mr Berry. I suggest that you stop interjecting.

MRS LITTLEWOOD: I sat quietly for two hours listening to you whingeing. How about listening to me, Mr Berry? Individual support packages have been boosted.

Mr Berry: I did not know that peace and quiet was necessary in this place.

MRS LITTLEWOOD: Mr Speaker, I sat politely and quietly for two hours and I would appreciate the same courtesy being extended to me.

MR SPEAKER: I uphold the point of order. Continue, Mrs Littlewood.

Mr Berry: You should not be so provocative.

MRS LITTLEWOOD: Mr Berry, I am learning it all from you.

The budget includes extra support for families of children with disabilities, and \$11.2m for capital works, which means jobs yet again. The budget provides a range of new initiatives to better meet the priority health needs of the people of the ACT region, within a tight financial framework. The Government is doubling funding available for the waiting list incentives pool, from \$1.5m to \$3m, as part of an ongoing campaign to reduce the unacceptably long waiting lists we inherited from Labor. Remember that, Mr Berry. The waiting list incentives pool will target unacceptably long waiting times in orthopaedics, urology, paediatrics, general surgery and gynaecology. A particular focus will be on increasing the use of day surgery and improved theatre utilisation. Under Mr Berry's Government, I think that theatre utilisation was down to about three minutes a day, but never mind.

The Government is also putting in place incentives to promote enhanced care in the community. This is one of a number of initiatives identified in the budget designed to establish a clear direction in building up community and home-based services, providing improved quality of care and quality of life. The Government seeks to break down barriers between hospital and community-based services, to focus on the needs of customers and consumers and to coordinate and integrate services to best meet their needs. If the Government is to provide this type of quality comprehensive health and community care system which the people of the ACT rightly expect, then we need to improve partnership and networking between services across the ACT - whether they are public, private or non-government services. This budget provides a big push in that direction.

The priority groups targeted include children, people with a disability and people with a mental dysfunction. Other initiatives include funding of \$3.5m for a new cardio-thoracic unit in the Canberra Hospital, with the first patient expected to be treated in July and up to 270 in the first year. Additional funding of \$250,000 for dental services to enable an extra 1,000 adults to be treated comes in the wake of the Federal Government cut of \$1m to dental services. I noted before that Ms McRae found it somewhat offensive

13 May 1997

that we were having a go at the Prime Minister. It is a great pity, in fact, that the people opposite did not have a go at their Labor Government when they dropped 18,000 people during their reign in Federal Parliament. It does not bother me at all. I am not an ideologue. I am quite prepared to have a go at someone.

Ms McRae: Run as an Independent then. If you are not an ideologue, just run as an Independent.

MRS LITTLEWOOD: I am not an ideologue. I have an open mind, Ms McRae. I have mentioned additional funding of \$250,000 for dental services. The funding for the re-establishment of a sobering-up shelter, with separate arrangements for adults and for youth, is a very important aspect. There will be extra funding for a youth health worker to target drug and alcohol problems amongst Aboriginal young people. Other initiatives include an expanded role for the Health Complaints Unit and prolonged care cottages offering community-based housing for young people with disabilities. Access to acute hospital beds at Canberra Hospital will improve with the commissioning of a step-down convalescent unit of 20 beds in December 1997 - something I think we are all rather pleased with.

The hospital in the home program will be expanded to 600 patients in 1997-98, following the success of a pilot program during the 1996-97 period. This important program provides specialist care to clients in their own home to improve quality of care and reduce the length of stay in hospital. An extra team is to be given to the valuable community midwives program to cover the increase in the number of community midwife births from 175 in this financial year to 240 in the coming financial year - an increase of 37 per cent. School holiday and after-school care programs for families with children with a disability are to be developed and funded as part of an expansion of respite care services in this year's budget.

Other important initiatives in disability services include the allocation of \$1m for the construction of a specialised behavioural management unit to help people with an intellectual disability to develop communication and social skills; six community-based houses, providing a new accommodation option for 24 younger people with disabilities; and a total of \$630,000 over two years for ongoing reforms within the disability program, including improvements to staff training and needs assessment of clients.

We will spend \$11.2m on capital works in the community health area, covering refurbishment of the pathology building at Canberra Hospital at a cost of \$7.5m over three years, refurbishment of the Phillip Health Centre at a cost of \$5m over three years, major upgrading of toilets and bathrooms at Calvary Hospital, completion of a new child and family health service residential unit at Curtin and the construction of family care cottages in Gungahlin and Conder. I am open-minded. I mentioned other people's electorates, not just my own. In summary, record numbers to be treated in the ACT public hospital system and new initiatives to shift the focus of services to more community and home-based care are the key elements of the 1997-98 budget. I commend the budget to the house.

MR CORBELL (12.23): Mr Speaker, this budget is both irresponsible and ignorant. It is irresponsible because this Government chose to bring down the budget before we knew what the Federal Government was doing.

Mrs Carnell: So did every State but South Australia.

MR CORBELL: Every State except South Australia may have done it; but every State, apart from South Australia, is unlike Canberra, unlike the Australian Capital Territory. The Australian Capital Territory is suffering from the enormous brunt of the ideological zealotry of John Howard. Enormous cutbacks in jobs and enormous cutbacks in funding to the Territory are hurting our city, and this Government should have had the foresight and the vision to say, "We will put ourselves in a position where we can respond to what John Howard does to us tonight". Instead, Kate Carnell and the Liberal Government have chosen to bring the budget down early. By bringing the budget down early, before the Federal budget, they have abrogated their responsibility to respond to the impact that the Federal budget will have on our city. That is both irresponsible and ignorant.

Mrs Carnell, in her budget, has outlined a major \$4.5m program on jobs, the so-called Jobs Fund. But what is this Jobs Fund really all about? Look at how much money the ACT Government is spending on redundancies. We estimate, and the Chief Minister has confirmed this, that nearly \$13.5m will be spent on redundancies in the ACT Public Service. They are spending only \$4.5m on creating jobs. Where are this Government's priorities? This Government's priorities are completely wrong. It is reducing the size of the Public Service at a time when our economy can least afford it, when there is an enormous demand for services to be delivered in the community, when there is an enormous demand for community services and public services. Quite clearly, this Government's priorities are wrong. They are spending \$4.5m on jobs, so they claim - we will get to that in a moment - but \$13.5m on getting people out of jobs. Wrong direction, ignorant, misguided, again a failure of direction!

Mrs Carnell: They are different years. The \$13.5m is this year, the \$7.5m is next year, and the redundancies next year will be \$5m.

MR SPEAKER: Order!

MR CORBELL: Thank you, Mr Speaker. Obviously, I am hitting a bit of a raw nerve with the Chief Minister. There is \$4.5m in the so-called Jobs Fund. Let us have a look at what that \$4.5m is all about. First of all, the Chief Minister has proudly announced that there will be \$350,000 for a Canberra Events Fund. This will be used to attract events to Canberra. We are really doing a Jeff Kennett here, are we not? It is very similar, except that if Jeff Kennett decides that he is going to attract events he at least puts real money into them. What will \$350,000 attract? What will that bring to Canberra? As an alternative, why did this Government not decide to support the events that are already here? Let us build them; let us make them better. The Government did not think about that. They just want to throw money at events to come to Canberra. What about the events that are here?

13 May 1997

Quite clearly, again this Government has failed to recognise that the priorities of an ACT government should be building what is already here, rewarding those who make the decision that Canberra is the place where they are going to build their business. Reward them and encourage them, and have them provide jobs in that manner. Instead, we throw money at any event that is willing to come to Canberra. Again, misguided and ignorant.

Mrs Carnell: Yes.

MR CORBELL: I am glad the Chief Minister agrees with me on that point.

Mrs Carnell: If we can get any new events to this town, I will be in it.

MR CORBELL: The Chief Minister talks about events. Let me give you one example, the National Folk Festival. Here is an event that has grown over the past five years and could desperately need increased funding this year to make it a truly national event. The Chief Minister and this Government have failed to support that event. They need very strong support, and they are not getting it from this Government. That is just another example of this Government's failure - - -

Mrs Carnell: At the opening they got up and said, "Thank you for the money, Chief Minister".

MR CORBELL: I am talking about future years. There is nothing in this budget for next year, Chief Minister. There is nothing in this budget for the following year. What about putting that money - \$350,000 for events - into an event that is already here, instead of throwing it away at some sort of festival that may or may not come to Canberra and may not have any particular loyalty in Canberra? That is the point I want to make.

Advancing Canberra is another one of the Chief Minister's initiatives she has announced in this budget - \$1.39m. What is this really all about? Is this about jobs? Is this about creating jobs in Canberra? Is this about direct labour market programs, direct intervention in the economy to create jobs or to train people? No, that is not what Advancing Canberra is about. Advancing Canberra is about promoting Canberra as a tourism, business, sporting and cultural destination. To me, it is completely misleading for this Government to put that amount of money into the Jobs Fund, because it is not about jobs, it is not about training, it is not about labour market programs; it is about an advertising campaign. That will not, on its own, create a single job, and for that reason I again say that it is an ignorant and misguided attempt - and a deliberate attempt, I would suggest - to mislead the Canberra community on the Jobs Fund.

Mrs Carnell: I will send this to the tourism industry.

MR CORBELL: If it is about tourism, then why did the Government not give the money to the newly created Canberra Tourism and Events Corporation? Is that not what that organisation is all about? Is the Canberra Tourism and Events Corporation not all about having one centralised body that will be the leader in promoting tourism in the ACT, promoting Canberra as a destination? A couple of weeks ago, when we were talking about the Tourism and Events Corporation, I heard the Minister talk about that.

But when you look at it in the budget, Advancing Canberra money does not go to the Canberra Tourism and Events Corporation; it goes to the Department of Business.

Mrs Carnell: And the Arts, Sport and Tourism.

MR CORBELL: Yes, but you created the Canberra Tourism and Events Corporation as a separate stand-alone organisation. I have received a briefing on it. You know very well, Chief Minister, that that is a separate line item in the budget. It is completely separate from the Department of Business. It is meant to be virtually autonomous. That is my understanding. That is certainly what your Minister said a couple of weeks ago. But you do not give the support, the money, to Canberra Tourism; you give it to the department.

Is it really about tourism? I do not think so. It is not being run by Canberra Tourism. Is it about helping business? That is what you would think if it went into the Department of Business. If it is going into the Department of Business, what does it do to create jobs? What does it do to train people? What does it do to give them labour market experience? What does it do to create positions? It does not do anything. Again, \$1.39m out of the \$4.5m is not creating one single extra job.

The ACT business incentive scheme is one of the Chief Minister's favourites, I know, because she gets to go and cut lots of ribbons, dig lots of holes in the ground and get her photo in the paper all the time. The Government has added an extra \$500,000 for funding of the business incentive scheme. Again this demonstrates the Government's complete lack of vision on how you build business in Canberra. Building business in Canberra is not about getting into a bidding war with the other States and Territories. It is not about throwing the very valuable money in our budget to any business that is desperate enough, needs the cash injection or needs some other benefit or subsidy to come to our Territory. What this support should be about is building business that is already here. It should be about giving support to those businesses that already exist in Canberra, which are already our strengths.

Mrs Carnell: I agree.

MR CORBELL: A cheese factory is not our strength, Chief Minister. It is completely out of context with all the things that your Government talks about.

Mrs Carnell: No, it is 100 jobs.

MR CORBELL: I see that you are changing tack now. What we should be talking about in this Territory is providing a strategic approach that builds on our strengths. But a cheese factory? That is fine. If they want to come, we will throw money at them. I do not see that building on our strengths. I do not see that building on any of our inherent strengths in this city - not our educational strength, not our scientific strength, not even our high-technology strength. Again, it is a misguided approach from this Government.

13 May 1997

On the ACT business incentive scheme, let us have a look at how well this Government is spending money on what they call creating jobs. The budget papers say that \$37m is expected to create 700 jobs.

Mrs Carnell: That is this year.

MR CORBELL: That is right. That is this year. That works out at just over \$50,000 a job. That is a lot of money for a job. That is a hell of a lot of money for a job.

Mrs Carnell: We have not spent it all yet.

MR CORBELL: It is \$50,000 for a job. The Chief Minister says that they have not spent it all yet. Let us hope it goes down. Let us hope that it is not just one enormous subsidy to business that is not really creating many jobs. That is the impression at the moment. Another \$180m is for 2,000 jobs. I estimate that at \$94,000 a job. It is really going up. Again, is this a business incentive scheme that is designed to create jobs or is it an enormous subsidy to industry?

On this point I would like to mention something that Mr Hird mentioned in the debate earlier about the Economic Development Committee's recent visit to Christchurch. We said to every business we spoke to in Christchurch, "Do you think it is worth while having a scheme that provides subsidies, grants of land and concessions in tax to attract businesses to your city?". Mr Hird knows that they said, overwhelmingly, "No, do not do it. It is a waste of money". Mr Hird, I know, agrees with me on this point. Do not throw money outside your city. Build on what you have. That is not the approach of this Government. It is very sad.

It is quite clear that this budget does not address the issue of jobs; it does not address the issue of economic development. If it did, this Government would be honest about the \$4.5m they claim is in the Jobs Fund. It is not really \$4.5m. On estimates so far, it is probably closer to \$2m. That \$2m is to be welcomed, but for this Government to claim that it is a major new incentive is completely wrong. What we need instead is a strategic approach. What we need instead is an approach which says, "Build on our strengths, reward those people who are already here, create the jobs and create the complementary industries around the industries we already have. Do not throw money interstate. Leave it here. Build it here. Make the investment here". That is what this Government is failing to do and that is why this budget is a failure.

MRS CARNELL (Chief Minister and Treasurer) (12.37), in reply: It has been a very long and tedious debate, and I think tragic. It is tragic because when I get up now it is very hard to find something to speak about. Those opposite have not put any ideas forward. Obviously, the media felt the same way, because the enormous reporting that Mr Whitecross managed to get on his budget speech really shows that no-one could think of anything to say about the budget. I think that was very appropriate.

Mr Speaker, the things that I need to say a few words about are the things that people opposite got wrong in their speeches. There are too many to speak about in the time I have, so I will run through the major ones. Mr Speaker, I think the tragic thing about Mr Whitecross's speech was that there was no alternative budget, there was no

13 May 1997

alternative approach. There were things like watching briefs and there were strategies without any idea of where they were going, but there was absolutely nothing solid whatsoever. Even when Mr Whitecross spoke about \$5m for jobs programs, of course he did not say where he was going to get the \$5m or, for that matter, how he was going to spend it. He started his speech by talking about Access Economics but then proceeded to get some very unusual figures into his speech. Mr Whitecross's prediction of 9 per cent unemployment this year seems to be somewhat at odds with the 6.8 per cent that we have right now in Canberra. He did not offer any supporting documentation. It was just an off the top of the head approach.

Mr Whitecross went on to say that we needed a comprehensive strategic industry plan. I could not agree more. In fact, we had launched one a couple of days before. The Australian Capital Region Development Council launched their strategic plan, which as it says in the document builds on the ACT's strategic plan that was launched last year. Mr Speaker, I do not believe there is ever a definitive document in these areas. They always build on each other if they are any good. A couple of days ago, a regional economic development plan was put on the table; yet Mr Whitecross in his speech said that we need a new one. Heavens, he did not even know. That shows his capacity.

He went on to say that we need to build relations between the ACT Public Service and Canberra's higher education sector. Did he forget that the ACT Government last year made scholarships available to achieving public servants to do MBAs? The first one has actually finished. Harriet Elvin has finished her course. Guess what, Mr Speaker. She topped the course. That is a pretty impressive exercise. She is now doing some of the practical experience that goes with that, and she will be back with the ACT Public Service in the near future. We have now picked the second person to take that scholarship. In this budget we announced a \$100,000 funding package for the new Centre of Urban Management at the University of Canberra. That was announced two days before Mr Whitecross gave his speech. Had he forgotten to read the budget when he put his speech together? That is the sort of interaction that you need in terms of cooperation between the ACT Public Service and our higher education sector - the stuff that actually produces outcomes.

Mr Whitecross went on to say that we need to target industry incentives at local businesses. We heard Mr Corbell making the same sort of comments reasonably eloquently. Unfortunately, the problem was that he was wrong. Of the 19 companies that have so far been assisted by the ACT business incentive scheme, by far the majority are local companies. Very few out-of-town companies have picked up the business incentive packages, although I have to tell you, Mr Speaker, that if we can get a state-of-the-art cheese packaging company in the ACT employing over 100 people, a company that is one of the stalwarts of this region, I will be very happy to say, "Thank you very much; we believe that is very appropriate". Not everyone can get jobs in IT, R and D, high-tech or advanced technology; so we have to make sure that our business base is balanced and that we have jobs in all areas, even possibly cheese packaging. This will be a state-of-the-art project which, if it happens, will be a tourist facility as well. It will give people an opportunity to see cheese being packed, to taste Bega cheese and to sample some of our local wines as well. I think that is a pretty exciting project. It is a pity Mr Corbell and Mr Whitecross do not think so.

13 May 1997

Mr Whitecross said that we should build stronger links with the region. Mr Kaine has already made the appropriate comments on that. Maybe Mr Whitecross had forgotten about the regional leaders forum that has been operating for the last two years, and about a number of joint approaches that this Government is taking with the shires in the region to get a regional approach to lots of things such as airports, fast trains and environmental planning.

He went on to say that we need to boost labour market programs. That is what the whole budget was about. Mr Whitecross seems to have suggested that the way he would do that is to go back to a failed policy of the 1970s, meaning community employment programs - in other words, make-work schemes - or alternatively training people when there are no jobs at the end of the training. I do not think that is a terribly appropriate approach. I did not hear at any time through Mr Whitecross's speech any mention of the 5,600 jobs that have been created since the budget that I brought down late last year. He spoke about unemployment being a very real problem. I agree. That is why we brought down a jobs budget last time. That is why we have managed to create 5,600 jobs and have 2,600 fewer people unemployed. You could add to that all of the other economic indications that are showing that the job market is starting to recover, and recover well.

The thing that I found most interesting about Mr Whitecross's speech was the number of times all the way through the speech - and I do not have time to go through them all now - when what he said was simply inconsistent with the previous paragraph. Mr Whitecross made a number of comments in his budget - - -

Mr Moore: Just give us an example.

MRS CARNELL: I will give you an example. He said that this budget was shock, horror, more of the same. He said that the 1996-97 budget saw no deviation from the plan. He went on to say that the budget this year is more of the same and that a three-year budget is a fallacy. You cannot say that the three years have been more of the same and then in the next paragraph say that a three-year budget is a fallacy.

Those opposite have said categorically that they do not like the lease-back approach that we took this year; that they do not like selling assets; that they do not like the ACTEW approach. They do not like any of that. That means that they like borrowing or they like cutting services and going down the path of redundancies.

Mr Moore: Or raising taxes.

MRS CARNELL: Or raising taxes. I accept that. There is raising taxes, there is reducing expenditure or there is borrowing. If you rule out those three, there is the approach that we have taken. Suppose we increase borrowings. Suppose we accept that borrowing is the way to go. Let us be fair. Mr Whitecross spoke about deficit budgeting. That is what he wants to do. He wants to go into significant borrowings. If we do that, our AAA credit rating will suffer.

Standard and Poor's brought down their summation of the ACT economy a couple of weeks ago. They complimented the Government on keeping borrowings at a minimum. They complimented the Government on the financial approach we have taken. They certainly indicated in their comments that the Federal Government's approach in the ACT at the moment made it difficult, but because we had kept our borrowings at a minimum our AAA credit rating stood. Without our AAA credit rating, the cost of the borrowings that we have in the market would be significantly higher. That would be at a significant extra cost to the ACT Government and therefore would impact on taxes or services. Unfortunately, Mr Whitecross does not seem to understand that.

Then we had Mr Berry - or should we say Comrade Berry, as he is very affectionately called by some - with the evils of profits speech. We have heard it before in this place. The evils of profits speeches really did go out a very long time ago. Mr Berry's speech really strengthens my belief in that old saying that I heard a few years back from somebody in the ALP that the ALP should never put anybody from the Left of the party anywhere near public money. It was somebody from the Right who said that, but it certainly would appear to be the case.

Mr Speaker, a number of Mr Berry's comments were simply laughable claims. Mr Berry criticised this Government for \$5m in a central redundancy pool. That is from somebody who was part of a government that spent \$37m on redundancies between 1992 and 1995, a government that went down the path of more than 1,000 redundancies. How could Mr Berry criticise a \$5m redundancy budget? It is amazing to me that anybody can be that hypocritical. But he went straight on to make comments about the cardio-thoracic unit. The cardio-thoracic unit was promised five years ago by Mr Berry. Mr Berry claims that he has the most experience in health, probably because he was Health Minister for longer than anyone else. He promised the cardio-thoracic unit. Who is going to deliver? Not Mr Berry, but this Government; and we are going to deliver very shortly. We have brought down a budget that has \$3.5m for cardio-thoracic surgery.

In his speech today Mr Berry said that we were throwing money at health. Last week he was saying that we did not spend enough on health, and next week he will probably say that we are throwing it at health again. The reality is that we are treating more people and we have lowered waiting lists. There has been a 15 per cent reduction in waiting lists. Our costs per patient have gone down.

Ms McRae: It costs more, \$60m more.

MRS CARNELL: Ms McRae, our costs per patient have reduced significantly. We have more services and better facilities, and we are tackling the real issues involved in health. In other words, we are treating more people, our cost per patient has come down, our waiting lists have come down, and our quality of health care has gone up. That is not a bad exercise, and the reality is that it is the same.

Mr Berry went on to claim that financial management is not a priority under this Government. This is the same person who says that unfunded superannuation liabilities do not matter; that we do not need to address them. We are heading for a situation in 15 years, and maybe even sooner, where unfunded superannuation liabilities will exceed

13 May 1997

our total budget. We will end up with unfunded superannuation liabilities of \$2 billion a year. Mr Berry has suggested that that is not a problem. Maybe his mates in the union movement told him that, but I cannot believe that they would think that either. I cannot believe that anybody could believe that \$2 billion in unfunded superannuation is not a problem. If we do not address unfunded superannuation, we are going to end up with a problem. This Government will do it, but Mr Berry has made it clear that he does not think it is a problem and we should just put it aside because it is simply not something that governments or people in this place need to address. Mr Speaker, we do need to address it.

Mr Whitecross: What are you doing about it?

MRS CARNELL: I am very happy you asked. We are going down the path of looking at all the options. We have done a lot of that work already. I believe that this is something that any government in this place - - -

Mr Kaine: It is like keeping a watching brief on infant industries.

MRS CARNELL: It is like watching briefs and strategic plans. I believe very strongly that the approach that - - -

Mr Moore: What are you going to do about it? You did not answer the question.

MRS CARNELL: I am very happy to tell you about it, but I have only one minute left. A number of issues that need to be addressed were addressed in my budget and have been addressed over the last two years. There are more jobs in our system than there were when we came to government. There are 5,600 more jobs than there were when we brought down our last budget. There are 2,600 fewer people in our unemployment queues. Unfortunately for Mr Corbell, he got all his figures wrong. The amount of money we have in the business incentive scheme this year is \$700,000. The number of jobs that will be created over the next three years - a lot have been created already - is 700. Last time I worked that out, that was \$1,000 a job. The \$37m of investment is not our investment. That is what the private sector, the people who have business incentive schemes, are plugging into this city. I think that is a pretty fair return on an investment in cash of \$700,000.

I think that this budget needs to be commended by all sides of the Assembly. I do not expect everyone to agree with all parts of it, but jobs have to be the bottom line. We have to try to live within our means. We have to keep our expenditure down as far as we can. At the same time, we need to keep the economy going. That is the line this budget has taken. I believe we have done it successfully.

MR WHITECROSS (Leader of the Opposition): Mr Speaker, Mrs Carnell seemed to be pressed for time. I am willing to agree to grant her leave for an extension of time to enable her to explain what she is doing about superannuation, if she would like to.

MR SPEAKER: She did not ask for an extension of time.

MR WHITECROSS: She does not want to explain it. Okay.

MR SPEAKER: Why are you on your feet?

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

MR SPEAKER: Proceed.

MR WHITECROSS: Mr Speaker, in the course of Mrs Carnell's diatribe, not all of which I can answer, because I am not allowed to debate things, she suggested that I had made claims about projections for employment and unemployment out of my own head. Those projections - that is, a fall in employment of 0.5 per cent in the next financial year and an unemployment rate of 9.2 per cent in the next financial year - came out of the *Access Economics Budget Monitor*, not out of my head as Mrs Carnell claimed. I seek leave to table the document.

Leave granted.

MR BERRY: Mr Speaker, I seek leave to make a statement pursuant to standing order 47.

MR SPEAKER: Proceed.

MR BERRY: Mrs Carnell, in her wind-up of the in-principle stage, accused me of making certain remarks about superannuation which I did not make. Mrs Carnell has confused the issue with a press release that I put out under the heading "Carnell Gets It Wrong Again!". It reads as follows:

Chief Minister Kate Carnell has once again used misinformation -

Mrs Carnell: Mr Speaker, I raise a point of order. Is this a personal explanation?

MR SPEAKER: Is this a personal explanation?

MR BERRY: No; this is a statement pursuant to standing order 47.

MR SPEAKER: Standing order 47 states that a member may again be heard to explain where some material part of that member's speech has been misquoted or misunderstood. Proceed.

MR BERRY: The press release states:

Chief Minister Kate Carnell has once again used misinformation to try to get out of criticism of her policies ...

Yesterday Kate Carnell was blaming unions because her policies had led to scarce jobs going interstate.

13 May 1997

Today Carnell claims Labor down played the important issue of the emerging superannuation liability. Wrong again Mrs Carnell!

What is certain is that the most important economic issue in the ACT is the policies of the Carnell and Howard Liberal Governments.

Mrs Carnell: Mr Speaker, does this have anything to do with superannuation?

MR BERRY: Yes, it has. I am coming to it.

MR SPEAKER: Come to it now.

MR BERRY: It goes on:

Ever since Mrs Carnell took office the economic situation for the ACT has deteriorated ... the deterioration accelerated with the election of the Howard Government.

The handling of emerging superannuation liability for the Territory is a good example of the difference in policies of Labor and Liberal in office.

The superannuation was handed to the Territory - unfunded - with Self Government. Labor recognised the problem and began work, responsibly, to fund superannuation for its workers.

The Carnell prescription - reduce the liability by reducing the benefit to workers. In a classic ideological move Mrs Carnell is proposing to reduce the emerging liability by cutting the level of benefit.

Mrs Carnell: Who did that?

MR BERRY: Have a look at your budget paper. The press release goes on:

I suppose next we will see Mrs Carnell proposing to reduce her salary bill by cutting salaries or reducing annual leave for ACT public servants.

That would not surprise us. It continues:

The trouble with Mrs Carnell is that instead of tackling the problem she tackles those who dare to speak out ...

I seek leave to table the press release, Mr Speaker.

Leave granted.

Question resolved in the affirmative.

Bill agreed to in principle.

MRS CARNELL (Chief Minister and Treasurer) (12.56): Mr Speaker, pursuant to standing order 174, I move:

That the Appropriation Bill 1997-98 be referred to the Select Committee on Estimates 1997-98.

Question resolved in the affirmative.

REFERENCES TO PUBLIC SERVANTS AND SENIOR OFFICIALS

Statement by Speaker

MR SPEAKER: On Tuesday, 6 May, during questions without notice I invited the Leader of the Opposition to withdraw certain words used in relation to the chief executive of the Chief Minister's Department, Mr Walker. On a point of order, Ms McRae asked that I direct the Assembly in writing as to under what standing order I had made my ruling and why I had chosen to limit members' privileges. Members may also recall that on 8 April I had asked that the chief executive be referred to by his correct title and had asked that a reference to him be withdrawn.

This Assembly has the privilege of freedom of speech. It is a privilege we have inherited from the House of Representatives, a privilege won by parliament only after a long struggle to gain freedom of action from all influence of the Crown, courts of law and government. As stated in *House of Representatives Practice*, quoting Redlich:

... it was never a fight for an absolute right to unbridled oratory ... From the earliest days there was always strict domestic discipline in the House and strict rules as to speaking were always enforced ... the principle of parliamentary freedom of speech is far from being a claim of irresponsibility for members; it asserts a responsibility exclusively to the House where a member sits, and implies that this responsibility is really brought home by the House which is charged with enforcing it.

The Assembly has formally set down limits on its right of freedom of speech through standing orders and practice. Chapter VI of the Assembly standing orders sets out rules of debate and privilege. It places an obligation on the Speaker to maintain order in the Assembly and places further obligations on the Speaker to intervene and determine when offensive or disorderly words are used. The standing orders relating to debate also prohibit the use of disrespectful words against the Queen or any of her representatives in Australia or offensive words against the Assembly, any of its members or any member of the judiciary.

13 May 1997

Further, the standing orders give the Speaker the power to amend notices containing unbecoming expressions, and the standing orders relating to questions set down a number of general rules for questions and specifically provide at standing order 117(d):

Questions shall not be asked which reflect on or are critical of the character or conduct of those persons whose conduct may only be challenged on a substantive motion, and notice must be given of questions critical of the character or conduct of other persons.

I also remind members of other specific provisions of standing orders setting out the rules for questions, in particular the provisions of standing order 117(b), which provides:

Questions shall not contain ... statements of fact or names of persons unless they are strictly necessary to render the question intelligible and the facts can be authenticated.

Standing order 117(b) also prohibits questions that contain inferences, imputations or epithets. That is the situation for question time. The question of debates is unclear.

This Assembly, however, has seen fit to make specific and general orders in relation to comments made about persons other than members. On 13 May 1993, some members may recall, the Assembly ordered that a notice of motion concerning allegations against a senior public servant be removed from the notice paper and that a motion in relation to the allegations not be placed on the notice paper for the remainder of the year. Later, on 19 May that year, the Speaker informed the Assembly that certain words that dealt with the same subject should not be included in the *Hansard* record of proceedings. More importantly, the Assembly, on 4 May 1995, resolved:

- (1) That the Assembly considers that, in speaking in the Assembly or in a committee, Members should take the following matters into account:
 - (a) the need to exercise their valuable right of freedom of speech in a responsible manner;
 - (b) the damage that may be done by allegations made in the Legislative Assembly to those who are the subject of such allegations and to the standing of the Legislative Assembly;
 - (c) the limited opportunities for persons other than members of the Legislative Assembly to respond to allegations made in the Legislative Assembly;

- (d) the need for Members, while fearlessly performing their duties, to have regard to the rights of others; and
 - (e) the desirability of ensuring that statements reflecting adversely on persons are soundly based.
- (2) That the Speaker, whenever the Speaker considers that it is desirable to do so, may draw the attention of the Legislative Assembly to the spirit and the letter of this resolution.
 - (3) That this resolution have effect from the commencement of the Third Assembly and continue in force unless and until amended or repealed by this or a subsequent Assembly.

Could I ask that members, in referring to public servants, senior officials of the Territory Administration and others, keep in mind this 4 May 1995 resolution.

Ms McRae: I raise a point of order, Mr Speaker. Your statement does not answer the point which I raised. You crossed over the line and decided that certain descriptions were either an inference or an allegation. What you have read out relates to inferences, imputations and allegations, none of which was used. You exercised your authority to intervene to say that particular words were out of order, but in everything you have said I still do not hear the grounds on which you did that. If you choose to include public servants in the list of people like the Queen and other members, may I suggest as a point of order that that be taken to the Administration and Procedure Committee and this Assembly determine about whom we will limit our comments. I do not think that calling Mr Walker the vice-president in the way that Mr Whitecross did had anything to do with inferences of improper behaviour, allegations of any kind or imputations of any kind. I do believe that you have crossed over that line, and I would like further guidance as to where that crossover will happen. I would further suggest that the Administration and Procedure Committee look at that matter in greater depth.

MR SPEAKER: I am happy to rule on this. The point that you have made in relation to standing orders is, of course, perfectly correct. I deliberately read the resolution agreed to on 4 May 1995 as something that all members should take into account when they are making any statements in this chamber. It is not a question of breaching standing orders. I am well aware that standing orders are very limited in this respect. However, the resolution of 4 May 1995 is extremely broad and I would ask all members to take that into account in the comments they make. Nevertheless, the final decision relating to this comes back to standing orders, and I will be very happy to take the matter to the Administration and Procedure Committee to tighten up standing orders if members are not prepared to respect the resolution which was unanimously supported on 4 May 1995.

Sitting suspended from 1.04 to 2.30 pm

QUESTIONS WITHOUT NOTICE

Commercial Property Auction - Chisholm

MR WHITECROSS: Mr Speaker, my question without notice is to the Minister for Planning, Mr Humphries. Minister, I refer to your recent decision to withdraw a number of commercial properties from the forthcoming auction scheduled for 14 May, that is, tomorrow. Can you inform the Assembly why you failed to withdraw the site at Chisholm, a site which exceeds 3,000 square metres and which has been approved for development as a takeaway food restaurant outlet? Are you concerned that the existing fast food restaurant traders at the Chisholm centre will be forced out of business by a food outlet big enough to occupy a site which is over 3,000 square metres? What study, if any, was conducted to appraise the effect of such a development on the existing businesses?

MR HUMPHRIES: I think the phrase is "Come in, spinner", Mr Speaker. First of all, may I congratulate Mr Whitecross. Finally, somebody in Tuggeranong has noticed that he exists and has sent him a petition. I congratulate him on that major milestone.-

Mr Speaker, I have no hesitation in being able to commend the Government's decision to proceed with the auctioning of a site at Chisholm for a fast food outlet. Members will be aware that a number of sites were available in the 1997 release until a few weeks ago and many of those were withdrawn. However, a decision was made that the one at Chisholm needed to proceed. First of all, Mr Speaker, there is a very significant job implication in this proposal. The establishment of a McDonald's or a Pizza Hut, to name two outlets which we understand are interested in this site, will create, on my advice, something in the order of 100 full-time, part-time and casual jobs. Here is a member for Brindabella telling us he opposes the creation of jobs in his own electorate, principally for young people. It is not older people who work in those places; it is principally younger people, Mr Speaker. So, 100 jobs would be created in his own electorate.

Mr Whitecross: Talk about CFM Kitchens if you want to talk about jobs.

MR HUMPHRIES: I know you are upset about the fact that there is some competition going on there, Mr Whitecross. I am tremendously pleased to see that the man who thought that small, local centres in Canberra could go by the wayside when it came to trading hours, the man who thought that they could fend for themselves - - -

Mr Whitecross: Not so.

MR HUMPHRIES: They did not matter. They did not have the votes. The votes were with the major shoppers. They were dispensable. They were dispensable last week, but now you are chasing their votes. Clearly, Mr Speaker, Mr Whitecross - - -

Mr Whitecross: If you go around misrepresenting people, Gary, all you - - -

MR SPEAKER: Order!

Mr Berry: You have strung yourself up.

MR SPEAKER: Order! It is not McMuffin time.

Mr Hird: I take a point of order, Mr Speaker. I would like to draw your attention to standing order 39 and ask you to rule accordingly.

MR SPEAKER: Yes, I am aware of it, and I uphold the point of order.

MR HUMPHRIES: Mr Speaker, it does not take a genius to work out that you could certainly see competition occurring between, say, a pizza outlet or a fish and chip shop and a McDonald's or something like that at Chisholm; but there is no competition between such an outlet and a chemist, or a supermarket, or a real estate agent, or a newsagent, all of which, I understand, are at the Chisholm shops. All those things are enhanced.

Mr Whitecross: Maybe you should go there and check.

MR HUMPHRIES: I go there very often, Mr Whitecross, as it happens. My wife used to live in Chisholm and I often went to the Chisholm shops. I know that centre very well. I know that most of the outlets there are places which would be enhanced by having a fast food outlet. You talk to most small centres in this city - - -

Mr Whitecross: Sure. Why do you not go to Chisholm shops and have a look?

MR HUMPHRIES: He has not listened to a word I have said, Mr Speaker.

MR SPEAKER: I cannot compel them to do that, Mr Minister.

MR HUMPHRIES: No, indeed, Mr Speaker; but you wonder why he asked the question in the first place. Mr Whitecross would not have a clue because he has never worked in the retail sector. You ask most small centres in this town and they would say that a fast food outlet like a McDonald's is an asset to a local centre because it brings people in. People come to buy hamburgers and they come to buy pizzas, and they stop and they do their shopping at the same time. Mr Speaker, if this man opposite had any idea he would realise what a foolish thing he was saying.

He also asked me what study we had done. Mr Speaker, I can refer to a study that was, in fact, commissioned by Mr Wood. The Ibecon study found, in 1996, that there was - - -

Mr Wood: You have ignored that. You would not want to quote that for anything you have done.

MR HUMPHRIES: Not on this occasion, Mr Wood. It found that there was a shortfall of some 2,000 square metres gross floor area in meals-out restaurants and fast food floor space in Tuggeranong. That is the study we have done, Mr Whitecross. A study you yourself commissioned says there is a shortage of space in Tuggeranong. Now, what do you want? It creates jobs. It provides choices for people living in that part of

13 May 1997

Tuggeranong, your constituents. It meets a need which has been identified in your own study about Tuggeranong. If you think we should not be having a fast food outlet on that site, do not direct your question to me; turn around and talk to Mr Wood, because when he issued the Territory Plan in 1991 he said fast food could go on that site.

Mr Whitecross: You decide the timing, not him.

MR HUMPHRIES: What is wrong with the timing? What is happening to Chisholm at the moment which makes the difference? I will tell you what Chisholm needs. It is the same thing the rest of Tuggeranong needs, and the same thing the rest of Canberra needs. It is jobs. It needs jobs and it will get 100 in this proposal.

Finally, Mr Speaker, let me make reference to the fact that we have here people who are fair-weather friends of small centres. If you look back over the last six or seven years you will see that during the period of the Labor Government a very large number of sites were released for fast food outlets in smaller centres in the ACT. In 1991, at Wanniasa, a Red Rooster. That is your electorate, Mr Whitecross. In 1992, Belconnen, Sizzlers; in 1993, Belconnen, Red Rooster; in 1994, Florey, KFC; in 1995, Charnwood, McDonald's. Sites also offered by the Labor Party were: In 1995, Holt; in 1993 and 1994, Greenway. They were sites your colleagues, your brothers in arms, your comrades, released.

Mr Speaker, these people opposite cannot expect to be taken seriously if they say, on the one hand, that we should be creating jobs in this city, and opportunities and choices for shoppers - that is the theme of this week, choices for shoppers - and, on the other hand, argue that there should not be those very options being taken up in places like Tuggeranong.

Housing - People with Disabilities

MRS LITTLEWOOD: My question is to the Chief Minister. Chief Minister, in light of claims over the past week that the Government has scrapped plans to build two houses for people with disabilities at Fisher, can you please inform me whether this project is proceeding and when it is expected to be completed if it is proceeding?

MRS CARNELL: Mr Speaker, if I were Ms Reilly I would leave now, too. The project referred to is a very exciting one that has been jointly developed by Health and Community Care and ACT Housing and community groups working with people who have disabilities. It is extremely disappointing, Mr Speaker, that Ms Reilly has chosen to run a scare campaign on this issue, particularly when you know you are dealing with people who have disabilities. Mr Speaker, Ms Reilly claimed quite wrongly that the project was going to be scrapped - and I quote from her media release - "in favour of commercial gain". It is a quite outrageous allegation, Mr Speaker, and quite unfounded.

Ms McRae: We will see.

MRS CARNELL: Okay, we will see. Thank you very much, Ms McRae. It demands an apology from Ms Reilly - not to me, Mr Speaker, but to the people who had taken her at her word and were really worried that somehow this project that they had been involved with for a long time was going to be scrapped.

Mr Speaker, in total, six houses are being built in Canberra to house people with severe disabilities. Four of those are being built under the Canberra's Own Option of Living project, the COOL project, which will see young people and middle-aged people with disabilities who are currently living in nursing homes able to move into what will be their own homes. Two of these houses are currently being built at Macquarie.

Mr Berry: Welcome her back. You took a swipe at her when she - - -

MRS CARNELL: Oh, good. She is back.

MR SPEAKER: Order! I did not hear that answer. Where are they?

MRS CARNELL: Two of the houses are currently being built at Macquarie and the other two will be built on the old Fisher preschool site near the Fisher shops. The land is being cleared at the moment for the houses. The plans are currently going through the approval process and tenders will be called in the next couple of weeks. So it is not exactly a project that we will see about, Mr Speaker; the plans are in with the Planning Authority now. I understand that these two houses are due for completion before the end of the year. They will be a tribute to the many people from within government and the community who have worked on this project. It has been a very difficult project, Mr Speaker, because it is a unique concept. We have two houses at Macquarie that are almost complete now and land is being cleared for two houses at Fisher, the plans for which are in for approval. The tenders to build them will go out in the next couple of weeks and they will be built before the end of the year. That is not exactly a proposal that has been scrapped in favour of commercial gain, Mr Speaker.

I have to say that that is not the only blooper that Ms Reilly has managed in the past fortnight. First of all, we had the shock, horror story that the Government was phasing out rent assistance to tenants in the private market. This was a nasty Liberal Party plot, Mr Speaker. The fact is that Rosemary Follett's Labor Government started the phasing out process four years ago, Mr Speaker.

Mr Humphries: Who was that?

MRS CARNELL: Rosemary Follett's Labor Government. Some of those present, some of those over there, were part of that. They started the phasing out period four years ago. There is no doubt that we continued with that approach because it was appropriate, but it certainly was not a Liberal Party plot, Mr Speaker. You could say it was a Rosemary Follett plot, possibly, or a Labor Party plot.

13 May 1997

Then there was this disgraceful scare campaign on housing for the disabled that I have already spoken about and the equally unfounded claims about unspent money from the Kick Start program that was somehow going to be pulled out of the scheme. Again, it was absolutely wrong. Mr Speaker, the interesting thing about these things is that all of them, all of these approaches, potentially scare people. They have the potential to make problems for people who are least able in our society. I think it might be that Ms Reilly is going to the Wayne Berry school of media management. That is the school that says, "Shoot from the hip. Do not worry about the facts. Do not worry about whom you hurt. Possibly, in the long term, the facts may come forward, but who cares?".

New Private Hospital

MR CORBELL: Mr Speaker, my question is to the Chief Minister as Minister for Health. Chief Minister, last week you said in the debate on Mr Berry's motion to set up a select committee to investigate a private hospital that you had been aware of the motion since "earlier this week". That was last week. You then went on to reveal that "an agreement has been signed". A report in the *Canberra Times* the following day confirmed that a contract had been signed on the same day that you made these statements. Why did you agree to the hasty signing of a contract which would pre-empt this Assembly's consideration of your proposed private hospital?

Mr Whitecross: A good question.

MRS CARNELL: Mr Speaker, it is a good question. I am very pleased to answer it. As I said in that debate, Mr Berry put out his first press release on this last July. The tenders went out in August last year. There was any amount of time for people to bring a motion before this Assembly if they wanted to stop the process, Mr Speaker; no problems whatsoever. But there were no comments in the Assembly. There were no problems at all, it appeared, in the Assembly. In January I announced the successful tenderer, HCOA. At that stage, of course, there were exchanges of letters and a commitment between the two parties was entered into to work up the project. Still there were no comments. There still was the capacity for Mr Berry or anybody else in this place to bring the project forward.

Mr Speaker, we briefed Mr Berry, at his request, I think, the week before last, and at that stage told him categorically that the signing of the agreement - I expect there will be more agreements, actually - and the right to lease the land and to go ahead was imminent. It was, Mr Speaker. The process continued. It was not speeded up in any way. Exactly what Mr Berry was told happened. The contract was signed imminently, as was said at the time. I did not sign it, Mr Speaker, as I would not; that was signed by the chief executive officer of the department.

Mr Berry: But you agreed to it being signed.

MRS CARNELL: Yes, I do agree with it. Right from the beginning, right from the election campaign last year, I believed very strongly that a new private hospital was an appropriate approach for the ACT. We have had this on the table in the public arena since the last election. We have had it in the public arena, after calling for tenders, since last August. There were lots of sitting days in the meantime.

Mr Speaker, what we saw from Mr Berry last week was a straight political stunt. We had already made commitments to HCOA. When I announced them as the successful tenderer in January we obviously had an agreement in place at that stage, Mr Speaker, as you do when you announce successful tenderers. After people spent a lot of money putting a tender together, as they did, we announced the successful tenderer. We then went into the planning stages and lots of discussions occurred, as you would expect. What did we hear from Mr Berry? Nothing, Mr Speaker - until last week. I have to tell you, Mr Speaker, that there was no way on this planet that I was going to stop the process at that stage. That is what those opposite were asking for - that we stop a process that had been under way for months and months, with deathly silence from those opposite.

MR SPEAKER: Do you have a supplementary question?

MR CORBELL: Chief Minister, why is not your hasty handling of this matter a blatant contempt - - -

Mrs Carnell: Hasty?

Mr Humphries: Hasty? Over a year!

MR SPEAKER: Order!

MR CORBELL: Mr Speaker, I will start again because you did not hear the question, I know. Why is not your hasty handling of this matter a blatant contempt of this Assembly?

MRS CARNELL: Mr Speaker, I think this probably shows the difference between this side of the house and the other side. We put something out for tender last August. We announced it in an election that was two-and-a-bit years ago. I must admit I think the tender process took too long. I do not like tender processes that take six months. I have no idea why our tender process takes as long as it does. I think the process was too slow, Mr Speaker. To go to tender in August and not to be able to announce the successful tenderer until January, to me, is too long; but those opposite think this was a speedy process. Shock, horror; there was a six-month gap between when we went to tender and when we announced the tender.

In January, when I announced the successful tenderer, I said it would take us three months to sign a final contract. I said that publicly, Mr Speaker. I said at the announcement about HCOA, "We will now work together to sign a final contract within three months". That would have been the end of March or the beginning of April.

13 May 1997

We failed to meet the deadline, Mr Speaker. We did not get that signed inside three months, and we should have. We are getting better, but we should have. I have to say that, if anything, this process took longer than it should have, certainly longer than I announced it was going to take. So I cannot for a moment - - -

Mr Kaine: You know the next question. Why did you not meet your deadline?

MRS CARNELL: I fully accept that, and we have to get better at it. When I announced in January that we were going to sign a contract in three months and then it takes us four months, that does not strike me as a speedy process, Mr Speaker.

Textbooks - Shortages

MR MOORE: Mr Speaker, my question is to the most put upon and beleaguered Mr Stefaniak as Minister for Education. Mr Stefaniak, I refer to correspondence received in your office, which was copied to me, regarding the issuing of maths textbooks at Kaleen High School. I believe you were informed that there are simply not enough maths textbooks for every student. Why is it, Minister, that funding to education is so poor that students cannot be provided with textbooks for basic subjects?

MR SPEAKER: Mr Stefaniak, I will ignore the inference of the “put upon”.

MR STEFANIAK: Thank you. Yes, that is the first question today. Thank you, Mr Moore, for that question. Perhaps you could refresh my memory and provide me with a copy of that letter. I recall something about that. I would just like the date for that.

Mr Speaker, Mr Moore talks, as he did last week, about education funding. Mr Moore should be well aware - it has been said often enough in this house in recent times - that this Government has provided, in difficult economic times, a significant amount of funding for education. This budget alone had not only the CPI increase but also a number of other initiatives. So, in difficult economic times, I think that indicates the commitment this Government has to education funding. Mr Moore, I am not too sure that I have answered that letter, so I will take that part of the question on notice. Whilst I think I have seen that, I do not believe I have an answer. Off the top of my head, I cannot think what else has happened in relation to that matter.

I am aware, Mr Moore, that from time to time there are shortages of textbooks. I recall during the course of the previous Government that on several occasions there were stories of schools photocopying various texts because they did not have particular textbooks. Those issues, Mr Moore, have been around for many years. This Government has increased education funding. This Government has instituted a number of initiatives to assist schools in matters such as this. Apart from things like enhanced school-based management, we have, as you well know, instituted the schools equity fund. We have taken a number of steps to try to assist schools and to direct attention to pockets of disadvantage. In terms of that particular matter, Mr Moore, I will have to get back to you in relation to that specific letter. I do not believe that that has occurred yet.

13 May 1997

MR MOORE: I ask a supplementary question. Minister, in that case I believe it is appropriate for this Assembly to take it that you are quite satisfied that education funding is fine when there are not enough basic textbooks on basic subjects to go around. Are you satisfied with that or not?

MR STEFANIAK: Mr Moore, I think we would all like to see a lot more money in a lot of our areas. That certainly applies to education. I hark back to my initial point: This Government, in difficult economic times, has maintained education funding in real terms. This year, in fact, it has increased it more than that. In real terms there has been only a 1.75 per cent increase. In fact, we are around about 3 per cent. I would like to be able to have some extra money for a number of other educational initiatives, and I would suspect that that is always going to be the case; but I do not think you can get away from the fact that this Government has made a considerable effort in terms of funding for education. That is exemplified, especially, in our last budget.

New Private Hospital

MR BERRY: My question is directed to the Chief Minister in her capacity as Minister for Health. I would ask the Chief Minister to consider her answer against the background of the answer she just gave to my colleague Mr Corbell in which she denied a hasty signing of a contract to pre-empt the Assembly's consideration of the proposed private hospital and she denied that her actions were a blatant contempt of this Assembly. My question to Mrs Carnell is this: How do you explain this letter to the residents of Garran, signed off on 6 May and delivered to residents the day after the signing? I will quote from the letter and paraphrase some of it, but I will table it in due course. This is a letter to "the resident" by the chief executive of the Canberra Hospital, and bear in mind it was signed on the 6th. It states:

As announced by the ACT Government, it is proposed to develop a private hospital on The Canberra Hospital campus.

The ACT Government is now negotiating -

I emphasise that -

with Health Care of Australia to develop and operate the private hospital. Building of the new hospital is planned to commence in June 1997, and will consist of about 100 beds, a number of day procedure areas -

and so on. On the reverse side is a little picture of the proposed hospital which is being negotiated. "Car parking and traffic issues are generally areas of concern for residents", the letter says, and it goes on about that. It talks about the good communication that was maintained throughout the recent development of the Canberra Hospital. It then goes on to say:

At this stage if you have any concerns or questions please contact ...

13 May 1997

It then gives a contact name and number. It is very clear. I will just quote again the relevant sections:

The ACT ... is now negotiating with Health Care of Australia to develop and operate the private hospital.

... ..

At this stage if you have any concerns or questions please contact ...

This will be of interest to the Chief Minister, given her answer to the last question. The letter, Mr Speaker, was written on 6 May and it stated that the Government was negotiating with Health Care of Australia and it requested that concerns or questions be raised with the Canberra Hospital. Clearly, there was no indication that the signing of a contract was imminent. The letter lets residents know that there is a proposal and that negotiations are under way, and invites input from those residents. How can you still deny, Chief Minister and Health Minister, that the decision to sign the contract was nothing more than a hasty move to avoid proper scrutiny by an Assembly committee? How can you still deny that after such a letter was distributed to the community?

Mr Humphries: What a pathetic question!

MRS CARNELL: It is a pity they do not rewrite their second question after they have an answer to their first question, Mr Speaker, but I suppose that would require a bit of thought.

Mr Berry: I seek leave to table the letter, which indicts the Chief Minister.

Leave granted.

MRS CARNELL: Mr Speaker, I am always pleased for the Opposition to table very good evidence of community consultation by this Government. Mr Berry indicated that the letter was written on 6 May. I understand that the contract that we are talking about was signed, I think, on 8 or 9 May. We are still negotiating with HCOA on a number of issues. Obviously, the plan has not yet been finally approved. It has not finally come through the approval system. There are lots of things we are still negotiating about. That is totally appropriate, Mr Speaker. It is also totally appropriate for us to speak to the local residents about such things as parking and traffic flow.

Mr Speaker, it is interesting that it was you who approached me to make sure we got that letter out to the people of Garran, and I am very pleased that we managed to do so. On behalf of your constituents, Mr Speaker, I was very happy to do that.

MR SPEAKER: It was a good letter.

MRS CARNELL: Mr Speaker, I come back to the fact that we announced the successful tenderer in January. At that stage I said we would sign the contract to build in three months. That was the end of March, or maybe the beginning of April.

13 May 1997

We did not sign until probably 8 or 9 May, Mr Speaker. That means we were a month late. We were not exactly hasty. If this letter was written, as it obviously was, on 6 May, it was written before we signed that particular part of the contract. It was signed a couple of days after we told Mr Berry that we were going to sign imminently, and we did sign imminently, Mr Speaker, as we said we would, a month late, a month after I think we should have signed. But we are still negotiating. There are lots of issues that still need to be sorted out, and that process is continuing.

MR BERRY: I have a supplementary question, Mr Speaker. So, Chief Minister, when you said that you were negotiating on the 6th, it was true until the 8th. I put it to you that it is quite true that you have deliberately misled the community with that letter. I put it to you, Chief Minister, that you have deliberately misled this Assembly in your portrayal of the way this contract was signed. This contract was signed in a hasty way to avoid scrutiny by this Assembly. You have denied that, but I think the evidence is on the table, and I think it is about time that you accepted that you have misled the community.

MR SPEAKER: Is that a question or a statement, Mr Berry?

MR BERRY: - - - misled the community and misled the Assembly, most importantly, in your portrayal of the way this contract was signed. It was signed hastily and dishonestly.

Mrs Carnell: Mr Speaker, if Mr Berry is making any imputations that I have misled the Assembly, I would like him to withdraw those before I answer the supplementary question.

MR BERRY: I will repeat what I said. Is it not true that you have deliberately misled the community and this Assembly in your portrayal of the way the contract was signed?

MR SPEAKER: The answer to that is very simple.

MRS CARNELL: The answer is no, Mr Speaker. In that letter that went out we were in no way suggesting to the community that we had not made a decision on the hospital.

Mr Berry: You said you were negotiating.

MRS CARNELL: We made a - - -

Mr Berry: Poke out your tongue. It has a big black strip down the middle. Look at your nose.

MR SPEAKER: Order!

MRS CARNELL: Mr Speaker, poor old Mr Berry just cannot handle the situation where we will have a new private hospital, \$20m worth of investment, 230 construction jobs, 200 jobs in the actual operation of the hospital, and pressure taken off our public hospital capacity to have more patient throughput in the public hospital system.

Mr Berry: I would consider apologising for misleading the Assembly, if I were you.

13 May 1997

MRS CARNELL: Mr Speaker, as I said before, this contract was signed a month late, not a month early. This was part of the contractual and negotiation approaches that are still going on on things like plans and so on, and we have asked the local community for input on issues that are important to them, such as traffic flow and parking. But in that letter we made it clear that we were going ahead with a private hospital, Mr Speaker. There is no doubt that we are going ahead with the hospital, but things like parking and traffic flow do need to be discussed with the local community. I understand their concerns are that the Garran Primary School is just over the road, and we have to make sure that safety for the schoolchildren is of primary importance, as it is, so those discussions will continue.

Mr Humphries: I raise a point of order, Mr Speaker. Mr Berry, during the course of that question, or at the end of the question, said that Mrs Carnell should apologise for misleading the Assembly. That is an unparliamentary reflection and it should be withdrawn.

Mr Berry: I said that if I were Mrs Carnell I would apologise, but I am not.

Mr Humphries: Mr Speaker, there is still a clear inference that she has misled the Assembly, and he should withdraw it.

MR SPEAKER: Mr Berry, are you making an inference that Mrs Carnell had misled the Assembly?

Mr Humphries: You certainly are.

Mr Berry: I have no way of determining how Mrs Carnell feels about this. I just tell the Assembly how I feel. If I were the Chief Minister, I would apologise.

MR SPEAKER: So it is not an imputation against the Chief Minister; is that right?

Mr Humphries: Mr Speaker, I have to press the point.

MR SPEAKER: It is not an implication against the Chief Minister, Mr Berry?

Mr Berry: No.

Mrs Carnell: Thank you.

New Private Hospital

MS REILLY: My question is to the Chief Minister in her capacity as Minister for Health. Calvary Hospital has publicly questioned the need for a new 100-bed private hospital, claiming it is "a little bit at odds with the continuing decline in the number of privately insured patients". Minister, Calvary Hospital is reducing the number of private beds it operates. How, then, can the new private hospital be justified, and what will be the effects on the existing private hospitals?

MRS CARNELL: Thank you very much, Ms Reilly. I wondered why Calvary Hospital was complaining about a new 100-bed private hospital when it is in the process of building a new private hospital adjacent to Calvary Hospital. Calvary Hospital, for those that are interested, is currently building a new private psychiatric hospital adjacent to Calvary Hospital - a 20-bed private facility. Mr Speaker, you would also be aware that Calvary Hospital has, I think, 50 - it might be somewhat more - - -

Members interjected.

MR SPEAKER: Order! The house will come to order. If you do not want to listen, at least be quiet. I am interested in the answer. Continue, Mrs Carnell.

MRS CARNELL: Mr Speaker, Calvary Hospital is in the process of building a new private hospital, a private psychiatric hospital, adjacent to Calvary. Calvary was part of the discussions the whole way through this process and has never made a comment that it has a problem with the new private hospital. Obviously, Mr Speaker, a new private hospital will compete with it. There is no doubt about that. It will compete with the private beds already at Calvary Hospital. The new HCOA facility, though, will have no private psychiatric beds, and on that basis will not compete with the new private psychiatric unit. I cannot understand why Calvary Hospital, which is building new private beds, would have a problem with other private beds being provided.

Mr Berry: You said that they never said anything; that they have never complained.

MRS CARNELL: They have not.

MS REILLY: I have a supplementary question. Can you inform the Assembly what study was undertaken to establish the need for 100 more private hospital beds in the ACT? Can you provide the Assembly with a copy of that study by the end of business today?

MRS CARNELL: Mr Speaker, the study that was done was to put it out to tender and see whether anyone was interested in spending \$20m of - - -

Mr Berry: What a great study! Thank you. Sit down. That is all we need.

MR SPEAKER: Order!

MRS CARNELL: Mr Speaker, that is a very normal way to establish whether the private sector is interested in a new facility. The other work that was done to determine whether a new private hospital in the ACT was viable was to look at the number of private hospital beds that we have in Canberra and - - -

13 May 1997

Mr Berry: That is irrelevant.

MRS CARNELL: Mr Berry has just said that the number of private hospital beds we have is irrelevant in determining whether we need more. That is the way that Mr Berry determines whether you need a private hospital. It does not matter how many you have; that is irrelevant. But the fact is that it is relevant, Mr Speaker. We looked at how many private hospital beds we have. We looked at the Australian average for private hospital beds per thousand of population - - -

Mr Berry: "So we will force this on you. You will all have to go to private hospitals".

MR SPEAKER: Will you be quiet? Ms Reilly asked the supplementary question.

MRS CARNELL: Mr Speaker, the reality is that in the ACT we have fewer private hospital beds per head of population than anywhere else in Australia, and we have a higher level of private insurance than anywhere else in Australia. Mr Speaker, if you have fewer private hospital beds per head of population and more people privately insured than anywhere else in Australia, it might be a very good idea to go out to tender and determine whether a private sector company would be interested in spending significant dollars to invest in the ACT.

We went out to tender last August, as I said, and we had three or four serious tenders. The successful tenderer was announced in January. I have to say that, if a company like HCOA, which has 37 hospitals in Australia, is interested in spending \$20m and paying the ACT Government - actually, ACT Health - \$2.1m up front that goes straight back into our public hospital system, for the pleasure of building a private facility in the ACT, it strikes me that it is just as likely going to be viable.

Mr Berry: Mr Speaker, Mrs Carnell may have misled the Assembly. She said that - - -

MR SPEAKER: Is this a point of order or are you just getting up and having a chat? Sit down.

Mr Berry: I seek leave, Mr Speaker, to table an article in the *Canberra Times* which sets out the complaint by Canberra's - - -

Mr Humphries: Mr Speaker, I raise a point of order. This is an abuse of question time.

MR SPEAKER: This is question time, yes.

Mr Humphries: It is an abuse of question time. Mr Berry should not be allowed to engage in these little stunts during question time.

Mr Berry: I seek leave - - -

MR SPEAKER: At the end of question time you may seek leave, but in the meantime - - -

Mr Berry: I seek leave to table a document - - -

MR SPEAKER: No; I have people who wish to ask questions.

Mr Berry: It is a copy of the *Canberra Times* - - -

MR SPEAKER: You may do it at the end of question time if the Assembly grants leave, but not at the moment.

Mr Berry: I could get leave now.

MR SPEAKER: Does somebody wish to ask a question? I call Mr Osborne.

Public Service - Executive Salaries

MR OSBORNE: My question is to the Chief Minister and is about executive salaries. Recently, Mrs Carnell, in response to a question on notice, I received a copy of the salaries of the ACT senior public servants since 1995. Some of those chief executives have had increases of as much as 75 per cent while the lowest paid in their departments have had increases of only about 4 per cent. While no-one denies that our top public servants are entitled to decent salaries, surely there comes a time when that line of decency is crossed. Now we know that in ACTEW, for example, the chief executive's salary potentially is worth 10 ASO2s. Do you agree that, if we have not crossed that line already, we are getting very close?

MRS CARNELL: Thank you very much, Mr Osborne, for the question, because I think it is really important to clarify a few issues here. One is that our senior public servants have not had an increase for 12 months. In fact, Mr Speaker, this has tended to run as if somehow our senior public servants have ended up with increases very recently, and that simply has not been the case. Our senior public servants put in a submission to the Remuneration Tribunal this year suggesting that they should not have an increase this year because the economic situation was fairly bad. I think that is an incredibly appropriate approach. I am not sure whether any other public servants around this country would have taken the same approach, but I was very proud of them for taking that approach.

Mr Speaker, I think it is very important here to understand how public servants' salaries, the ones that Mr Osborne is talking about, are set. They are set by an independent Remuneration Tribunal that was put into legislation by this house. The legislation went through this place. It is the same Remuneration Tribunal that sets our salaries. We have always believed, certainly this side of the house has always believed, that senior public servants and politicians should not have the power to set their own salaries; that the salaries should be set at arm's length from people who are in those sorts of positions.

13 May 1997

With regard to our senior Public Service executives, last year when we passed the new legislation to remove tenure from those people and to move them onto performance-based contracts - legislation that the majority of this house supported - there was a process entered into to engage independent consultants, who have done similar work for every other government in this country, to size the jobs involved. That was done. Those recommendations were passed on to the independent Remuneration Tribunal, set up by this Assembly, and at arm's length from this Assembly, to determine what those salaries should be.

Since then there have been two Remuneration Tribunal hearings on senior executive salaries, both public hearings and both able to receive submissions by anybody in this place, or for that matter anybody in the community, who wants to put forward submissions. I have heard both Mr Osborne and the Greens make comments in this area, and I do not think either of them have ever put submissions to the Remuneration Tribunal with regard to senior executive salaries.

Ms Horodny: Yes, we did.

Mr Osborne: I found out only last week.

MRS CARNELL: No. Spot on. I do not think they have. If they have a problem with senior executive salaries, there is a forum in which to fight that out, a forum in which to put their position. I think it would be an extremely retrograde step to move to a situation where we set our own salaries - because it is the same issue here - or alternatively had hands-on control of our senior executives' salaries now that they are on performance-based contracts with us and do not any longer have continuous tenure. To move to that situation again would not be the approach that this side of the Assembly would take. Looking around Australia at similar jobs around the country, it would appear that in most cases our senior executives are on similar salaries to other State and Territory public servants' salaries set at arm's length from government. I think, as a result of our new approach, we have the best group of senior public servants in this country.

MR SPEAKER: Do you have a supplementary question, Mr Osborne?

MR OSBORNE: Mr Speaker, I have no idea what question Mrs Carnell was answering then, but it certainly was not the one I asked her.

Mr Kaine: Did you not listen, Paul?

MR OSBORNE: My question was about whether or not Mrs Carnell thought that we were getting close to crossing the line of decency. Nevertheless, there was a nice bit of - - -

MR SPEAKER: That was asking for an expression of opinion, so it would be out of order.

MR OSBORNE: My supplementary question is this, Mr Speaker: We heard Mrs Carnell waffle on there about the Remuneration Tribunal. Mrs Carnell, you could argue that the chief executive of ACTEW is not a public servant, I suppose - - -

Mrs Carnell: He is not.

MR OSBORNE: He is not? The Remuneration Tribunal, I believe, does not set his salary. Could you inform the Assembly who does that job? Are you able to inform the Assembly whether or not it is true that most of our senior public servants earn more than the head of the Department of Defence?

MRS CARNELL: Mr Speaker, answering the last question first, I do not know what the Department of Defence head earns. I do know that recently a new head of, I think, the Treasury in New South Wales was appointed on significantly more money than we pay anybody in the ACT, but that is just because that ended up being somewhat public.

Mr Speaker, with regard to the first question that Mr Osborne asked about whether I think we are stepping over the line with salaries in this area, I do not believe it is appropriate for this place to make decisions on that. We have an independent tribunal. I also do not make comments on whether I think they are setting the salaries of members of this place too high. I thought, by passing that legislation, that we accepted what our independent tribunal put forward in these cases. Certainly, from my perspective, we will continue to do so. Paul, there was a middle part of this question. What was it?

Mr Osborne: You forgot because you have been blurting out all - - -

MR SPEAKER: ACTEW.

MRS CARNELL: ACTEW. How are ACTEW salaries set? The board of ACTEW sets the salary of the chief executive officer. The salaries of the chief executive officers of all of our Territory-owned corporations are set by the respective boards, whether that is Totalcare, which operated under those opposite, or ACTTAB. The boards of those Territory-owned corporations set the salary of their chief executive, Mr Speaker. That is usually how chief executives' salaries are set.

Transport Reform Advisory Group

MS HORODNY: Mr Speaker, my question is directed to the Minister for Urban Services, Mr Kaine. Earlier in the year, Mr Kaine, I asked you about the fate of the Transport Reform Advisory Committee and you advised me that a new Transport Reform Advisory Group was going to be established to make recommendations to improve the efficiency and effectiveness of public passenger transport services in the ACT. We have heard since that the membership of this group has now been established and that the first meeting was held a couple of weeks ago. The membership comprises an independent chairperson, a consumer representative, a representative of disabled people, and representatives from the ACT Tourism Commission, the Department of Urban Services, the Transport Workers Union, ACTION, taxi and hire car proprietors

13 May 1997

and private bus services. I am sure it is an oversight, Mr Kaine, but could you explain why environment groups such as the Con Council are not included in this advisory group, when there was an environment representative on the earlier committee and the Con Council has written to you on several occasions to request the establishment of such a transport forum? Also, why are there not any representatives of the main public transport users, such as youth and the aged?

MR SPEAKER: Excuse me, Ms Horodny; the Con Council?

MS HORODNY: The Conservation Council.

MR SPEAKER: Thank you.

MR Kaine: I do not know why representatives of those organisations are not on there, but I will take the question on notice and find out whether it was a conscious decision that they not be included or whether there were good reasons. Perhaps they have been omitted in error. I do not know, but I will take the question on notice.

New Private Hospital

MR WOOD: Mr Speaker, my question is to the Minister for Health. Minister, considering that the agreement between the Government and Health Care of Australia will have ramifications for health care in the ACT well into the future, will you today table that contract, or the agreement, or whatever the documents are, in this Assembly?

MRS CARNELL: Mr Speaker, I cannot table them; they are commercial-in-confidence documents. It is a simple commercial arrangement. I can tell the Assembly the basis of that agreement.

Mr Berry: What if you were directed to? Would you do it?

MRS CARNELL: I still could not. HCOA has agreed to pay \$2.1m up front to the Department of Health, which will be paid to the hospital and will be used for public hospital purposes. The site that HCOA will be able to build on is very well known and is on all of the plans involved. There will be no public money at all involved in the building of the HCOA private hospital or anything else.

Mr Speaker, it is probably that simple: No public money; \$2.1m up front; everybody knows where the site is. They are planning to start in June and be finished by, I think, middle to late 1998. It is a 100-bed hospital. The plans have not been approved as yet, so they are still going down the path of determining what they are. I think some indicative plans have already been made public. In fact, I know that some indicative plans have already been made public. The sort of care that the private hospital will provide will be towards the intensive care end of treatment that is not provided by private hospitals currently in Canberra; intensive care type of treatment, possibly in the area of cancer - those sorts of areas, Mr Speaker.

13 May 1997

Contracts of this sort do need to be commercial-in-confidence simply because HCOA obviously are in negotiations with other governments and other entities. Hopefully, we have negotiated a very good deal with HCOA. We believe we have, Mr Speaker. I have outlined the basis of that deal. I have guaranteed to this Assembly that there is no public money involved. The \$2.1m up front, Mr Speaker, is the money that the ACT Government will get. People know where the land is. The planning process is transparent, Mr Speaker. The actual make-up of who will be in the hospital has not been determined at this stage. I do not know what else anyone could want to know.

MR WOOD: I have a supplementary question, Mr Speaker. I am not sure that the Government, this Assembly or the people of Canberra will be too concerned about other jurisdictions. This affects the ACT. I draw the Chief Minister's attention to an answer she endeavoured to give earlier when she placed great stress on her openness, her consultation and, she claimed, detail in informing the community. On that basis, Chief Minister, why will you not reveal these details? Why the secrecy? You are not being consistent here.

MRS CARNELL: Mr Speaker, if they are going to have a series of questions because they think it is a good idea, they really should rewrite them between questions when I have already answered them. I will just run through it: No public money; the amount of money up front; where the hospital is - - -

Mr Berry: Why will you not table the contract? That was the question.

MR SPEAKER: Mr Berry, if you continue to interject, even if the Chief Minister does table it, you may not be here to read it.

Mr Berry: May I raise a point of order, then, Mr Speaker?

MR SPEAKER: No, you cannot at this point. You will have a chance to table that later.

MRS CARNELL: Mr Speaker, the company involved, HCOA, is keen that this contract remain commercial-in-confidence. I have to say, Mr Speaker, that I was keen to be able to have the contract tabled because I assumed those opposite would go down this path. But, if we are going to do commercial deals with companies that are interested in investing \$20m involving 230 construction jobs in this city, I think we have to be willing to operate in a businesslike fashion. Mr Speaker, I fully agree that when there is public money involved in a contract the contract needs to be made public; but in this situation there is no public money involved. In fact, they are paying us. The public interest is that we will have 100 extra hospital beds in this city.

Mr Berry: That nobody wants.

MRS CARNELL: If nobody wants them nobody will use them.

Mr Corbell: There is no demand for them. People do not do things on demand.

MR SPEAKER: Order!

13 May 1997

Mr Humphries: Mr Speaker, I have to take a point of order. There has been a continuous barrage of interjections from those opposite throughout this question time. I would ask you to indicate at least that some members will suffer some consequences if they do not start to obey the standing orders that are here for the protection of all members.

MR SPEAKER: I uphold the point of order and I caution members again to listen to the answer.

MRS CARNELL: Thank you very much, Mr Speaker. If, as Mr Berry says, nobody uses the private hospital, HCOA will lose \$20m. The ACT Government will not lose one dollar.

Tidbinbilla Nature Reserve

MR HIRD: Mr Speaker, my question is to Mr Humphries in his capacity as Minister for the Environment, Land and Planning. What is the Minister doing to further develop Tidbinbilla Nature Reserve as a major tourist attraction? Can he inform the parliament as to what action he intends to take?

Mr Berry: Charge them \$8 and they will all stay home.

MR HUMPHRIES: I thank Mr Hird for the question. I think, given the developments taking place at the moment - - -

Mr Berry: Put in place disincentives so people do not come and muck up the place.

MR SPEAKER: You have a lot to say, have you not, Mr Berry? I would suggest that you be very careful. Continue, Mr Humphries.

MR HUMPHRIES: Thank you, Mr Speaker. Given the developments taking place at Tidbinbilla Nature Reserve, I think it is a timely issue. Tidbinbilla, in many ways, is the jewel in the crown of the ACT's parks and reserves system. It is now just over 60 years since land was first set aside for a public reserve in the Tidbinbilla area. In that time the initial reservation of 810 hectares has grown to 5,450 hectares, and today it is the Territory's premier nature-based tourism destination, and a very valuable one too.

In order to develop the great resource the Tidbinbilla Nature Reserve represents, we have prepared a management plan and a draft public works implementation plan which will be available at the end of this week for members to peruse, and members of the public as well. They will give details on works under way and proposed for the park. The public works implementation plan, specifically, sets out works under way at the reserve, and they include a new entry feature, a food outlet, extending the car park at the visitors centre and realigning a number of roads, upgrading the water supply, upgrading trails within the animal enclosures, new signage and increased interpretation for the animal enclosures.

Members who visited the reserve recently will appreciate the need for these works. We have a magnificent attraction at Tidbinbilla, but it will benefit from some of the upgrade which those works entail. There are some other works that are possible, Mr Speaker, and those will be announced in due course. This development work continues significant ongoing investment by the Government in Tidbinbilla - that is, work which goes on top of the estimated \$10m worth of infrastructure already in place at the reserve.

To ensure ongoing enhancement of the facilities at Tidbinbilla, the Government has decided to introduce access charges for entry to Tidbinbilla Nature Reserve. The access charge will be \$8 per car. Yearly passes will be available for \$20. Concessions will be available. Access charges for mini-buses and coaches will be set - - -

Ms McRae: Bankcard facilities? Is there a Bankcard facility?

MR HUMPHRIES: I am sure we can make Bankcard available for Ms McRae.

Mr Wood: Tell us about the timing of this announcement. Why have you chosen today to announce it?

MR HUMPHRIES: Why not? Mr Wood does not like the question. I do not know why. The fact is, Mr Speaker, that those charges are reasonable. They have been set by comparison with park entry fees in other jurisdictions and for other attractions in the ACT. The access charge will cover - - -

Mr Corbell: Why was it not announced in the budget?

MR HUMPHRIES: I will answer that question in a moment, Mr Corbell, if you would wait. The charge will cover entry, a descriptive brochure and map, and most ranger-guided activities in the reserve. I want to indicate, Mr Speaker, that there is a guarantee from the Government that these fees are not the precursor for other fees in other nature reserves and parks in the ACT. Those places, such as the Canberra Nature Park and, in particular, Namadgi National Park, will not be subject to access fees in any way.

Mr Corbell: What about the Murrumbidgee?

MR HUMPHRIES: Or the Murrumbidgee or anything else you care to name. Any other nature reserves you care to name will not be subject to entry fees. As long as this Government remains in power, that will be the case, Mr Speaker.

Members will be aware that other Australian jurisdictions have fees in place for many of their national and other parks. However, the difference between fees collected in those situations and fees collected in this case is that I can guarantee that all revenue raised through access charges will be retained and used for conservation and visitor services within Tidbinbilla. Those funds will be in addition to, not in substitution for, the normal appropriation of \$900,000, approximately, provided by the Government. We expect to raise about \$270,000 in the first year and that first year's revenue will be used for

13 May 1997

constructing a new wetlands viewing platform, preparing new materials for use by visitors to the reserve, employing three additional staff for visitor services duties and constructing a new Tidbinbilla River walk from the visitors centre to the animal enclosures area. That last suggestion, incidentally, came from the Friends of Tidbinbilla, and I am very glad to provide the money through this method to fund that important activity.

Mr Hird: And to create jobs.

MR HUMPHRIES: And there will be jobs in that, as Mr Hird indicates. There will be three full-time staff members also to be employed from that money.

Mr Corbell interjected before and asked: Why is this not in the budget? The answer is very simple. If it is in the budget, then generally speaking the money goes back into Consolidated Revenue. We are not prepared to do that in this case. We have indicated that this money will be hypothecated to Tidbinbilla. The other reason it is not in the budget, Mr Speaker, is - - -

Mr Corbell: You are the Government. You can do it. Just because it appears in the budget papers, that is not an excuse.

MR SPEAKER: Just a moment. You interjected, which is out of order, and you are now getting an answer, Mr Corbell.

MR HUMPHRIES: Mr Speaker, the other reason it is not in the budget is that traditionally this Assembly has passed the government's budgets, and, if there is a component of the budget such as the raising of revenue, traditionally this Assembly has not intervened in that process. There is an administrative decision to be made. If the money was raised as part of the budget the Assembly would have to block part of the budget in a sense or amend part of the budget to be able to stop these fees. I have made it very clear, by separately announcing this process, that if the Assembly wishes to stop the Government from charging these fees it has the power to do so. I am aware of opposition to the idea of fees to enter Tidbinbilla and I therefore have made it a separate component from the budget so that members, if they wish, can stop the Government from charging these fees. That, I think, reflects the sentiments passed previously by this house when the issue of fees in Tidbinbilla has been debated. So, as a courtesy to the house, I introduce this component. It would have been extremely easy to roll fees into the budget, Mr Speaker; it would have been the easiest thing in the world. But we have not done that, in order to respect the right of members to pass judgment on this proposal separately. That is why we have done it in that way.

Former School Without Walls Premises

MS McRAE: Mr Speaker, my question is to Mr Kaine in his capacity as Minister for Urban Services. Minister, will you assure the Assembly that the former SWOW premises will be made available for community use? If not, what will they be used for?

Mr Kaine: I did not hear the first part of the question.

MS McRAE: Will the former SWOW premises be made available for community use?

MR KAINE: I have to say, Mr Speaker, that I have no idea of the future of the former SWOW premises. As far as I know, they have not yet been handed over to my department. Indeed, that will depend on the Minister for Education when he feels he has no further use for them. At this stage it is not a matter for discussion.

MR SPEAKER: Do you have a supplementary question, Ms McRae?

MS McRAE: Perhaps Mr Stefaniak can assist Mr Kaine. Can either Minister, any Minister - I do not care which - confirm that the building - - -

Mrs Carnell: For how long did you have Holder High empty? Three years.

MS McRAE: I am asking about the SWOW premises and I would like to know the answer. I suspect that nobody knows, so they are going to keep interjecting to prevent the question from being asked.

MR SPEAKER: In that case you do not need to ask the question, do you? You can sit down.

MS McRAE: Can any Minister confirm that this building is not just going to be handed over to the Raiders?

MR STEFANIAK: I can do that. I think I can safely say, so far as it is an education facility, Ms McRae, that I certainly have absolutely no intention of handing it over to the Raiders. It is interesting, Ms McRae. I was talking to Kevin Neil about three weeks ago and the Raiders are not remotely interested in it. He told me that at the time.

Public Service - Executive Salaries

MS TUCKER: My question is for Mrs Carnell. I refer to comments made by you in the media and in the Assembly today. Is it not misleading to the community to suggest that all executive salaries are set by an independent tribunal when you have said today that that is not the case as far as Territory-owned corporations are concerned?

MRS CARNELL: Chief executive officers, Mr Speaker, in my view, are not public servants under that piece of legislation, as I understand it, and I could be wrong. Obviously, they have their salary packages set by the boards that are in place. That was the case under the previous Government. It is the case everywhere. If you have a chief executive of a Territory-owned corporation, the board of directors sets the salary.

13 May 1997

That is the normal approach. For all ACT Public Service chief executives, their remuneration is set by the Remuneration Tribunal, as the legislation that we passed in this place says categorically. It is totally on the public record.

Ms Tucker: I raise a point of order, Mr Speaker. My question was, "Is it not misleading?", because Mrs Carnell said in the media in the past week that all executive salaries are set by an independent tribunal. The question I asked was: Is it not misleading when in fact the salaries of executives of Territory-owned corporations are not so set? That was my question.

MR SPEAKER: There is no point of order. Mrs Carnell is explaining the situation.

MRS CARNELL: Mr Speaker, the point I am making is that chief executives of Territory-owned corporations are not public servants. It is quite simple, as far as I understand it. Our ACT Public Service chief executives have performance contracts with Ministers and so on and salaries are set by the Remuneration Tribunal.

I will use this opportunity to answer a tiny bit of a question that Mr Osborne asked me before. He asked me about the Secretary of Defence's salary, Mr Speaker. The Secretary of Defence's salary is, in cash, \$151,430, plus \$40,000 in superannuation, \$16,000 for a car, \$1,500 for parking, \$1,700 for local travel for spouse, and \$15,500 for overseas travel for spouse, which makes a total of \$226,130.

MS TUCKER: I have a supplementary question, Mr Speaker. In respect of the Territory-owned corporations, as a shareholder representing the ACT taxpayers, which I understand you are, Mrs Carnell, do you not think it is appropriate, therefore, for the Government to play a role in setting the executive salaries for Territory-owned corporations?

MRS CARNELL: No, Mr Speaker, I do not. We set up our Territory-owned corporations under the TOC Act. We put in place boards that run those corporations. They have responsibilities under our legislation and under the corporations legislation. They take significant personal responsibility when taking those jobs. I think it is no more appropriate for this Assembly or, for that matter, the shareholders to intervene in setting the salary of the chief executive than I think it would be appropriate for the shareholders to become involved in the day-to-day operating decisions that are made by either the chief executive or the board. That is the reason why we have board members. It is the reason why we pay the chair of the board. If we are going to intervene in those sorts of decisions, Mr Speaker, quite seriously, we should not have the boards at all; but the fact is that this Assembly passed the legislation.

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

**NEW PRIVATE HOSPITAL
Paper**

MR BERRY: I seek leave to table a “snapshot” of the *Canberra Times* which explains that the Calvary Hospital does seem to be complaining, even though Mrs Carnell has not seemed to notice it.

Leave granted.

MR BERRY: I have put a little line down the side so that you can see it.

MR SPEAKER: Never mind. You have just been given leave to table the paper, and that is all.

**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 determinations.

The schedule read as follows:

Chiropractors and Osteopaths Act - Determination of fees - No. 71 of 1997
(S105, dated 18 April 1997).

Bookmakers Act - Determinations of -

Sports betting events - No. 67 of 1997 (S99, dated 18 April 1997).

Directions for the operation of a sports betting venue - No. 68 of 1997 (S99,
dated 18 April 1997).

Rules for sports betting - No. 69 of 1997 (S99, dated 18 April 1997).

13 May 1997

EDUCATION MANAGEMENT
Discussion of Matter of Public Importance

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

The Education Ministers poor management of the Education Department and the impact of that on education in the ACT.

MS McRAE (3.38): It is with dismay that I have been watching the developments in the Education Department, over the last year in particular, but really from the very beginning of this Minister's stewardship. The matter that most concerns me at the moment is the changeover of the two colleges, Hawker and Narrabundah, from terms to semesters. Up until now - and I hope that today might change the matter - there has been no educational justification for this change. We have been told that these two colleges are at odds with the rest in the system; that they offer a different program, a different time, and a different process of assessment from the other colleges. But they are two outstanding colleges, with very high out-of-area enrolments and a persistent record of very good TER results from their graduates.

So, the question that has to be asked is: Why? Why has the Minister suddenly woken up, as he did late last year through an announcement made by the chief of his department, and decided to make changes to those two colleges? At the time when I asked, I was told that it created difficulties for the number of students who wanted to transfer. We have never been told how many students ever want to transfer; we have never been told what those difficulties are. I suspect that the change is being made purely and simply as a departmental move to tidy up a few things and as a consequence of these two colleges being more popular than the others. I do not see, and have not seen, any good educational reason for this change. I think that the Minister is not paying attention to this issue, is allowing these changes to occur because his department wants him to do it, and has not looked more deeply into the issue to find out what is the educational impact of these changes.

Consistently at Hawker and Narrabundah, it has been shown that students, by being able to study term by term, three terms a year, rather than semester by semester, can catch up on their classes, can top up their scores, can alter their progress, by being given smaller opportunities to test out their choices and their interests and their capacities, and can actually improve their educational outcomes. If that is the case, I put it to the Assembly, why are those two colleges being changed? Why are the others not being changed? I have been watching this change, listening to the debate and listening to the people concerned, and I have yet to hear from the Minister a good educational reason as to why these changes are being made. So, I raise it as a matter of public importance, because it is time that the Minister took his portfolio seriously, took a leadership role, and did not simply respond to whatever his department decides is a nice administrative tidy-up.

The second issue about the management of education that I want to raise, which has been worrying me, is the whole management of the voluntary schools contribution and payment of school charges. That has been an ongoing debate since the very beginning of this Government's time. I will take members back to the issue as it was reviewed, debated

13 May 1997

and thoroughly analysed over nearly a year's worth of inquiry into the voluntary parent contribution scheme in the Australian Capital Territory undertaken by the Standing Committee on Public Accounts. The report of that committee came through in December 1995. There were in that report 17 recommendations, all of which ran with this basic theme: Do we know what we are doing in gathering this money; do we know why we are gathering it; do we know the impact of that on the schools; and what are the results of voluntary school contributions?

The committee did not recommend that the voluntary school contributions be stopped; but the intent of its recommendations was very clear. I will quote just a few of the recommendations to remind members of that intent. The first recommendation was:

... that the Government review per capita grants to schools at all levels to ensure that the grants are sufficient to meet the reasonable needs of the schools for school texts and equipment.

Have we seen that review? No. Have we seen that work? No. Recommendation 4 was:

... that the Department of Education and Training, in full consultation, develop a policy of consistency between schools in identifying the bases upon which voluntary [school] contributions are sought.

Let us have a look at what happened to that one. On notice, earlier this year, I asked a question about how many schools and colleges used the standard letter, which was also recommended in this report; whether copies of letters could be provided, which they were; and then whether a copy of the list of the fees and charges that the schools actually charge could be provided. I remind members that it was in December 1995 that the PAC reviewed and brought to light a quite large area of concern about the management of voluntary school contributions; but this one in particular was focusing on developing a policy of consistency. That was driven after a year's inquiry, after a very high level of concern about what was going on in our education system and why some schools had more money to spend than others.

What happened? That was in December 1995. It is now nearly June 1997. I point out that four schools did not respond to the question. I think the Minister ought to take that into account and do something about it. If the Assembly asks a question, all schools should respond. But I will put that aside for the time being. My information - the information that is available to all members - showed that, of our primary schools, two schools asked for \$25, five schools asked for \$30, five schools asked for \$35, seven schools asked for \$40, one school asked for \$45, 20 schools asked for \$50, two schools asked for \$55, 10 schools asked for \$60, one school asked for \$75, five schools asked for \$80, one school asked for \$85 and one school asked for \$90. This was for the first child at the school.

Where is the basis of consistency? Why is it that now, in 1997, we still have this discrepancy in requests for voluntary school contributions? Where is the debate? Where is the follow-on? Where is the Minister's concern that, in one school in the ACT, a child can be asked to contribute \$90 as a voluntary contribution and, in two schools in the ACT, children can be asked for \$25? That is in primary schools. In high schools we

13 May 1997

start at \$35 per child and go up to \$180, with the full spread. We do not even have a clump of any great number of schools, as we have in the case of the primary schools. In the colleges, we have five that asked for \$140, one that asked for \$150, one that asked for \$180, one that asked for \$160 and one that asked for either \$110 or \$150, depending on what you wanted to pay.

How can we have before us a recommendation that clearly demands that something be done, a Minister who takes his hands off the steering wheel and a department that ignores it? The Minister has a responsibility to the Assembly and the community to follow through in this work so that we do not have an inconsistent system. The whole point of this inquiry was to try to put some equity back into the system and to come to some understanding of what the variations were in terms of educational experiences in the ACT.

The report also asked for the discriminatory nature of exclusion to be highlighted and stopped. I must say that, for primary schools, the letters were generally terrific; but the Minister really paid no attention to the letters going out from secondary schools and colleges. There is no letter that I can point the finger at, except perhaps one, where I think there is direct discrimination; but the pressure is very strong in our high schools and our colleges for those subject levies to be paid before students are admitted. The Minister has not paid attention to this issue. The department is not following through. The Minister must take control of this issue again. There are inconsistent and unfair practices happening within our schools.

Finally, I will just mention recommendation 15. The committee recommended that the ownership of all funds raised by schools and their school boards and by P and C associations through voluntary contributions or other means be vested in the relevant schools and be banked upon collection in school accounts. I would very much like to see whether the Minister has followed up with that. What we also found was that, despite this very lengthy and detailed inquiry, there is a very high level of inconsistency in the information that is given back to parents. A few schools - and only a few - show the full budget of what the school is spending and what the parental contribution is going to. The others simply make vague statements. The Minister has had a year, and I think it is a matter of grave public importance that he is not paying attention to what is happening to our children, to our parents and to our schools in terms of the management of voluntary school contributions.

This leads me to my third issue, which I was thinking about before the Ombudsman's report on SWOW came out. This MPI was not driven by that report. It was driven more by voluntary school contributions and my very deep concerns at the mismanagement of our colleges and the changes to the two particular colleges. The third issue, I think, highlights the fact that the Minister is simply not paying enough attention to what is happening to disadvantaged students in our system. If the leadership from the Government is there, how is it that the two off-line programs that were being offered, at Calwell and Ginninderra, were allowed to be closed? How is it that the department did not follow through on those and re-establish them in some way? How is it that the department was allowed to negotiate with SWOW when the Minister knew that from 25 June we have had on the notice paper the following motion:

13 May 1997

That this Assembly calls on Mr Stefaniak to undertake full and comprehensive consultation before any changes are proposed for the School Without Walls.

That was in June 1996. I would have thought that, if nothing else, that would have turned on red lights and sounded warning bells that people in this Assembly - people in the Opposition and, as it turns out, the Greens and Independents - were very concerned about what was going on in terms of negotiations with SWOW. This came after questions in the house, and still the Minister paid no attention.

The way the students were treated at SWOW, the way the students who no longer have access to the off-line programs at the two schools that used to have them, the way the alternative school programs are being handled, and the way the inclusion within schools of children with disabilities is being handled are things that the Minister ought to be paying far closer attention to. They are all administratively difficult areas. They are all areas that the department will ignore if there is no leadership, no Minister saying, "I want this cohort taken care of". Again the warning bells should have rung in Mr Stefaniak's head about the way the department is treating not only him, but the Assembly and us.

I will conclude on this point. I am very worried about this. The question that went out included the details of the questions I had put on notice. It did not include my name or anything, but it was quite well worded. At the end of the question, it said, "Please indicate how much time was required to collect this material". I find that a contempt of the Assembly. The Assembly is fully entitled to ask any question it wants to, even if it takes 15 hours for every principal to answer the question. The departmental officers who sent out this fax included the note, "Please indicate how much time was required to collect this material". Another red light should have gone on and warning bells should have been rung, Mr Stefaniak, when you saw this.

How dare they! We are the elected representatives of the ACT. We collectively, the Opposition and the Independents, have a watchdog role on what the Government does. You are not at liberty to ignore us, and neither are they; and your department should not be at liberty to ignore you, the directions you give it and the directions this Assembly gives you. You listen day in, day out, to the concerns that are raised here. We do not stand up here raising concerns just to make noise. Each of the concerns I have raised - and I am sure that I am speaking for Mr Moore and Ms Tucker - has come from individuals, groups or schools. We do not raise arbitrary concerns. I could. I have lots of pet educational theories, and I could raise all sorts of concerns; but I do not. The Opposition does not. I find it absolutely appalling that the changes that are happening in our system, in our colleges, in the management of voluntary school contributions, in the management of kids with disadvantages and disabilities, in off-line kids, in the whole management of alternative education, and in the very management of the department's information to schools from this Assembly are things that you are not keeping a close enough eye on.

I raise it as a matter of very important public concern. If there is one thing we know that the ACT community will get up in arms about, it is that its education system is being badly handled. This is evidence. I can table it. I have taken off the names of the particular officers. I am not interested in naming the officers; but I will table this,

13 May 1997

with leave, Mr Temporary Deputy Speaker, to show the other members who may not have had the opportunity to see this where my question is being used to seek information and then people are asked to indicate how much time was taken to collect it. That is outrageous. A red light is flashing away to say, "Mr Stefaniak, wake up. You are in charge. This department is playing games with you, and it is about time you took control".

Mr Moore: Mr Temporary Deputy Speaker, Ms McRae asked for leave to table that.

Leave granted.

MR STEFANIAK (Minister for Education and Training) (3.54): Mr Temporary Deputy Speaker, I will take Ms McRae's last point first. Just as an aside, Ms McRae, in your letter to the Speaker, there should be an apostrophe between the "r" and the "s" in "Ministers".

Ms McRae: If your system worked well, I would have learnt how to spell, Mr Stefaniak.

MR STEFANIAK: That is just basic literacy, Ms McRae, and that is certainly something that we are addressing in a very big way. Let me take Ms McRae's last point. Firstly, just in relation to that, I do not know whether that is the same thing as where there were four schools which did not respond. I would be interested to know who did not respond, Ms McRae. If you tell me that, I will certainly follow that up for you.

Some of your questions on notice certainly involved an incredible amount of work. As you know, they have to be responded to within a certain time. I think you might find an innocent explanation in relation to that note, just in terms of whether we were physically able to collate the relevant material to provide you with an answer in time. That could well be a very real explanation there. I know that, for two of your questions on notice, there was a lot of work involved and a lot of documentation that had to be found. I know that the department certainly did everything it could to get that information for you and get it in on time. I make that point.

Ms McRae raised a number of other issues, which I will deal with. Her first issue was in relation to college reforms. Ms McRae, our ACT Year 12 certificate is a very high quality award. It is nationally recognised for university entrance. It is also, I think, a critically important record for students and employers to validate students' educational achievements, to enable students to make sound career and further education decisions. The certification processes for that certificate are carefully monitored by the department and by the Board of Senior Secondary Studies, which has responsibility for the Year 11 and Year 12 curriculum assessment and also certification. That is why changes were made to existing arrangements that will make that certificate more consistent and more readily understood by students, employers and parents.

13 May 1997

I understand, Ms McRae, that Hawker College did not have too much trouble with this. Narrabundah did. I have had a number of conversations with individuals and a meeting with a number of people from Narrabundah in relation to it. As a result of the consultation, the department and the board have a planned approach to implementing those changes progressively, with full implementation by 1999. That specifically, Mr Temporary Deputy Speaker, is to enable the current cohort at Narrabundah to go through under the trimester program.

The system that we have is a robust one, but it does need to reflect more clearly the requirements of our community. I think the Year 12 certificates should be clearly identified with the ACT rather than with specific colleges, and these changes move us further towards this situation. The proposed changes also reflect broad agreement between the board and the department about the need for some adjustment to college arrangements to achieve a more coordinated and consistent approach, in the interests of fairness to students, transparency and efficient use of resources. There have been ongoing discussions about these issues between the central office of the department, the Board of Senior Secondary Studies and college principals.

As I just indicated, I met with representatives of the Narrabundah College board. I listened to their views with interest and, indeed, with concern. I was very keen to see that they had ample time for any changes to be made. That has occurred. The adjustments that were made retain the core elements of school-based assessment and curriculum development and flexibility for colleges. As well, the changes will make it easier for students who, for whatever reason, decide to change college during their Year 12 studies. The changes are that, basically, colleges follow a semester-based curriculum structure and be allowed to offer half-semester units. That in itself gets over a lot of the problems which Ms McRae mentioned. Also, all colleges follow a common approach to calculating and reporting unit and course scores, and all colleges follow common standards for assessing and reporting student learning outcomes through the use of course frameworks. This will provide additional information on student achievement, complementing the current marks, scores and grades.

Mr Temporary Deputy Speaker, input on all these changes has been provided from the college and high school boards, from the ACT P and C Council and from the Australian Education Union. Obviously, when there is any change, there will be some opposition to it; but I think, as a result of the consultations that have occurred, the real needs of the affected colleges have been taken into consideration. In fact, I was talking to someone from Narrabundah only on the weekend. Whilst preferring that it did not happen, they could see how they would manage and keep the desired degree of flexibility they need.

Also, I have talked to a number of students who have attended these colleges, especially Hawker and Narrabundah. Let us concentrate on Narrabundah. I have spoken to students who have been there in recent times. They went there, not so much for the trimester system - indeed, several did not even know, when they were going there, that they had that system - but for the reputation for academic excellence that college has, for some of the subjects it offers, for the fact that it has some specific areas of expertise such as the arts and drama particularly, and for the baccalaureate, which things have really highlighted Narrabundah as a very desirable college. Those students indicated that their desire to go to Narrabundah did not have anything at all to do with the trimester system.

13 May 1997

So, Mr Temporary Deputy Speaker, whilst I listened most intently there to the concerns, I felt that, on balance, it was in the interests of the system and certainly in no way detrimental to those two colleges that these procedures continue. It was a detailed and interesting debate in relation to the particular issue.

Ms McRae mentioned voluntary school contributions. This matter goes back to long before this Government came to office, Mr Temporary Deputy Speaker. This was around when you were Minister. It was probably around even before that. I can remember, as no doubt you can, the matter blowing up in a quite big way in 1994. As a result of the committee's report which Ms McRae referred to, a number of improvements were made to the system. The voluntariness has been stressed. I am aware, Ms McRae, that from time to time there have been problems with that. There have been some schools that have not necessarily even abided by the departmental directions and suggestions in relation to that. Those issues have been, on occasion, brought to my attention, and the matters have been taken further as a result of that. The department itself has to rectify the situation there.

You mentioned that you have a concern because some schools might charge \$25, some might charge \$35 and some might charge \$95. Schools vary in terms of how they actually raise money to attend to things they need. Some tend to rely very heavily on voluntary contributions rather than perhaps on fundraising efforts such as fetes and other things. They rely on the contributions because that gets in the money they require and they find that easier. Other schools might seek a lesser contribution but might engage in more fundraising activities. That is very much a matter for the individual schools themselves. I think the main issue in terms of voluntary contributions is that the process be rationalised, that people not think that it is a compulsory contribution and they must make it.

Certain guidelines were laid down as a result of concerns, and those are made known to the schools. I think, once that happened, the P and C Council was quite happy with the situation, realising that there might be the occasional school to follow up. The members of that body that I talked to were well aware and appreciative of the fact that voluntary contributions were an essential part of our school system and that it was especially important that the right information got to parents so that they would make those contributions. They were keen to see - as a result of the type of letter schools could write and the fact that they needed to stress, "Yes, they are voluntary; but this is what your money is going to be used for" - parents actually encouraged to make those contributions. That certainly is occurring. I certainly concede, Ms McRae, that there has been the odd occasion when maybe a certain letter that has gone out has not been as good as it should be. But certainly, when that has been brought to my attention, I have taken action in relation to that matter.

You mentioned disadvantaged students. There will be more debate later, obviously, on the censure motion - which I understand we are finally going to have this afternoon - in relation to one particular alternative education program. Ms McRae mentioned disadvantaged students. I think she also mentioned disabled students. We have taken a number of steps in relation to both of those areas. Students who need extra assistance, special learning assistance, I think are being well catered for by this Government.

13 May 1997

The emphasis we are placing on literacy and numeracy and the review we are having in terms of how that money can be best utilised and programs best developed - which, incidentally, was a suggestion of the P and C Council, and I thought that it was an excellent idea, so we have taken it on board - point to the very real advances we are making in terms of students who are disadvantaged and, I think, in terms of the educational disadvantages suffered by students who have fallen through the cracks in terms of literacy and numeracy.

The testing that we have undertaken at this stage - an immensely popular new system, if those facts I quoted earlier in relation to the number of parents who have opted out are any indication - will enable moneys to be further directed to ensuring that students who otherwise would have fallen through the cracks and who now will not can have their needs properly addressed. Our review of special education, the very detailed consultation process that has occurred there and the work that has emanated from that will further help another group of disadvantaged students. Let me say just briefly, in terms of alternative education programs, that the one at Dickson College is going very well, and the department and the Government aim to have one up and running on the south side starting at the beginning of next year.

Mr Temporary Deputy Speaker, there are a number of other things that I need to point out to Ms McRae. I have already gone through the significant amount of funding we have put into education, maintaining our commitment for a third year in a row - the \$400,000 extra to extend literacy testing to the high schools and also to introduce numeracy testing into all primary and high schools; the \$604,000 to top up the funds already set aside for the student record keeping system, which is absolutely essential for our senior students; the new Gungahlin high school and the money spent on that; the moneys used for capital works this year; the \$2.835m going into new science labs at various schools; the \$200,000 for special education services in non-government schools; almost \$1m to provide disability access in two of our high schools; and \$2.62m for assorted minor new works. I really do not know how anyone could interpret this sort of commitment as poor management.

Also, was it poor management that brought us a 92 per cent parental satisfaction rate with the performance of our colleges in the school development process survey conducted last year? Would poor management produce, from the same survey, an exceptionally high level of satisfaction with the enjoyment of learning, the work of teachers, teacher approachability and teacher-student relations across all sectors of the schooling system? No, I do not think poor management would produce anything of the kind at all.

This Government and certainly I personally have a huge commitment to quality education in our system. I think that is indicated, firstly, by the level of funding. In difficult financial times, we provide the various types of programs that are available in our schools to assist all of our students, especially students who are at some disadvantage compared with their peers, and we are constantly making efforts to improve not only educational opportunities but also amenities in schools, through such initiatives in the budget this year as I have already mentioned.

13 May 1997

Finally, Mr Speaker, I would hark back to those surveys. Those satisfaction ratings - I do not think any were below about 85 per cent - quite clearly indicate a significant level of satisfaction with our school system in one of the most important areas possible. That, of course, is the parents and indeed the students themselves. From those figures, I think, if anything, the students' satisfaction was slightly higher than even the parents' satisfaction.

Some of the improvements that have come on board are the enhanced school-based management; the finetuning now, I suppose, Ms McRae, which is going on in relation to parental contributions; the emphasis and the efforts being made in terms of literacy and numeracy; and the review in terms of how best that can be further advanced once we start getting those results in, because the results by themselves are no good if you do not act on them. I think all of those things point to an education department that not only is in good hands but also quite clearly has the support of a government committed to high-quality education for all of our students.

MS TUCKER (4.09): I will speak briefly to this matter of public importance. I would like to support a number of the concerns that Ms McRae raised in the discussion this afternoon. I would also like to make a comment on some of the points Mr Stefaniak made. He assured us that the alternative program at Dickson is going well. However, we see that there was no additional funding for alternative education programs put into the budget. This is not what we were informed during the Social Policy Committee's inquiry into the School Without Walls. We were assured that there would be discrete resourcing for such programs.

The committee was also informed about the demise of the other two alternative programs. They were not so much alternative programs as behavioural programs, which is quite different from what SWOW was doing, obviously. However, both of those programs, called off-line programs, folded due to teacher burnout and resource problems. So, it is very alarming to see this Government make commitments to the provision of alternative education options in the ACT and then make no acknowledgment of the resource needs of such programs. It does not augur well for the future of alternative education in the ACT.

We see increased pressure on schools to rely on the community to support their financial commitments. The equity issues around that have been discussed in this place on many occasions, and no doubt will be discussed again. We saw the absurd process where disadvantaged schools money was given out and an assessment was made of disadvantaged schools that did not include newer areas of Canberra. We were glad to see the Minister actually change his mind on that one and make an allocation to those schools in suburbs which had missed out. But, once again, it does not inspire one with confidence about how this Department of Education is being led by the Minister.

In the budget, while we saw an increase in funding - an actual injection of funds - for numeracy testing, we did not see any acknowledgment of the Social Policy Committee's report on violence in schools or the report on the School Without Walls inquiry, where we said that there does really need to be a very strong commitment to dealing with the issue of students in school who have behavioural or emotional problems,

13 May 1997

and that teachers are more and more being asked to deal with students that they cannot deal with. It puts pressure on all the students as well. Counsellors are not able to deal with the load. I am being contacted by many individual teachers in a private capacity. Also, through the Australian Education Union, I hear that the strains and pressures on many teachers in the system are indeed very heavy. I am very concerned that this Government is still not acknowledging those particular issues in our Education Department.

I will not speak at length on this issue, because we have a censure motion coming up regarding the handling of the School Without Walls; but I do support Ms McRae's raising this as a matter of public importance, Mr Speaker. I would like to see this Minister take very seriously the issues that have been raised here today.

MR SPEAKER: The discussion is concluded.

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

MR WOOD: I present Report No. 5 of 1997 of the Standing Committee on Scrutiny of Bills and Subordinate Legislation. I seek leave to make a brief statement on the report.

Leave granted.

MR WOOD: Report No. 5 of 1997 contains the committee's comments on eight Bills and eight pieces of subordinate legislation. I will refer to one Bill - the Trans-Tasman Mutual Recognition Bill. This Bill enables the enactment of a proposed Commonwealth Bill to implement the Australian component of a cooperative agreement between New Zealand, the Commonwealth, the States and the Territories for the recognition of regulatory standards regarding goods and occupations.

The Assembly should note that, once this Bill and the Commonwealth Bill set out in the Schedule come into force, there can be changes made to law as it would operate in the ACT, without any reference to the Assembly. There is a provision that the Chief Minister may, by notice in the *Gazette*, approve the terms of any amendments of the Commonwealth Act; but members should note that the word is "may". Further, in respect of changes to the Schedule to the Commonwealth Act, the ACT's endorsement of a Commonwealth regulation is effected by a notice in the *Gazette*. There is no requirement for the ACT Assembly to be involved in any change. In one circumstance, endorsement by two-thirds of the participating jurisdictions is all that is required. So, ACT law could be changed, despite objections we may have.

One method of control is that the legislation could be terminated 12 months after giving notice. But, again, that is by the Chief Minister, not by the Assembly. I would point out that these provisions are in the Bills before each State and the Northern Territory.

13 May 1997

So, we are not alone. The Assembly may wish to consider whether the Bill should require the Chief Minister to inform the Assembly about requested amendments, endorsement of regulations or the decision to give notice fixing a day to effect the expiry of the Act; that is, the Assembly may wish to consider whether it wants to have a role in any changes to this Bill.

MINISTER FOR EDUCATION AND TRAINING
Motion of Censure

MS TUCKER (4.15): Mr Speaker, I seek leave to move a motion of censure of the Minister for Education and Training.

Leave granted.

MS TUCKER: I move:

That this Assembly censures the Minister for Education and Training:

- (1) in relation to his handling of the consultation and review process about the future of the School Without Walls; and
- (2) for misleading the community and the Assembly on this matter.

Mr Speaker, I am moving this censure motion today for several reasons. Firstly, the Ombudsman has clearly identified that the Minister has misled the Assembly in his claims that the review process of SWOW was open-ended, with a number of outcomes being possible. Secondly, the Ombudsman also identified that the department has misled the SWOW community, and the Minister must therefore accept responsibility for this. I am also moving this censure motion because of the mishandling of this whole process by the Minister. It reads like a comedy of errors.

The Ombudsman stated quite clearly that she had found that the ACT Department of Education and Training had misled the School Without Walls community. The Minister must be held responsible for this misleading. The department had made a commitment to SWOW to consult if there were any changes to occur to SWOW in relation to numbers of students or change of focus. She then found that a consultation process was carried out, which was deceptive because her investigations showed that the decision to relocate SWOW to Dickson College was made before the review of SWOW in June 1996. She also said that this evidence was not congruent with a public statement made by the Minister in the Assembly on 25 June, when he said that the decision would be based on the findings of the review.

Mr Speaker, it is obviously a serious matter to mislead the Assembly and the community in this way. It is interesting to note that the option to relocate SWOW to Dickson had been under consideration internally since at least mid-1995, with detailed policy development on how the option might be implemented. It is also interesting to note that,

13 May 1997

in July 1995, the Minister's office contacted the department because the Minister wanted to review SWOW for the purpose of better utilising resources. He asked the department for a full briefing on what community consultation would be needed if the school were closed.

Mr Speaker, this is the critical issue here. This Government's consultation is no more than a public relations exercise after a decision has been taken and implementation is well under way. Amongst other things, he asked for an estimation of community media interest. I wonder whether their estimation of that turned out to be accurate.

A critical issue in the Ombudsman's argument is how you define consultation. The Ombudsman stated:

The issue of what constitutes "good or ethical" consultation has been discussed in a range of quarters but at its simplest level there are two main approaches to consultation:

1. starting with an open mind: seeking, testing and reviewing a range of options; or
2. starting with preferred option(s): floating the preferred option(s) in a draft proposal or position paper which allows informed comment.

If the Minister is going to try to defend himself by saying that the second form of consultation was the one he used, it will not work, because the Ombudsman found quite clearly that there was no evidence to suggest that discussions with the community included the option of moving to Dickson.

I think what also has to be noted by members is that this Government has consistently, during the election campaign and still, strangely, sometimes during its term of office, claimed to be about open and consultative government. The impression definitely given to the community was that the Government's initial claim for its understanding of consultation was, indeed, that the community had a place at the beginning to develop options with this Government. That was the feeling that was in this community about how this Government saw consultation, although now I think that a good many members of the community believe otherwise.

"Good or ethical consultation" were the words used by the Ombudsman. Has this been a good or ethical consultation? I do not think so. What is particularly unethical about this abuse of trust of the community is the nature of the group being so-called consulted. The Social Policy Committee - no, I am sorry, two members of the Social Policy Committee; Mr Hird was otherwise engaged - spent several hours at the School Without Walls, taking submissions from students there. What became painfully obvious was that the school was catering for a number of students who had already been extremely hurt by various life experiences. What kind of a lesson were the department and the Minister giving to these young people with this farce of a process? At least, through the Ombudsman's report, there is a validation of their concerns, frustration and distress at the way the so-called consultation and eventual closing of their school were handled.

13 May 1997

The Ombudsman also pointed out the misleading of the Assembly on this matter by the Minister. In her report she said:

During the examination of the files this office found evidence to suggest that the decision to relocate SWOW to Dickson College was made some time before a formal review of SWOW in June 1996. This evidence was not congruent with a public statement in June that the decision would be based on the findings of the review.

The public statement referred to by the Ombudsman is the one made by the Minister to the Assembly on 25 June. Even without this statement by the Ombudsman, what is quite clear is that there has been a general misleading of the community and members of the Assembly by this Government on this issue.

We have seen the illogical nature of the review process, which the Social Policy Committee identified; the farcical attempts to portray what is actually the closure of our only public alternative school as a refocus, and then as a relocation; and the self-righteous statements by the Minister and his damning statements about the School Without Walls community, which he continually made in this place under privilege. I will remind members of some of his comments. For example, he referred to the SWOW community as "Red Guards". The fact that the Red Guards have been responsible for murder and thuggery was well understood by the community, and the Minister's comments were extremely offensive to them. I have seen members of this place demand withdrawal of comments far less insulting. There was also the pathetic attempt to discredit the Social Policy Committee's report through untested claims of conflict of interest against Ms Reilly. All present a picture of either incompetence or deception.

This same Minister, on 25 February, in answer to a question of mine regarding Marlow Cottage, misled this Assembly by reading an Official Visitor's report which was laudatory about the cottage but which had been superseded by another report in which the Official Visitor expressed grave concerns about the situation at the cottage. When I asked him why he had misled the Assembly by reading out an outdated report, he mumbled something about how I would not like some of the suggestions that the Official Visitor had made in the second correspondence. That was hardly an acceptable reason for misleading; but I decided at that point that, rather than to go for a political solution in the house, I would instead pursue the issues with the Social Policy Committee, who were also very interested in the issue of children at risk in the ACT, and we announced our inquiry into this matter instead.

However, this latest evidence of this Minister's lack of regard for ethical behaviour cannot be overlooked. No wonder the community is cynical about politicians! I believe that the Minister must be held accountable for this farce of a process and his blatant disregard for the community and the Assembly. I note that the Ombudsman was considering whether to recommend that the whole relocation decision be revisited in view of the inadequate consultation, but decided that because the students were dispersed it would not be possible to revisit the decision.

13 May 1997

This is a damning report on how this matter has been handled, and the Minister deserves at least a censure on the matter. If it was earlier in the term of office of this Government, I believe that a want of confidence motion would be more appropriate. I can assure the Minister that this will be an election issue, that it is not acceptable to come into government claiming to be open and consultative and then to continue to be secretive, deceptive and manipulative of community input. The Ombudsman stated that, in her opinion, this lack of transparency constituted defective administration.

The Ombudsman also concluded:

... the department's record keeping practices are inadequate to ensure proper recording of decision-making processes and communication with stakeholders.

Mr Speaker, there is a particular irony in this as a major complaint against the department, because it was a major complaint of the department against the School Without Walls. I do not know how many times I heard this Minister say, "That school does not keep good records". Are we going to close the Department of Education? It apparently does not keep good records either.

It is also interesting to look at the Government's response to the Social Policy Committee's report on the School Without Walls. One has to wonder how accurate their calculations are or whether, indeed, there is again an attempt to misrepresent the facts. In their response to our report they claim that, at the beginning of the 1997 school year, there were 34 students enrolled and that, of those students, 22 enrolled at Dickson. This does not concur with the computer readout dated 7 February, which shows 50 students enrolled, 25 of whom were new students, many of whom had previously enrolled in the Dickson program. It was these students who moved to Dickson when the facility opened on 17 February; that is, on census day, 19 February, SWOW's enrolment stood at 34.

The department was correct in saying that the enrolment on census day was 34 but was quite incorrect, it would seem, in its claim that, of those 34 students, 22 subsequently moved to Dickson. The students interested in enrolling at Dickson had already left. The majority of them could not even be seen as SWOW students, as they were actually enrolled in the proposed new program at Dickson, not at Braddon SWOW, and were there only because the department decided not to open Dickson, due to the court injunction keeping SWOW at Braddon until a court hearing could investigate the validity of the proposed changes to SWOW.

I notice that Mr Moore made statements to the media on 14 February, expressing his concern that these students were unwittingly caught in the dispute over the relocation of SWOW. He said that a number of children below school leaving age had enrolled recently at SWOW, expecting a sensible alternative education program outlined at a meeting at Dickson last year. Mr Moore was referring to students who were already committed to the Dickson program but who were sent to SWOW at the behest of the department. When the department decided to open Dickson on 17 February, it was the department that instructed those students to then move to Dickson. What a farce it has been, Mr Speaker!

13 May 1997

The figures in the Government's response to the Social Policy Committee report are obviously incorrect. It is clear that they should be explaining where more like 34 students have gone over the period, not 12. In the computer print-out of the department for week 1, term 2, the department was acknowledging 24 full-time students, not the 12 claimed in the response. Is this another attempt to mislead in order to justify the sorry mess?

There also seem to be contradictions in information about the student profile. The Minister has continually referred to the changing profile, stating that high school students vastly outnumber college-age students. However, the figures show that, between 1984 and 1994, there were 501 high school students and 478 college students, representing a 51 : 49 per cent spread. Figures for 1995-96 maintained this ratio, with 58 high school students and 54 college students. How does this represent a change in profile?

I have found it interesting that I have been vigorously lobbied to move this censure motion today, rather than on Thursday, because it makes it difficult for the Minister to have this cloud over his head for two days; it is an unfair cause of anxiety. I have listened to these arguments and, in the interests of preserving what are seen to be important protocols in this place, have decided to put the motion now. However, I would point out to members that the Minister has been responsible for causing a great deal of anxiety in the School Without Walls community over an extended time through his critically flawed consultation process - and it is not just the School Without Walls community saying that it is flawed, and not just the Social Policy Committee, but it is now the Ombudsman as well.

According to the Ombudsman, the Minister has also misled the SWOW community. From her report, it is quite obvious that he has misled the Assembly as well. I remind members that not so long ago he clearly misrepresented the Official Visitor's view on Marlow Cottage. While members may argue that this is not what this motion is about, I argue that this history must be taken into account when members make up their minds whether or not to support this censure motion. What is at stake here today is the credibility of this Assembly and the integrity of members here. If we allow such misconduct to go unchallenged, then we deserve the mistrust and cynicism of the community.

MR STEFANIAK (Minister for Education and Training) (4.30): Mr Speaker, firstly, let me comment on just a few points that Ms Reilly - Ms Tucker makes.

Ms McRae: She is wearing green, but Ms Reilly is no Green.

MR STEFANIAK: Is she wearing green? Yes, she is.

In relation to the Marlow Cottage matter, I think you are wrong there in terms of misleading, Ms Tucker. You are correct, though, in saying that that really does not have anything to do with this question before the Assembly. There have probably been a lot of untruths and misrepresentations made in relation to this matter; but I do not really think there have been too many from this side of the house in relation to it. What I think we need to do, Mr Speaker, is focus the SWOW debate on some real issues.

13 May 1997

Ms Tucker actually mentioned a number of those in passing in her speech. I will come later to a couple of issues she raised in relation to the Ombudsman's report in relation to consultation, Mr Speaker.

Firstly, I think it needs to be said that, by moving the School Without Walls program to Dickson College, the Government has not ended alternative education in the ACT; it has instead re-established it. However SWOW functioned as a school when it opened 23 years ago, it is certainly questionable whether over the past several years it was functioning properly. To appreciate the urgent need for the Government to act, I think you have to understand a number of things. You have to understand the needs of students at SWOW. They might be there for only four years of their education; but, if for one year they do not receive proper or adequate education, 25 per cent of their opportunity in high school is down the drain.

The second thing that needs to be considered, Mr Speaker, is how the situation at SWOW in recent years has developed, which really prompted the department, and certainly prompted me as Minister and this Government as a government, to act. I think we would have been derelict in our duty to those students and to the school community in the ACT generally if we had not acted. The facts and figures that I cite now, Mr Speaker, and the events to which I refer are from sworn affidavits prepared for use by the department in the SWOW Supreme Court proceedings. Some of those matters are as follows. For example, by 1996, enrolments for Years 11 and 12 amounted to just 14 students. Only 32 high school students were enrolled at SWOW. To cater for this enrolment level, staffing comprised two full-time teachers, two teachers at four days a week and a bursar. One of the most intolerable aspects of the way the school operated was that it was not possible for the department to determine whether any particular student at the school was receiving any education at all. Mr Speaker, some teachers at the school, it seemed, refused to keep class attendance rolls. Attendance at the school, let alone at individual classes, was a very varied thing.

While in 1996 notionally there were 57 students enrolled at the school, it was common for there to be only 12 or 15 students at the school at any one time. At the time of the review of SWOW in June-July 1996, only 46 notional enrolments could be verified by the department. These low turn-up figures meant that classes were often unable to proceed, having either too few or, at times, no students in attendance. Members should realise that many of the students enrolled were under the school leaving age. The department, I as Minister and, through me, the Government have a legal and moral duty to ensure that such students receive an education. Where classes did occur, sometimes they were held in cafes in town.

Members will be further interested to learn that some class teachers actually refused to complete student assessment reports. Perhaps at this point members will not be surprised when I inform them that the claim which has often been made, that SWOW achieves higher academic results than other schools, is a myth. While individual students from SWOW who actually sit the TER may perform well, the fact that only one did so in 1996 hardly constitutes an outstanding academic achievement. Furthermore, while 60 per cent of all students enrolled in ACT colleges sit for the TER, 25 per cent at best of those enrolled at SWOW did so.

13 May 1997

Not surprisingly, with the low enrolment of students at the school, only a limited number of teachers could be provided. This, in turn, limited the capacity of the department to ensure that all students received education in the eight key learning areas considered essential for a proper education. The school lacked facilities, Mr Speaker. This is another important thing in terms of the use of Dickson. The school did not have any science labs, and the facilities for teaching woodwork and metalwork were often not used. I think Mr Hird can speak on that, too. There were some safety and administrative problems which certainly had to be addressed. In addition to the quality of education provided to those students being low, practices which developed at the school both jeopardised students' physical safety and staff wellbeing and put at risk public funds. It seems that much of this grew out of the assumption by general meetings, comprising staff, students, ex-students and parents, that they could run aspects of the school which they had no right or entitlement to run and which it would have been a dereliction of duty for any Education Minister to have allowed them to run.

Members will be interested to know that in 1995 the general meeting purported to authorise students to ride skateboards inside the school building. It took several weeks for the level 2 teacher then in charge, or supposedly in charge, to stop this dangerous practice. The general meeting purported to authorise the spending of public funds for private use. Government purchase orders also were, at times, provided to students. The general meeting also purported to authorise teachers to be absent from school without completing a leave form - not that it mattered much, because another practice which had developed in recent times involved teachers tearing up leave forms upon returning to the school after having taken leave. The general meeting also purported to indicate that students who had not been physically attending the school met the requirements for receipt of Austudy. Since the revelation of this information, an internal inquiry has been established to determine whether any disciplinary proceedings should be undertaken against any staff who have worked at the school.

Mr Speaker, there were attempts to reform the school. My colleague Mr Wood, when he was Minister for Education, recognising some educational and administrative shortcomings of SWOW, decided that a senior level 2 teacher should be appointed to the school from the beginning of 1995 in an effort to address some of these problems. The appointment of that senior level 2 teacher was ardently resisted by some staff, ex-students and students and the general meeting. Despite this, Mr Wood persevered and ensured that the level 2 teacher was introduced. I believe that he was right to do so. Ultimately, however, this strategy failed because of the extreme pressure brought to bear by some staff, ex-students and students, which ranged from obstruction up to a death threat against the teacher. The job was, understandably, too much for any one teacher to take alone, and the level 2 teacher did not reapply to teach at the school in 1996. It would not have been right to ask another teacher to do so.

It is not surprising that, towards the end of 1995, those people associated with the school began to realise that it would not be possible to reform the school as it was presently structured and that this could occur only with additional staff support which could be available only if the school were incorporated within the existing campus of another school. Other methods had failed; and, while no option was closed off, for those who knew the school this option increasingly looked like the only option.

13 May 1997

It was against this background that the then CEO of the department decided that a review of the school's operation should be undertaken. The review panel comprised the Executive Director (Northern Division), a senior officer from the school performance review and development section and an executive officer of the department. The review independently concluded that a move to another campus was essential to the continuation of an alternative education model and that Years 11 and 12 should be phased out. I will come back to that in a minute, Mr Speaker.

Nevertheless, the review did not settle the question by itself. I ultimately decided to agree to the movement of the school. Might I say that that was after considerable consultation with large numbers of members of the SWOW community at several Meet the Minister meetings - one in August, I think, and one in September - a number of meetings with groups of people from SWOW, individual members of SWOW and some individual parents of SWOW. Whilst agreeing to the movement of the school, I did not agree to the discontinuation of Years 11 and 12. I also did not agree to SWOW moving at the start of term 4. Ultimately, as can be seen from the Government's response to Ms Tucker's standing committee report, we respected the SWOW community's wishes that the new program at Dickson not be called "SWOW". I think those things all indicate a considerable amount of notice being taken of a lot of consultation.

As the final decision-maker, I was prepared to listen to any option which people associated with the school wanted to advance, if it would deal with the continuing problems I have outlined. In fact, as I have indicated, on occasions right up until the transfer of the school, I met with students, staff, parents, the union and various members of this Assembly. Whilst there were a number of matters put to me on which I caused changes to be made to the department's review report, no practical alternative was advanced which left me confident that it could overcome the very powerful and entrenched influence exerted by some students, ex-students and parents and rectify the problems that had been identified and had developed over some years at SWOW.

So, Mr Speaker, I certainly was not prepared, and I do not think the Government was, to take chances and risk any further failures. I think that another 12 months without rectifying the problem would have meant that, perhaps for a number of students, their high school education would not be appropriate, would be substandard, and would not be what they deserve and are entitled to as students in our system. For example, whilst I accept that Mr Wood's decision to introduce a level 2 teacher was made with the best of intentions, its failure did delay improvement by a further 12 months. Something did need to be done, and I think it needed to be done quickly. Therefore, Mr Speaker, I maintain my decision, and so does the Government. I was not the only one who thought that the relocation to Dickson College was right. Very early in first term this year, the Government opened an alternative education program at Dickson College and, within weeks, more students were enrolled in the Dickson College program than were enrolled at SWOW Braddon. Many had transferred from SWOW to the Dickson College program.

While a minority at SWOW were staging media stunts early this year, the majority of parents and students had endorsed my decision by voting with their feet. There are now, I am told, 44 students enrolled in the alternative program at Dickson College, and they are attending. This is a larger number of people attending school than attended at

13 May 1997

SWOW, Braddon, and I think they receive a better education. Thus, as I said at the outset, this decision has not ended alternative education in the ACT; it has, in fact, re-established it. The Government's aim to have a program on the south side starting from first term next year will further enhance it in the ACT.

Let me say a couple of things about the Ombudsman's report, Mr Speaker. The most important but least publicised point in the report is that the Ombudsman decided at the very outset that the decision to relocate SWOW was not contrary to the obligation in subsection 6(2) of the Schools Authority Act that the Schools Authority ensure that adequate provision is made for persons attending or seeking to attend schools. On this critical matter, the Ombudsman decided in favour of the Government and against the contentions of the Friends of the School Without Walls.

The Ombudsman's criticism was procedural only - although Ms Tucker makes a hell of a lot of it - that the department had formed a plan before consultation and that this plan had not been made known when the review was being undertaken. I think that is a bit of a sweeping statement, Mr Speaker, and it is somewhat deficient in some respects, because I think it is quite clear from the department that it was talking to parents at the school - in fact, it produced comments made by those parents of students - and a number of those comments indicated, usually, that people were not keen about going to Dickson and would prefer to stay where they were. If that was known during the review process, I think it does need to be said quite clearly that certainly a large number of people in the SWOW community were well aware of that. I think that point does need to be made.

Mr Speaker, against the background of the real problems which existed in the way the school was operating and the failure of alternative reform measures that had been attempted - not only by Mr Wood putting in the level 2 teacher to assist but also by such things as additional training which I think the department gave, and the department tried a number of other things as a result of concerns raised by various people, including the union - I am not surprised by, and nor do I apologise for, the fact that a range of options were canvassed and that some officers within the department may well have formed their own views of how to solve the problem of SWOW.

I think it would be entirely artificial and very naive for people to think that those views would not be formed. In fact, it may have really been derelict for the department not to have done so. Whether, in fact, the department could have done it better, of course, is always a question. That is why we can always learn from things like the Ombudsman's report. That is why there are certain matters within that report which I see need to be looked at, to be taken on board by the department and perhaps by other government departments. There are always things we need to learn, in terms of better procedures and better processes, and I make no bones about that. But, in terms of people having a view, I really think that is hardly surprising in all of the circumstances here, and it is certainly something that most at SWOW were not unaware of at all.

Members may see a range of correspondence about SWOW in which the authors canvassed different ideas. Some people spoke of closure, others of transfer and others of options for reform. All, however, had one thing in common: They recognised that there was a problem at SWOW and that something had to be done. The problems I have mentioned were deposed to in affidavits prepared for the Supreme Court proceedings.

Those affidavits were, in turn, provided to the Ombudsman. It was strongly pressed upon her that the formation of views within the department had to be seen against the background of long-running problems in the school and the failed attempts to rectify them. She does not mention that in her report. (*Extension of time granted*) If the Ombudsman considers that, with such a history, those affidavits were irrelevant, that it is wrong for a department to form some plan, that departmental officers who have regular contact with SWOW either could or should form no views, or that they should pretend that they have not, if they have, then I would have to differ with the Ombudsman there.

As I have indicated, Mr Speaker, the Ombudsman has made a number of comments in relation to how things could be done better. Obviously, that is something we also take on board. Those comments are always welcome and important for good government. Also, Mr Speaker, I feel that, with all the evidence, it is difficult to say that the review process was not transparent. I think there is a considerable degree of transparency there, as can be indicated by the answers that parents and students gave to the review team when they were asking questions. Also, in the first week of the review, the option of transferring the school was discussed. It was even in the *Canberra Times*.

Mr Speaker, in terms of the substance of the criticism that the department had formed a view, whilst people can comment on that, it is obvious that I, as Minister, would have the ultimate decision. Nothing was a foregone conclusion with me, Mr Speaker. I think that is best exemplified by my refusal to accept a number of those recommendations - firstly, that the school should move at the start of term 4 and, secondly, that the abolition of Year 11 should proceed. I think the initial recommendation was that Year 11 students go to Year 12 but that new Year 11 students go to other colleges. I rejected that. Mr Speaker, in terms of the wishes of the School Without Walls people who actually saw me in relation to the name - and that was incorporated in Ms Tucker's report - that is also something that I and the Government accepted.

Mr Speaker, I can recall conversations in August and September with a number of people from SWOW actually saying, "We do not oppose relocation per se, but does it have to be Dickson?". A number of other sites were mentioned to me. I actually went away and had a look at some of those; but at the end of the day, Mr Speaker, I was convinced and remain convinced that the Dickson site, on balance, is the best possible site for these students and for the alternative education program. I think it can be said that that program up there is performing pretty well.

So, Mr Speaker, it should not be overlooked by this Assembly that this issue was discussed by me with parents, students and staff. It had been ventilated by SWOW with the department, the review, the Human Rights Commission, the Supreme Court, the Ombudsman, members of this Assembly and me. Also, last week, the Government brought down its response to Ms Tucker's report. There are a number of matters raised there which are very similar, I think, to matters raised in the Ombudsman's report. There are a number of indications that the Government has made there in terms of improvements it is making to its system.

13 May 1997

Mr Speaker, I have, in the course of my address, referred to a number of matters which were contained in affidavits. Those matters are documents before the court. However, what I intend to table in relation to that is extracts from affidavits sworn. Whilst I am quite entitled to table full affidavits, with people's names in them, I have taken great care to see that names are removed and that people are referred to by letters so that who they are is not apparent. But I think the matters I have referred to, which are referred to in these extracts and which are certainly referred to in the documents which are before the court, indicate that action had to be taken. I table those extracts, Mr Speaker.

Mr Speaker, in terms of any procedures that can be improved, I have flagged that. I have discussed that. The Government has addressed that not only today but also in its response to Ms Tucker's committee's report. But I also stress a point that I raised on a number of occasions last year and, I think, earlier this year. That is, Mr Speaker, that I certainly - and I think other people too - have had a number of discussions, since this review and prior to any final decisions being made, with a large number of people involved at SWOW and, as a result of those discussions, changes were made to the recommendations of the review. I think that is something that cannot be overlooked. That is important in terms of real consultation.

It is quite clear when one looks at all the facts here that what I am at pains to emphasise is that, for the sake of the students, the very real problems that had existed for some time at SWOW were not something about which either I as Minister or the Government had the luxury of entertaining endless consultations with some people who were never going to be reconciled to the fact that the best interests of those students lay elsewhere than in keeping the existing program in the existing buildings at Braddon. Neither was I prepared to take punts on options which may not have worked after we looked at them, which did not really have legs.

What I think the Government has done and what I have done as Minister, Mr Speaker, is to re-establish a real alternative education program at Dickson. As with any decision I take which improves education, it is a decision which I feel is a good one. I feel that, in the years to come, it will be seen to be a good one. I am certainly hopeful that the program on the south side, to start next year, will also prove to be a good decision and a good program by which more kids who need to access this type of education can do so.

MS REILLY (4.51): Mr Speaker, the Ombudsman's report has definitely clarified a number of issues which were raised by the Social Policy Committee's consultations and report last year. We were very concerned about the method used for consultations about the closure of SWOW. In fact, you could almost describe the method of consultation as quite peculiar. I do not think you would find that methodology in any book on effective public consultation. The SWOW community was forced to go through this farce of consultation in June last year, and concerns about this process were raised again and again in the Social Policy Committee's hearings.

During the course of the Social Policy Committee inquiry last year, we spoke to many different groups who had connections with SWOW. Apart from speaking of the importance of the SWOW community, the importance of the school and those related issues, they also spoke of the quick consultation by the Education Department's review.

13 May 1997

They spoke of the time period, which was concentrated into three weeks or less, and the difficulties in contacting the education officials who were responsible for the review. I think they visited the school for a very short time, were not there when some of the pupils were expecting to speak to them and were very difficult to contact by phone. The parents of the SWOW students also found them difficult to contact by phone.

One would wonder why, if the Education Department and the Minister had been committed to a review, the officials were so reluctant to talk to the people who were involved in the school community. One would have thought that, if they were having an open review that was actually looking at the so-called terms of reference of the review, they would be glad to make themselves available to speak to the students and the school community. But there seemed to be a failure to communicate what was going on to the SWOW students, the parents of the SWOW students and the SWOW school board. When you consider that at this point they were talking about a school closure, you would think there would have been a great effort made to get everybody involved in the whole process. But, instead, it was almost done in a dark corner, without letting anybody put any light on it because that might have defined what the real issues were.

What we ended up with was a situation where we were talking about school closure, without any viable alternative being available. I know that there has been a lot of discussion about whether the school was moving or whether it was closing, but I think this is just a matter of semantics. Maybe "moving" is a softer word than "closure"; but, without a doubt, this Liberal Government has closed another school in the ACT education system. In relation to SWOW, we are not merely talking about the physical location of the school; we are also talking about the autonomy with which the school was able to manage for the number of years it existed, the importance of that autonomy and the way in which the school management was handled. That is no longer the case.

I was glad to hear the Minister say that he looked at some alternative locations for SWOW. It would have been interesting to have had more information on that previously, because there was concern about the move to Dickson College. There was concern about the areas within Dickson College, which the Social Policy Committee visited, about what impact it would have and about how you could run a separate enclave in an area that was open to every other student within the Dickson College area. It must be recognised that Dickson College is a large school. A number of the people who had gone to SWOW - this was raised during the inquiry by the Social Policy Committee - had run into difficulties in managing being part of a large school. One of the benefits of being at SWOW was the opportunity to operate within a school community to deal with some of the issues that a number of these students had to deal with.

We were also talking about a situation - which does not happen within the government system in the ACT - where you had high school students in with college students, and a large number of college students at that. This again failed to recognise the problems that some students at SWOW had in relation to being bullied or being the subject of violence within a larger school. But these needs were ignored, in the same way as the needs of students were ignored in relation to the stress that was put on the school community by this review. While that continued, they were wondering what on earth the Education Department was going to do with their school. You wonder about the duty of care of an education department and a Minister to provide good quality education to all

13 May 1997

students, when they continued to put such an amount of stress upon those students about what their futures were going to be. Have we looked at the impact on the education outcomes after the students were put through that distress last year? They were left with that uncertainty, left wondering what was going to happen to their school in the future.

One other thing comes out quite clearly both in our review and in the Ombudsman's report. There was a process to review - in other words, to close - the school; but there did not seem to be any process or strategy to look at resolving the problems that appear to have arisen within SWOW. There seemed to be little or no attempt to make changes. Mr Stefaniak has raised, in a number of instances, the appointment of a level 2 teacher. I would be interested to know what the processes were to resolve some of the issues that arose with that. The reports of it suggest that everybody took to the barricades and there was no effort by the Department of Education, which has responsibility for education, to resolve some of the issues.

The Minister has also raised the fact that there are enrolments now at Dickson College. It is not surprising. There is nothing else available. The alternative education sites within high schools in the ACT education system have closed down already. Even though some of them were fairly new, they closed down last year because there were insufficient resources to deal with those students who needed additional assistance. One of the concerns that come out of this review and the Ombudsman's report is that it appears that, if there is a problem, the Minister's response is to close down the problem. There do not seem to be methods for looking at how to resolve it. The idea is that you have a quick review and then you close the school, or whatever is the issue. I suppose that we can be glad that the Minister is not the Health Minister, or we may not have a hospital system in the ACT. But what we have - what has resulted from this review and closure of SWOW - is no alternative education system in the ACT in a way that has operated and developed for 23 years. It was unique in Australia in terms of alternative education, but it is no more.

I return to the process that was undertaken to support the decision to close SWOW. I think we can see from both the Ombudsman's report and the Social Policy Committee's inquiry last year that there were no open and transparent processes in this inquiry. It was an inquiry that was undertaken with a decision made before it started. It would have been good and it would have saved a lot of stress, heartache and hurt for a number of students in the ACT school system if the Minister had been honest at the beginning and had said that he wished to close the school, rather than go through a farce of a consultative process that hurt a number of people.

MR HIRD (5.00): I rise today to speak against this censure motion moved by Ms Tucker against the Minister for Education. It is about time the real truth about SWOW was made public. SWOW was not a school for handicapped students. It was originally set up in 1974 to cater for senior high school students who had difficulty coping in the normal education environment, that is, mainstream schools.

Debate interrupted.

ADJOURNMENT

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

That the Assembly do now adjourn.

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

Question resolved in the negative.

MINISTER FOR EDUCATION AND TRAINING Motion of Censure

Debate resumed.

MR HIRD: At that time, the ACT did not have a separate college system to cater for Years 11 and 12. Over time, the emphasis at SWOW changed as more high school students in the Years 8 to 10 category, most of them still under the age of 14 years and 9 months, compulsory schooling age, began to attend SWOW. The problem was that SWOW did not change either its teaching methods or its teaching program to cater for these more vulnerable students. As a result, students who were normally required to be at school attending classes found themselves able to attend classes in cafes, as the Minister indicated, and even not attend school at all.

Mr Speaker, when I visited the school on the morning of 28 November last year, I found a grand total of two students on the campus at that time. More came later. When I asked to visit the woodworking room, I had to fight my way through the cobwebs, as the class had not been used in the past 12 months, as I understand it. When I arrived at the metalwork room, the key could not be found, as it was so long since the facility had been used for that purpose. SWOW had become incapable of addressing the needs of, and was out of touch with, its students. The building was run down and, as Ms Reilly said, resources were lacking. I agree totally with her. The library was run down; the computer room was run down.

Ms Reilly: Why was the Minister not taking responsibility in providing decent resources?

MR HIRD: By interjection, Ms Reilly asks why the Minister did not take responsibility for these resources. He did, I put it to you. Despite the good intentions of my good friend Mr Wood on the other side, who attempted to address the issues in late 1994 and early 1995, the problems still existed when the department undertook its final review in June and July of 1996. The Department of Education had by law a duty of care to address these issues, and this Government accepted most of the recommendations put to it by the department. However, the Government did not accept all of them.

13 May 1997

In total, we have had a review undertaken by the department which included interviews with students, past students, parents and the school board; an examination by the Legislative Assembly Standing Committee on Social Policy, of which I was a member; and now a report by the Ombudsman, which Ms Tucker referred to. In addition, there has been action in the Supreme Court of the ACT, and at present a further internal review is being conducted into matters arising out of the Supreme Court action.

Mr Speaker, SWOW was a mess. This Government did something about it, and the result of our action in opening an alternative program at Dickson College has proven to be an outstanding success, with marked improvements in enrolments and student satisfaction and better resources for all. For members on the other side to criticise the Minister and this Government for taking steps that no-one else previously had been prepared to take in the interests of the welfare of the vulnerable young students in our community is, I believe, hypocritical and opportunist. The Government, through the Minister for Education, has the responsibility at law of accountability for each student undertaking studies within the ACT education system. I go to the very heart of the whole problem, the duty of care. I believe it is hypocritical and opportunist to bring this up at this time when the Minister is doing the best he can and doing a fine job in the education portfolio in difficult times. I will not be supporting the censure motion.

MR MOORE (5.05): The Minister has only in the last few minutes tabled a series of extracts from affidavits that were sworn or affirmed for use in the ACT Supreme Court. I note some concern in the chamber at the moment about how these might be used. They may well wind up identifying people, even though it was clearly not the Minister's intention that that be the case. They are important to the debate because they put in context the background of what the Minister was working with. Had I been Minister at the time and been presented with this kind of information, I would have said, "That school closes tomorrow". I would have come into this chamber and people would have said, "You did not consult at all. You closed a school". There comes a point when it is simply time to take appropriate action.

If I have any criticism of the Minister and the way he handled the issue in the first place, it is that when he received information from his department of the concerns they had about the operation of this school he took a long time to respond. Of course, I am speaking with the wisdom of hindsight and have in front of me sworn affidavits. At that time I presume the Minister did not have such affidavits in front of him, but he did know of many of the quite appalling situations mentioned in these affidavits. The issues were raised with me by a number of people once this matter had become public.

The issue comes down to consultation. The Social Policy Committee, in its report, identified inadequacy in the consultation process. Indeed, the Ombudsman repeated a series of problems. Although the Ombudsman's report sought to distance itself from the Social Policy Committee, it has a clear series of very close parallels. I suppose one of the things that concern me at the moment is that we seem to be getting a community attitude that the only good consultation is consultation that results in having the view of whoever seeks to be consulted taken on board and complied with completely. Sometimes there is going to be consultation that does not have that result. On many occasions in this

13 May 1997

Assembly we have consultation in which we listen to each other and take into account each other's views and then vote in entirely different ways. Why is that? It is because there is a whole series of different perceptions underneath the final decision-making. We have different values. We represent perhaps different constituencies that have different understandings.

In this case, with my own experience as a teacher for 17 years and dealing in a number of those years with alternative education, although not specifically of the style at SWOW, I shared with the Minister some major concerns about what was going on in the school. The question for the Minister was what to do about this. On one hand, students were in danger of getting not only a poor education but also, according to the affidavits, a harmful education. On the other hand, would closing the school down immediately have caused greater harm?

The decision the Minister had to make was what the least harmful way to deal with the students was. As it turned out, he had a different view on it - and I presume his department had a different view on it - from that held by the board of SWOW and some of its students. In many ways, it was a quagmire. There is no doubt that the consultation process could have been improved significantly, there is no doubt that those issues were tackled squarely by the Social Policy Committee in its report and there is no doubt that the committee's findings have been largely repeated by the report of the Ombudsman.

The question becomes: Is this enough to censure the Minister, because clearly the consultation process was not good enough? For me, it is not enough because, when you take that consultation process in the context of the other information that the Minister had available to him and you read the information that he has now tabled in affidavit form, you realise what a quagmire it was and what difficult decisions were put before this Minister. In some ways it is very easy to sit back on the outside and say, "You should have had a better consultation process. You were not fair to the community. You misled the Assembly". When I look at the evidence before me - the evidence put by Ms Tucker and the response by Mr Stefaniak - I do not believe that the community or the Assembly was misled.

It seems to me that the motion before us is for censure of the Minister in relation to his handling of the consultation review process about the future of the School Without Walls. The board of the School Without Walls wanted the review process to be carried out by the board of the School Without Walls, the board that had not taken action to deal with the issues that were before the Minister - the inadequacy of the education program, their responsibility for ensuring that the eight key learning areas were covered, their responsibility for ensuring that their students were safe from sexual harassment and their responsibility for ensuring that the students were receiving an appropriate education.

Many fantastic things went on at SWOW over the years of its existence. I do not want this speech to be construed as my saying that everything at SWOW was terrible and awful and always had been. On the contrary, over many years, I was a great supporter of the education that was going on at SWOW. Mr Wood would know that when he was Minister for Education we had discussions on a number of occasions about SWOW and its existence. Indeed, I was very supportive of Mr Wood in seeking to modify some of the things that were going on at SWOW.

13 May 1997

It would seem to me that in the end this Minister had a task to do; that had he not done it this Assembly would have taken him to task for failing to protect the students in that school, for failing to ensure an appropriate education program and for failing to ensure the professional conduct of the teachers there. We would have had a responsibility to have taken him to task. Mr Speaker, the Social Policy Committee has already dressed down this Minister for his lack of consultation and it has been reinforced by the Ombudsman. As far as I am concerned, it does not need a further censure of this Minister. Therefore, I will be opposing this motion.

MS McRAE (5.15): I have great respect for what Mr Moore is saying. He probably felt that there was quite a deal of support from this side of the house for the closure of SWOW because we too knew of some of the problems and understood that perhaps the time had come. However, I think he is moving a little peremptorily to support the Minister, for two reasons. One is that this affidavit, ghastly as it may be and truthful as it may be, is not tested. There are other affidavits that affirm a whole series of other things. It is grossly unfair to base an argument on an affidavit that is untested. This stuff should not be here. I understand why it is here, but it is untested and there is counterevidence and we are not in a position to base our judgment on that. Even if this affidavit might tally with a few stories we knew about beforehand, it is not good enough. That is one reason why that whole argument should be put aside.

The other point to make is that, yes, the Minister had this sort of information before him, Mr Moore, but the Minister had a whole range of other information before him as well. One of the most telling facts is that students who were under age were still being enrolled at SWOW as late as June. If all of this indicated that it was crisis time, if all of this indicated that it was time to close up shop, if all of this was enough for action, how come students were still being accepted there? There are some inconsistencies which make one very uncomfortable. On top of that, Mr Moore and all other members - I am addressing my remarks to you, Mr Moore, because you have pointed out that you do listen to debate and do not make up your mind too quickly - may I just add another factor. The other information before the Minister that would have caused anybody else to say, "I had better tread carefully" was the fact that questions were being asked in the house and members of the SWOW community were regularly coming to talk to us all. There was a very high level of concern about what was going on. There was a very high level of press coverage. There was a very high level of Assembly coverage.

Under those circumstances, knowing that, knowing that there was a motion on the books saying that this school should not close until proper consultation had taken place, knowing that an inquiry was about to come on, knowing that everybody was being lobbied and everybody had a position, how dare they then go into consultation with their minds made up! That is the context of what was going on. This Minister does not act in a vacuum. He acts with the guidance, concurrence and overviewing of us, who are the representatives of the community. The community was saying, "We do not like what is happening at SWOW". The community was telling us. The community was talking about the review. The community was talking about what people were being told at SWOW. The community was also as concerned as Mr Moore about all the things that were happening at SWOW. I do not deny any of that; but we have to be very careful not to take one set of evidence, one context, and embellish the picture.

The full picture was that it was not just Mr Stefaniak in his office, with a bunch of information before him, going in as a hero to put an end to this dreadful situation. It was Mr Stefaniak, as a member of this Assembly, being questioned, being observed, being asked more questions, being reviewed, being put on notice. Notices of motion are not put on the notice paper for games. They are put there because a large body of the Assembly feels that there is an issue that needs to be dealt with. Whether they come on or not, it seems to me, is not relevant. I as a Minister would pay attention to the fact and say, "My God, something is going on here. Maybe somebody is worried about it". In that context, I think the Ombudsman's commentary is very telling. In that context, knowing that people were worried, it was not acceptable that a seemingly open consultation process had a closed end to it, had an option closed off.

I have no quarrel with the fact that maybe action had to be taken on SWOW, but I have very deep concern whether in that context this action on SWOW should have been taken without due regard to all the issues that were being raised by concerned people who understood very well the troubled nature of many of the students at SWOW and the teachers at SWOW and the history of SWOW. They did not come and lobby us because they hated SWOW. They had a passion and depth of concern for SWOW which were very well grounded. SWOW may well have gone completely off the rails, but students were still being admitted and these concerns were being raised. It was not a secretive process. I think we should go very carefully before we rule out of hand the Minister's responsibility on this.

To that end, we on this side are seriously considering two things. The first is that Mr Osborne is sick and unable to vote on this issue. I think that his vote is a crucial one in this debate. The second is that I think the people need more time to think about this, because we think we have clear evidence that this is very serious and that there was some level of misleading going on. I am foreshadowing that there will be a move to adjourn this debate and to continue it at a later date when people have had more of a chance to look at the evidence again, perhaps get counter affidavits now that we have one set, and more calmly consider the issues concerned.

I have due respect and regard for the fact that a decision was made under very difficult circumstances. I have no quarrel with that. I am not talking about that. We must not get sidetracked by that. The issue at hand is that people in whom we trusted, public servants whom we trusted to do the Minister's bidding, whom we watch and work against in the interests of the community, did not conduct a process that was honourable. This is what the Ombudsman found. I think that the Minister has a great level of responsibility for that and that this house should give it due regard.

MR TEMPORARY DEPUTY SPEAKER (Mr Hird): I call Mr Kaine.

Mr Berry: Mr Temporary Deputy Speaker, I move that the debate be adjourned.

MR TEMPORARY DEPUTY SPEAKER: Mr Kaine has the call.

13 May 1997

MR KAINÉ (Minister for Urban Services) (5.23): I wanted to speak briefly because I think we are in danger of doing something foolish that not only the members of the Government but also members of the Opposition may regret in the future. We have been debating for some time now two issues. One is the general proposition by the Opposition that the Minister has not been doing all that well at managing his department. That debate was concluded. We are now discussing a specific issue about which some people are highly emotional, rightly or wrongly. But let us be clear. There is a legitimate administrative process in train that I think the Assembly is in danger of cutting across, to our own detriment, and that is the process that is set in train when an Ombudsman takes a matter under advisement and looks at it. Regardless of how the Labor Party feels about the issue broadly, they need to consider very carefully whether they are going to support this motion of censure when the debate is over.

I believe that the Greens have jumped the gun in bringing it up at this time. The Ombudsman has already made a report concerning this specific matter, with recommendations which the Government is obliged to look at for future action. In the middle of this process the Greens want to censure the Minister. The process is not yet complete. I believe that the Government is entitled to the opportunity to consider the recommendations that have come from the Ombudsman and that the Assembly should not curtail the right and the opportunity for the Government to do that. I say that in due recognition of the fact that the people opposite may one day again be back in government and they may find themselves in the same situation, a situation which I think is rather unnecessary and undesirable.

Mr Speaker, the Ombudsman regularly investigates complaints against ACT agencies. That is her job. These investigations frequently lead to criticisms targeted at administrative aspects of the performance of ACT government agencies. Are we going to have a ministerial censure every time the Ombudsman criticises the administration for one of its administrative processes or one of its administrative decisions? Of course not.

Mr Berry: No.

MR KAINÉ: No, says Mr Berry; but in this one case you say it is okay. I refer to the Ombudsman's 1993-94 annual report during the period of the Follett Government. The Ombudsman dealt with a total of 503 complaints against ACT government agencies in that reporting year. They excluded complaints against the AFP in their community policing role. These complaints included failure by agencies to give adequate reasons, misuse of powers, as well as pursuit of other things like parking fines in excess of powers.

The Ombudsman plays an important role in ensuring accountability on the part of government. Section 18 reports enable the Ombudsman to raise issues of concern with the relevant agency. The Government would now like to consider in some detail the conclusions and recommendations that have come from the Ombudsman on this matter. I do not believe it is conducive to good outcomes to do this in the context of political debate about the matter, and certainly not in the context of a political debate where the Minister has already been censured by this place. How on earth can any reasonable outcome come about under those circumstances?

13 May 1997

The Ombudsman has also made a report on this matter under section 34 of the Act. I understand that this occurs when there is some public interest in the matter, and the report is released to the public. Again, the proper process should be to permit full consideration of the recommendations before the matter is debated. If this role is abused for short-term political point-scoring - and I think that is what this motion is about - and if the role of the Ombudsman is politicised in the process of debate in this Assembly, then the role of the Ombudsman herself and the processes that she is obliged to follow immediately come into question, in my view. We are subverting the processes established by law that the Ombudsman is obliged to follow. The Ombudsman must be able to engage in independent review and to anticipate proper responses free from the risks associated with political and media campaigns.

This is not the first time that a section 18 report has been produced by the Ombudsman. In the 1992-93 annual report the Ombudsman referred to two reports of formal investigations under section 18. These related to the then Housing and Community Services Bureau and ACT Forests. The reports highlighted administrative and procedural deficiencies which, I understand, were subsequently addressed by the Government, and properly so.

Mr Stefaniak has told us in quite unequivocal terms of the reasons behind the imperative for decisive action to be taken on the School Without Walls. It takes my breath away to think that Ms Tucker or anyone else can seriously contemplate maintaining a school that was operating in such a way as to seriously compromise the needs and the best interests of its own students. What on earth is this about? Whose interests are we considering here? I will tell you whose interests we are considering. We are considering the political interests of a couple of people who want to keep their profile up with an election just around the corner. I think that that is an appalling state of affairs.

Critical comment concerning administrative decisions by the Ombudsman is not a reasonable basis for censuring a Minister. If that were the case, several Labor Ministers would have been censured over the last five years. It is simply not a reasonable basis. It must surely be a matter of concern to both the Government and the Opposition if we have reached a point where any administration has no opportunity to address matters drawn to its attention by the Ombudsman before its Minister is unjustly condemned by members using any opportunity to score political points. I urge the Opposition to rethink this matter, having regard for the possibility - - -

Mr Berry: We are. That is why we want some time.

MR Kaine: I ask you to rethink it intelligently, Mr Berry, having regard for the possibility that you yourselves may well be put in a similar position if ever you are in government in the future. In my view - and I agree with Mr Moore entirely - the Minister is not deserving of this proposed censure. It will achieve nothing. It will leave a nasty taste in a few people's mouths. It might make a couple of people in this place feel somehow justified, but I do not believe so. This motion should not be supported, and I will not support it.

13 May 1997

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

That the debate be adjourned.

MRS CARNELL (Chief Minister) (5.31): I think that it is very inappropriate at this stage to adjourn a debate on a censure motion. I believe strongly that it is important that we do continue this debate tonight. This is an issue that matters significantly to the Minister involved, and it is an issue that should be handled on the day that the debate happens. Mr Speaker, if those opposite felt strongly that they could not quite make up their minds on a censure motion that was announced by the Green members - - -

Ms McRae: We made up our minds. It is Mr Moore's and Mr Osborne's minds we want to make up.

MRS CARNELL: You said that you needed more time to think about it. Now they say that they do not need more time. If they have made up their minds, then there is no reason to adjourn the debate, is there? Let us be fair.

Ms McRae: Why do you not just talk about the substantive issues for a change?

MRS CARNELL: I am just about to do that. This censure is about the handling of consultation in this particular situation.

Ms McRae: No; it is the misleading of the community and the Assembly - point (2).

MRS CARNELL: Paragraph (1) states "in relation to his handling of the consultation and review process about the future of the School without Walls". The first bit is about consultation. I will certainly talk about the second bit as well. The consultation in this situation was not just the consultation that the Minister did. I have to say, from the perspective of a Minister, that I had many delegations to see me about this particular issue, as did all members of this Assembly. There were any number of opportunities for those involved to let members of this place know exactly what they thought about this issue. There were any number of opportunities for members of this place to get further information from the Minister and others. Certainly, I availed myself of the opportunity on many occasions.

We have heard in this debate lots of information about the School Without Walls and about the new facility at Dickson. There is no doubt that we have more young people using the new facility than we had using the old facility. I believe that the role the Minister has played in this has been very courageous - one of those things that in politics you are not very often. He has taken a very difficult decision, but he has taken that decision knowing what will be in the best interests of the young people involved. Really, that is the job of a Minister for Education.

13 May 1997

The second part of the motion is about misleading the community and the Assembly on this matter. Again, I do not believe that the Minister has done that. We do have an Ombudsman's report at the moment that this Government will obviously respond to. Mr Kaine was very eloquent in his comments about Ombudsman's reports. If there should be a censure motion every time an ombudsman brought down a report that was critical in some way of the Government or the Government's action in a particular area or the Government's administration or the way the Government handled things, then we would have to have a censure motion on every single ombudsman's report. The role of the Ombudsman is to bring forward areas where, as a government, we could improve administration. If every time there are problems with the Housing Trust, with the police or with Health and Community Care - Mr Berry will know, because there were a number of ombudsman's reports that were not terribly positive about some of the approaches in health when he was Health Minister - we should go down a path - - -

Mr Berry: How many?

MRS CARNELL: I do not know. Do you? The ombudsman's reports bring forward situations where we could improve as governments. Governments take those reports on board wherever possible and make the appropriate administrative changes. That is what will happen here. I know that the Minister himself will take the report of the Ombudsman very seriously. On that basis, any thought that the Minister somehow misled the community or the Assembly is simply wrong.

I think this is a silly censure motion. It is an issue that has been debated many times in this Assembly. The numbers in the Assembly have been such that the School Without Walls has been closed at its current site and relocated to a new site. A new facility is up and running, and is up and running well. This is just an effort by some people in this Assembly to make political points.

MR BERRY (5.36): Censure motions are fairly serious things and ought to be taken seriously. So, too, should the right of individuals and members in this place to be able to consider all aspects in relation to this matter. I note that the Government and Mr Moore have refused the option for the Opposition to consider this matter further. After all, today is the first time it has been discussed in this place, and I think it would have been fair enough for the Opposition to have had a bit more time to consider the issue, given the seriousness of the issue at hand.

The motion moved in the Assembly to censure the Minister talks about "his handling of the consultation and review process about the future of the School Without Walls". On Mr Stefaniak's record, I have some sympathy with that particular view. We had an experience with Mr Stefaniak where he said to the community in Charnwood that he would not close their school, unless they agreed. They did not agree and he closed it. He misled them too. We have had an experience with Mr Stefaniak when it comes to dealing with the community. We know that he will mislead them, as he did one time before, in our experience. I have a great deal of sympathy with the move to censure Mr Stefaniak over his handling of the consultation and review process. I have seen him at work before, and it is not a pretty sight. On that score I think there is an argument to censure Mr Stefaniak.

13 May 1997

On looking at the information in front of us, I was inclined at one point to ratchet this motion up to a vote of no confidence, but I would want more time to consider all of the issues before I did that. I do not think we have had enough time to consider the issue before putting that sort of a proposal to the chamber. The proposers of the motion do not consider it appropriate at this time. It is something that I would like to have had time to consider, but that has been denied us.

On the issue of the affidavits that have been put before this chamber, I think a very good point has been made in the debate that only one affidavit has been put and not all of them. Indeed, only part of the evidence has been put, and not all of it. Mr Minister, that is another attempt to mislead this Assembly. You just keep getting in deeper but put selective pieces of evidence before the chamber. If you cannot put it all, do not put any. That is my view about those matters. That puts a particular untested set of evidence before this chamber which really ought to have been open to some counterarguments and arguments coming in another direction in order that people can make a decision in respect of this matter.

There is no question in my mind that the Minister set out to create the impression that nothing was wrong with the way that he was handling the SWOW situation. Clearly, there was a lot wrong. In that sense, I feel misled. I have had a look at the response to Ms McRae's question on 25 June. Throughout his response to that question, Mr Stefaniak attempted to create the impression: "You do not have anything to worry about here; we are just looking at some options". Clearly, the question that Ms McRae asked was about the closure of the School Without Walls. Mr Stefaniak parried that by saying, "No, we are not going to close it. We are only going to relocate it. But after we have gone we will have to shut the doors to stop the vandals from getting in". It gets to be a bit of a joke when these sorts of proposals are put in this place.

Mr Speaker, you cannot allow to stand a situation where a Minister is able to create the impression that everything is okay, hunky-dory, and then we have - - -

Mrs Carnell: He did not. He never did that. He did not ever say that.

MR BERRY: I will read what he did say:

Relocation of SWOW from where it is at present to Dickson College is an option that will be looked at as part of this review.

He also said somewhere in his answer, "It is hardly closing it". The fact is that it was always the intention of the department to close it. The department's advice was never challenged by the Minister. Therefore, clearly, the Minister knew what was in store for the School Without Walls. I do not think there is any question about that. I think the Minister was too smart by half.

If the goods on him were a bit better and I had the information in front of me, I would have no difficulty in ratcheting this motion up to a vote of no confidence, but at present I think the information in front of us is sufficient to find him guilty of an attempt to mislead us in relation to the entire matter of SWOW. I, for one, will be supporting

13 May 1997

the motion. I would be prepared to give it more time if a motion to adjourn the debate was allowed; but on the basis of the refusal of the Government to allow us to adjourn it, and on the evidence that is in front of us, I do not think I am left with any alternative but to support the motion.

MS TUCKER (5.43), in reply: I would like to address a few of the points raised by members. Mr Stefaniak did not address the substance of the motion at all; neither did Mr Moore. I am very surprised that the Minister, in an attempt to deflect attention from this motion, tabled the affidavits regarding the School Without Walls. There are two reasons that that is surprising. Maybe it should not be surprising, but I was hoping that Mr Stefaniak might address the substance of the motion. His speech had nothing to do with the substance of the motion. It was to do with what was happening at the School Without Walls, which the Social Policy Committee looked at and made recommendations about. We acknowledged that some issues at the School Without Walls were concerning, and our recommendations reflected that acknowledgment, in that we did say that there should be some administrative linking of the School Without Walls to ensure more accountability where there seemed to be a lack of some, although I note that the Ombudsman says that the department has a similar lack of accountability in its processes, as I pointed out, but I do not hear that we are going to do anything terribly serious about that. In fact, even a censure motion of the Minister is seen to be too strong.

The other issue of concern about these affidavits is that they are one group of affidavits. Affidavits have also been presented which refute what is said in these. It is totally unjust to lay down one set of affidavits and expect them to have some influence in this discussion. I cannot believe that Mr Moore picked them up and took them on as his point of argument. I am absolutely stunned. I think he is usually much more intelligent than that in the way he argues. I was very surprised, because it was totally irrelevant to this motion or this discussion. It is not only irrelevant but also unfair. Why Mr Moore would pick that up as his line of argument I have no idea, and I must say that I am very disappointed. I am also disappointed at how he voted on the adjournment motion.

Mr Stefaniak continued to focus on the substance of the debate about how the School Without Walls worked. As I have said, that is not the point of this debate at all. He said that my concerns were procedural only and that I made a hell of a lot of it. I will remember that, Mr Stefaniak. When you talk about having open and consultative government, that is about procedures. You claimed in your election campaign that they were important procedures. I still hear your Government saying that they are important procedures. Yes, I make a hell of a lot of procedures. I think participative democracy is a very important principle. It is a very important procedure and I am happy to make a hell of a lot of it, and I will continue to do so. I think you will find in the election that the community also thinks it is a very important issue. It is not something to be pushed aside.

You also claimed, Mr Stefaniak, that some officers had formed their own opinions and that that was fine. I do not have a problem with some people in your department having their own opinions. What is concerning is that there was one option only that the Ombudsman found detailed planning for implementation of. That makes one think that it was not just one officer or that, if it was only one officer or two officers, they were the ones who counted because that is where the work was done in developing that option to move the School Without Walls or to start a new school at Dickson.

13 May 1997

It is quite clear that the Ombudsman was not happy that that was a fair process or procedure. She was damning about that fact. It was critical to her whole report that the detail of planning was for only one option, yet you continued to say all options were being given weighting. Therefore, we had the School Without Walls community, some people who were very articulate and strong - academics from Canberra University, some of the parents, other people, past students who were very articulate on the issues - and the more vulnerable group of students who also put a lot of their heart and soul into talking about these issues and who were treated with utter contempt, it turns out, because the decision was made before they were put through all that. I can tell you that it was distressing for some of them to talk about their stories and the feeling that they have about the school.

I am offended by Mr Kaine's attempt to put people down by calling people emotional and people with strong feelings. For women, it is emotional; for men, it is strong feelings. I have strong feelings about this and I am not ashamed of it. Mr Kaine, I do not think that is necessarily a put-down at all. I accept the fact that I have strong feelings. I wonder whether the Ombudsman seemed to be emotional too.

Mr Stefaniak raised the point that the Ombudsman did not take the history into account. Of course she did not. She did not need to. It was not her brief. She was looking at the procedures. She was looking at the consultation processes. That is what the complaint was about. Mr Stefaniak even said that the proposal was canvassed in the *Canberra Times*. The *Canberra Times* article saying that there was going to be a move to the school was the first thing that set the alarm bells going and totally upset the school community, but then that was pulled back from.

Mr Kaine also said that it was inappropriate for us to put this censure motion up because the Ombudsman had made recommendations and we had to sit back and wait to see what the Government would do with them. The Ombudsman did not only make recommendations. The Ombudsman made very strong statements saying that the administrative procedures in the department were bad, that record keeping was not good and that there was a misleading of the community and the Assembly on this matter. They are very clear statements. What happens to the credibility of this place if once again we sit back and we say, "Oh, someone was a bit bad, but we will give them a chance to do the right thing. Mr Stefaniak misled before, but then we had an inquiry instead."? Where is the credibility of this place? This is not acceptable behaviour. I am sorry if you really believe that it is. It is no wonder that people are so cynical about how politicians conduct their activities.

The Social Policy Committee did address the issues that have been raised in this debate. I am sorry that I have not seen as much attention given in other debates in this place to what the Social Policy Committee recommended. The issues that we were concerned about seem to have got more attention here than they have in any other debates.

Mr Kaine said this motion would leave a sour taste in the mouths of a few people here but achieve nothing else. I think it has left a sour taste in the mouths of a lot of people in the community, Mr Kaine. That is why I raised this motion. I believe it is extremely important that the people in the community see that most members of this place do not find it acceptable that such poor processes have been carried out in our community.

13 May 1997

As I said, I am very disappointed that the debate has gone the way it has. It has not focused on the substance of my motion. Members have just copped out by going back into what they saw as problems of the School Without Walls, the tabling of this scandalous set of affidavits and Mr Moore's scandalous picking up of that as an appropriate argument on this issue. I just hope that Mr Osborne, even though he is not well, has been able to listen to the last part of the debate and will be able to vote sensibly.

Question put:

That the motion (**Ms Tucker's**) be agreed to.

The Assembly voted -

AYES, 8

Mr Berry
Mr Corbell
Ms Horodny
Ms McRae
Ms Reilly
Ms Tucker
Mr Whitecross
Mr Wood

NOES, 9

Mrs Carnell
Mr Cornwell
Mr Hird
Mr Humphries
Mr Kaine
Mrs Littlewood
Mr Moore
Mr Osborne
Mr Stefaniak

Question so resolved in the negative.

DEBITS TAX BILL 1997

Debate resumed from 10 April 1997, on motion by **Mrs Carnell**:

That this Bill be agreed to in principle.

MR WHITECROSS (Leader of the Opposition) (5.54): Mr Speaker, I move:

That the debate be adjourned.

Mrs Carnell: I thought we were doing this one.

MR WHITECROSS: They said they wanted it adjourned.

Mrs Carnell: They have not told me.

Mr Humphries: We said we would do it today.

Mrs Carnell: We just organised that we are doing it today.

13 May 1997

MR WHITECROSS: I thought we were doing the rates legislation today.

Mr Humphries: This is not fair. You have not told us that you want to do this.

Ms McRae: There is a motion before the house, Mr Speaker. Why do you not put the motion, for goodness sake?

MR SPEAKER: I shall have to put the question, but the Assembly knows that if it does not wish to adjourn the debate it can vote against the motion.

Question resolved in the negative.

MR SPEAKER: Mr Whitecross, you are to resume the debate.

MR WHITECROSS: Yes, sure; I do not mind resuming it, Mr Speaker. I was just extending a courtesy to some of my colleagues.

Mr Humphries: They have not extended any courtesy to us, Mr Whitecross.

MR WHITECROSS: I was not the one who was complaining, so I did not think I had to.

Mr Speaker, this Debits Tax Bill provides for a new Territory tax, a bank account debits tax. It was announced in last year's budget to save Mrs Carnell some grief this year, even though it will not come into effect until 1 July. The legislation was tabled only in the last sitting period. On Tuesday the Treasurer felt able to say that her budget contained no new taxes, even though new tax measures are an integral part of the funding of this year's budget.

There is no doubt, Mr Speaker, that Mrs Carnell is relying on these tax changes to fund her budget. The Bill proposes a new bank account debits tax, and this measure will be introduced at the same time as the current financial institutions duty is reduced from 0.1 per cent to 0.06 per cent on deposits in financial institutions. The Government estimates in its explanatory memorandum that this is going to raise an additional \$14.15m, I think, which would be offset by a reduction in taxes relating to the financial institutions duty of some \$8.5m, yielding a net result of something in the order of \$6m. The Government also proposes to provide in the legislation for rebates for pensioners who are disadvantaged by this change in arrangements, and I want to make some comments in relation to that in a moment.

Returning to the substance of the Bill, this will bring the ACT into line with other States and the Northern Territory which impose a debits tax on chequing accounts or accounts linked to chequing facilities. This will occur not only when a cheque is written but also when a withdrawal is made from an account with chequing facilities. Any account with a cheque facility will be liable for the new tax, regardless of whether it is a cash withdrawal or a deposit. A tax of 30c per transaction will be payable on withdrawals of up to \$100. This means that this new tax is unfair for those who withdraw only small amounts or have only small amounts to withdraw. It is unfair, for example, for parents who have to send their children to school with money. In such an instance a cheque is better than cash.

13 May 1997

I was pleased that Mrs Carnell saw fit to provide exemptions for charitable organisations, certain hospitals, universities and schools. Charitable organisations need an exemption, given the increased demand for support services due to the Liberal-induced recession in the ACT.

The implementation of the new debits tax in the ACT will bring with it a reduction in the financial institutions duty, as I mentioned earlier. Mrs Carnell said in her speech, Mr Speaker, and it is worth noting, that such a reduction will be welcomed by business in the ACT. I have no doubt that it will be. What this means is that business will be paying less tax while the average person out in the suburbs will be paying more tax.

Mrs Carnell's acknowledgment of pensioners in this Bill, albeit limited, was pleasing. It demonstrates that she is feeling pressure in an election year and that she knows she has unfairly targeted pensioners throughout her term of office. When this proposal was first announced last year I made much of the impact on lower income earners, and it is pleasing to see at least some acknowledgment of those concerns in this Bill. Mrs Carnell has limited her concessions to pensioners and has shown no equivalent compassion for those living on small or limited incomes. Her pensioner rebate scheme demonstrates no real commitment to limiting the hardship that these changes will cause.

Mr Speaker, the financial institutions duty contained an exemption for deposits of social security and other income support payments. As a result of these changes, pensioners now will not enjoy a tax concession on withdrawals from these accounts. Unemployed people will not enjoy tax concessions on withdrawals from these accounts, and neither will other people on limited incomes. Mrs Carnell obviously has no comprehension of the hardship that such new taxes cause in a community that is already suffering. The Carnell Government set the ACT on a downward economic course. Her Federal Liberal colleagues accelerated it, and no doubt will do more damage tonight. Yet Mrs Carnell is still unaware of the pain it has caused. She has not provided exemptions from the debits tax for health care card holders such as the unemployed, sickness beneficiaries, Austudy recipients and others. I am disappointed by this, Mr Speaker, but I have to say honestly that I am not surprised.

Mr Speaker, we are proposing amendments and I will talk to them when they come forward. In summary, my concern in relation to the rebate scheme is threefold. It does not include all the groups who are in hardship and ought to be assisted, it is limited in its assistance, and it provides the assistance well after people have incurred the taxes. It seems to me, Mr Speaker, that a more appropriate course would have been to have given people on limited incomes and facing financial hardship the benefit of those exemptions up front, rather than in arrears after they have been out of pocket for 12 months. Mr Speaker, the Labor Party will be moving amendments to this legislation in due course, and I commend those amendments to the house.

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

13 May 1997

RATES AND LAND RENT (RELIEF) (AMENDMENT) BILL 1997

Debate resumed from 10 April 1997, on motion by **Mrs Carnell**:

That this Bill be agreed to in principle.

MR WHITECROSS (Leader of the Opposition) (6.04): Mr Speaker, the Rates and Land Rent (Relief) (Amendment) Bill 1997 provides for new arrangements for the capping of pensioner concessions as announced in last year's budget. As in relation to the debits tax, which I was talking about earlier, Mr Speaker, this legislation is effectively a new tax which was announced in last year's budget but which allows Mrs Carnell to keep to the technical letter of her words that there are no new taxes in this year's budget.

The Government announced in last year's budget that it would introduce a \$250 cap on the general rates concession available to new eligible pensioners from 1 July 1997. It does not affect existing pensioners, but new pensioners, as of 1 July, will be disadvantaged. In the short term it will affect only a few people, but over the longer term it will affect the totality of the pensioner population. Budget Paper No. 3 of 1996-97 stated:

It is expected that savings from this initiative will accrue slowly, and therefore are not reflected in forward year estimates.

This demonstrates that this change cannot be justified by the revenue needs of the Government and is really just a mean-spirited attack on pensioners. This is an ad hoc approach to pensioner concession policy in the ACT. There has been no rational analysis of pensioner concessions in the ACT, and, as well, no consideration of other disadvantaged groups and their concessions. Indeed, health care card holders, such as the large number of unemployed in the ACT, are consistently ignored by this Government in the consideration of concessions.

Mr Speaker, it should be noted that this revenue measure, as I said before, was announced in last year's budget. It was announced so that Mrs Carnell could bring down a no-tax election budget this year. We believe it is an unfair impost on pensioners, and it does not assist with the revenue of the Territory. Labor will be opposing those clauses dealing with the capping of the pensioner rates concession, although we will be supporting the other measures in the Bill.

MRS CARNELL (Chief Minister and Treasurer) (6.07), in reply: Mr Speaker, I find it very interesting that Mr Whitecross is going to oppose the pensioner capping part of this legislation; but, I am very pleased to note, he will support the rest. On 14 September 1993 Rosemary Follett made an announcement in her budget speech. I quote from page 3004 of *Hansard* of 14 September 1993. She said:

To assist in funding these new concessions, the existing 50 per cent rates concession to pensioners will be limited to \$300 per annum from 1 July 1994.

13 May 1997

Do you see what she did? She announced it in September, as I did, and brought it in in the following July, in exactly the way I am doing it, because you cannot do it in any other way, Mr Speaker. You cannot bring down a budget in September and introduce it at any other time than 1 July, because that is the new rating year.

MR SPEAKER: Of course. That makes sense.

MRS CARNELL: That makes everything quite relevant. Mr Whitecross commented that there was something funny about our introduction time. It is very much in line with the way that Ms Follett was planning to do it. Mr Speaker, Ms Follett then went on to say:

This will bring the ACT into line with practices in other States, but will remain one of the most generous rates concessions in the country.

Mr Speaker, the same comments were made about revenue initiatives. I can table the statement by Rosemary Follett for the 1993-94 budget. But, most importantly, Mr Speaker, this approach came from ACTCOSS. It came from their budget submission, for probably both last year and this year. In recommendation 17 of their budget submission they recommend that concessions on rates be abolished - not just grandfathered, but abolished - except for those with dependent children, and that a rates deferral scheme be established for those who find it hard to pay. Mr Speaker, we have a rates deferral system in place. We have upgraded that. We have made it more accessible for pensioners.

In line with our consultative approach on our budget, listening to all groups, including ACTCOSS, we believe that this is an appropriate approach. It was certainly not an easy decision, as Rosemary Follett found when she attempted to do it. It is a decision that will mean that people who become pensioners after 1 July will end up with a cap on the amount of rates rebate that they can claim. But the cap that we have put on is very much in line with other States, Mr Speaker, and any pensioner who has trouble paying will be able to defer their rates against their estate. I think that is a very appropriate approach. It means that no pensioner will be in a position where they might have to sell their house to pay their rates. They are in a position to defer them against their estate. Mr Speaker, I am not sure that we should be giving tax breaks to people that basically will be passed on to their children, but obviously those opposite believe that that is an appropriate approach.

We have also spent some time speaking to the Council on the Ageing on this and they agree as well. You have not heard the Council on the Ageing out saying, "Shock, horror; pensioner capping", the reason being that they were consulted and they actually - - -

Mr Whitecross: They would not be game.

Ms McRae: They were told.

MRS CARNELL: No, not at all; quite the opposite, Mr Speaker. They believe very strongly that these sorts of concessions need to be targeted to the people who need them most, as do ACTCOSS, and as do most other organisations.

13 May 1997

This approach is not an easy decision for any government, but it is one that desperately needs to be made. Mr Speaker, there is no particular revenue benefit to the Government in this year's budget, because it is a grandfather situation. All the concessions that we currently give will continue to happen. All we will do is stem increases in concessions in the future. There is not a huge benefit. I think at the end of the first year it is probably almost of no benefit to the Government in the first year with the setting up of the new scheme. But we believe that when you look at the long term for the ACT we must address this problem. Every other State has addressed it. We in this Assembly must have the guts to address it as well, but at the same time have a proper and well-organised deferral system, which we have in place, to ensure that no pensioner is placed in a position where they simply cannot afford to pay their rates.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail Stage

Clauses 1 to 10, by leave, taken together, and agreed to.

Clause 11

MR WHITECROSS (Leader of the Opposition) (6.12): Mr Speaker, the Opposition will be opposing this clause. As I indicated in my opening remarks, the Opposition's view is that this change to the concession arrangements to cap the concessions for new pensioners at \$250 is not justified. It is not justified in revenue terms and it will cause hardship to individual pensioners.

Mrs Carnell, in her concluding remarks at the in-principle stage, referred to the fact that pensioners will still have access to the deferral scheme. Indeed, that is the case. In relation to this matter and in relation to people who are adversely affected by the assets test on pensions and other similar arrangements, successive governments have sought to persuade pensioners to avail themselves of deferral schemes which have the effect of allowing them to get the benefits of a concession up front with a charge against their assets which will be taken, down the track, when their property is sold, whether because they have moved out or because they have died and it is settled as part of their estate.

The history of attempts to persuade older people to avail themselves of these kinds of deferral arrangements is a very lack-lustre one. The fact is that older people do not like deferral schemes. They do not like the idea of putting a charge against their house. They do not like the idea that their next of kin are going to have to settle up and make some large payment to the Taxation Office or the Revenue Office when they die. As a result, they simply do not avail themselves of these kinds of schemes and, instead, endure unnecessary financial hardship.

This is particularly a problem for people who have lived in the same house for an extended period, during which the rates have escalated quite substantially because of changes in land values in older areas of the city. Their rates are now way out of proportion to the incomes of people in retirement. People in retirement experience huge drops in their income and they simply cannot afford reasonably to pay rates that they are going to have to pay in some older areas of Canberra. That is what the rates concession is about. If you happen to live in a suburb where the rates are \$2,000, and those suburbs exist, the concession you will be able to access if you are a new pensioner has dropped from about \$1,000 to \$250. That is a very significant change to your financial circumstances when you are talking about people in receipt of social security payments or service pensions.

Mr Speaker, I do not believe that that is a fair change, especially given the minimal impact in revenue terms, the known reluctance and the known impracticality of trying to persuade large numbers of pensioners to take up deferment schemes. It may be that the Council on the Ageing are willing to promote deferment schemes, it may be that the Revenue Office and the Government are willing to promote deferment schemes, but the reality is that many have tried before and failed, and pensioners simply will not take them up.

Mrs Carnell's other argument in support of this change was that the Council of Social Service had suggested it; therefore it must be a good thing and we should all vote for it. Mr Speaker, quite frankly, I would be more impressed about that argument coming from the Government if the Government took up a lot of the other suggestions of the Council of Social Service. The reality is that they have sifted through a list of however many recommendations, and they have said, "Here is a chance to go after some pensioners. We will take up this one. This one is no grief to us". If they took up all the other suggestions that the Council of Social Service made in order to ensure a balanced approach to collecting extra revenue, I would be impressed. I might not agree with everything they did, but I would at least be impressed by their consistency. But they have cherry-picked. They have taken the bits that they like. Then they have the gall to turn around and say, "The Council of Social Service and everybody else ought to be grateful because we have picked out this one suggestion from their submission".

Mr Speaker, I do not think that is a persuasive argument. I do not think it is an honest argument either. We all know that there are plenty of suggestions in the Council of Social Service submission which the Government has not picked up and which would have been a lot more equitable than going after rates paid by pensioners. We will be opposing this clause, and we will also be opposing clauses 12 and 15, which are part of the implementation of this arrangement.

MS TUCKER (6.19): The Greens will be supporting this Bill. As ACTCOSS have argued in their 1996-97 budget submission, the question of rebates raises a number of issues. I would like to read out some of these from their submission because it summarises these issues very well and explains basically why we will support this and will not support Mr Whitecross's amendment.

13 May 1997

The first issue is the equity of subsidising home owners compared to other more financially disadvantaged groups in the community. The incidence of poverty among elderly outright home owners is relatively low compared to other sectors of the community. In the ACT, outright home owners on social security pensions or benefits do not feature in the bottom 30 per cent of after-housing incomes.

The second issue is that rates rebates are also regressive - that is, they provide greater benefit to those living in more valuable properties and no benefit to those living in private rental housing, the elderly unemployed or low income superannuants. Concession schemes operate unfairly. Asset rich and income poor people are required presently to pay half the rates, thereby depleting their low level of income for present living costs. A deferral scheme leaves the pensioner with the whole of their present income intact. Under the present scheme of public subsidy on rates concessions, this is for the benefit of the beneficiaries of the estate of the pensioner, not the pensioner himself or herself. Thus relatively affluent children obtain the benefits of publicly subsidised untaxed capital gains windfalls.

I also regret that Mrs Carnell does not pick up more from ACTCOSS, but I would not accept Mr Whitecross's argument that because Mrs Carnell has picked up only one we should reject the arguments. That is a silly argument, I would say. I think we should be very pleased that Mrs Carnell has picked up this proposal and should encourage her to do more of it.

The Government, in fact, has not removed the concession completely. It has only capped it at \$250, and it also applies only to new pensioners, not existing pensioners. The initial revenue impact is not very large, but over time it will grow. The Greens agree that the cap on concessions is probably actually more equitable than a 50 per cent rebate. A lower valued property, with rates of say \$500, would still attract the same concession as it would now, but a higher valued property will now have a reduced rebate. While the argument about asset rich and income poor people is valid, the option of deferral remains. All members of this place are aware that many pensioners do not use a deferral scheme. The Government has tried to improve the process of deferring rates in this Bill.

We also support the final part of the Bill which revokes the notional values in the Kingston-Griffith area. This was a recommendation of the Stein report. For the reasons I have outlined, we will be supporting this Bill and not Mr Whitecross's amendments.

MRS CARNELL (Chief Minister and Treasurer) (6.22): Mr Speaker, in a perfect world I expect we would all like to have a situation where all pensioners could receive maximum rebates. I expect, preferably, that we would like to see a situation in our community where people on lower incomes did not pay any rates at all. In a perfect world that would be the case. The reality, though, Mr Speaker, is that it is not possible - funny about that - because we have to pay for things such as health, education, police and all of those sorts of things.

13 May 1997

It is true, as Ms Tucker and others have said, that in the short term this approach really does not pick up a lot of revenue at all, but in the long term, and that is what we have to think about here, the impact of not capping rates becomes significant. We all know that Canberra's population is ageing. The Bureau of Statistics has advised that the number of residents aged over 65 is expected to rise from 22,500 this year to 25,500 by the year 2000, and to 38,500 by the year 2010. If we allow this situation of a 50 per cent rebate which is uncapped to continue into the longer term, we are going to end up with a significant problem in our revenue area. We simply cannot allow it to go unchecked. Rosemary Follett understood that. Certainly, ACTCOSS understands that as well. If it is left to go unchecked, the amount of rates revenue rebated will become a major drain on ACT revenue.

Mr Speaker, we believe strongly that the \$250 is very much in line with other States and with the sorts of rebates that are given in other parts of Australia. As much as it would be nice to maintain the current scheme, I think in this place we all have to look to the future and look to what could cause a very real problem for the ACT down the track. As I said before, we have upgraded our deferral approach. We have made it easier to access. We certainly will be marketing that approach via ACTCOSS and via the ACT Government, to ensure that pensioners are aware of their rights to defer.

I certainly commend the Bill to the Assembly and I suggest that Mr Whitecross's amendments are short-sighted. It is political opportunism in the extreme; any effort whatsoever to oppose anything the Government puts forward, Mr Speaker. This Bill does not give us any revenue or much revenue in the first year. It will be a quite long time before it does, Mr Speaker. It is certainly not something that you would suggest is a vote winner for the Government, I would have to say; but it is an approach that the Government has taken because it is important that we, as a Government and as an Assembly, have a long-term view of revenue in the ACT. Wherever possible, we must make sure that our taxing approach is fair, equitable and properly targeted, but also keep in mind the long-term best interests of the ACT.

MR WHITECROSS (Leader of the Opposition) (6.25): I am surprised that Mrs Carnell thinks that I oppose everything she does just for the sake of it. I am actually supporting most of the provisions of this Bill. I also am surprised to hear Mrs Carnell say how concerned she is about fairness, because my only motivation in opposing this provision is to do with fairness. As I said before, and I will be brief, this is not going to raise a lot of revenue for the Government, but it will cause hardship for individuals who are caught by the new rules. I believe, Mr Speaker - - -

Mrs Carnell: Nobody loses anything they have currently.

MR WHITECROSS: Mrs Carnell says nobody will be caught by the new rules.

Mrs Carnell: No, I did not say that.

MR WHITECROSS: That is simply not the case. Existing pensioners will not be caught by the new rules, but lots of pensioners will experience hardship as a result of these rules. The circumstances of those new pensioners ought to be taken into account, their hardship ought to be taken into account, by a government which claims to be

13 May 1997

concerned about fairness. That is why we are opposing this, Mr Speaker. I do not think it is a commitment of fairness to people on limited incomes. Experiencing disadvantage is not just a matter of political opportunism. This is a matter of fairness. Fairness is one of the things that I was elected to stand for, and it is one of the things I will stand for.

Question put:

That the clause be agreed to.

The Assembly voted -

AYES, 9

Mrs Carnell
Mr Cornwell
Mr Hird
Mr Kaine
Mrs Littlewood
Mr Moore
Mr Osborne
Mr Stefaniak
Ms Tucker

NOES, 6

Mr Corbell
Ms Horodny
Ms McRae
Ms Reilly
Mr Whitecross
Mr Wood

Question so resolved in the affirmative.

Ms Tucker: Mr Speaker, under standing order 165, I ask that the vote be taken again.

MR SPEAKER: Is it the wish of the Assembly to conduct the vote again? There being no objection, that course will be followed.

The Assembly voted -

AYES, 10

Mrs Carnell
Mr Cornwell
Mr Hird
Ms Horodny
Mr Kaine
Mrs Littlewood
Mr Moore
Mr Osborne
Mr Stefaniak
Ms Tucker

NOES, 5

Mr Corbell
Ms McRae
Ms Reilly
Mr Whitecross
Mr Wood

Question so resolved in the affirmative.

Clause agreed to.

Clause 12 agreed to.

Clauses 13 and 14, by leave, taken together, and agreed to.

Clause 15 agreed to.

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

Bill agreed to.

HEALTH PROMOTION (AMENDMENT) BILL 1997

Debate resumed from 20 February 1997, on motion by **Mrs Carnell**:

That this Bill be agreed to in principle.

MR BERRY (6.34): The Opposition will be supporting this Bill. Mr Speaker, the Bill seeks to transfer to the board the actual amounts rather than the alternative arrangements which have been in place. Health promotion in the Australian Capital Territory was started by the Labor Party and since then it has been improving on an incremental basis. It has now risen to the point where the 5 per cent figure applies to health promotion in the ACT.

There is an issue that causes one to think about this a little bit. If tobacco franchise fees increase, on the one hand you could say that that might indicate a failure of Healthpact, but they would be very happy to take the money and use it. On the other hand, you might say they need the extra money because their policies have not worked and they need to devote more to the issue of tobacco consumption. Mr Speaker, I trust that Healthpact will not be holding out a welcoming hand for extra tobacco fees, because in some way they would have to accept that their policies need to be better focused to reduce tobacco fees. In essence, that means that they are undermining their own future in terms of health promotion. I trust the day will come when they do not have a lot of money to play with from tobacco fees, but I fear that that is a long way off.

It is certainly a long way off while ever the Government chooses to extend the period where the promotion of the consumption of tobacco will occur in licensed premises. The Government has played into the hands of the tobacco companies and the licensed premises in the Australian Capital Territory. It has, in fact, discriminated against those law-abiding people in licensed premises who have chosen to put in air handling equipment in accordance with the relevant legislation. The Government ought to be ashamed of itself. Its supporters, too, should be ashamed of themselves because of the Government's intention to extend this period of tobacco consumption. Mr Speaker, 2½ years was enough. We did not need an extra 18 months. Notwithstanding that, the Labor Party will be supporting this Bill.

13 May 1997

MRS CARNELL (Chief Minister and Minister for Health and Community Care) (6.37), in reply: Mr Speaker, I am very pleased to have the support of the Assembly on this important issue. Health promotion is important to the ACT. This Government has been very pleased to be able to increase the funding to health promotion since we came to power, and I hope we will be able to continue to do so. I agree with Mr Berry that there is a certain interest in the fact that, because of the way we are funding it at the moment, if cigarette sales go down so will funding. I think that is a hurdle we will get over at the time. Let us hope that sales of tobacco products go down very shortly.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

PRIVATE MEMBERS BUSINESS - PRECEDENCE
Suspension of Standing Orders

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

That so much of the standing orders be suspended as would prevent order of the day No. 1, private members business, relating to the Landlord and Tenant (Amendment) Bill 1997, being called on forthwith.

LANDLORD AND TENANT (AMENDMENT) BILL 1997
Detail Stage

Clause 1

Debate resumed from 7 May 1997.

Clause agreed to.

Remainder of Bill, by leave, taken as a whole

MR STEFANIAK (Minister for Education and Training and Minister for Housing and Family Services) (6.38): Mr Speaker, I move:

Page 2, line 10, after clause 5 insert the following clauses:

“Receipts to be given for payments by way of a bond or of rent

5A. Section 57 of the Principal Act is amended -

- (a) by omitting 'A person' and substituting 'Subject to subsection (2), a person'; and
- (b) by adding at the end the following subsection:

'(2) This section does not apply in respect of a payment by way of a bond or rent that is made to the Territory, a Minister or a public authority of the Territory.'

“Insertion

5B. Before section 2A of the Principal Act the following section is inserted in Part IIA:

Application

'62AW. This Part does not apply in relation to prescribed premises in respect of which a lease has been granted by the Territory, the Executive, a Minister, the Commonwealth, a Commonwealth Minister or a public authority of the Territory or the Commonwealth.'

“Court to consider hardship

5C. Section 71 of the Principal Act is amended -

- (a) by omitting from subsection (1) 'On the hearing' and substituting 'Subject to subsection (4), on the hearing'; and
- (b) by adding at the end the following subsection:

'(4) Subsection (1) does not apply in relation to prescribed premises in respect of which a lease has been granted by the Territory, the Executive, a Minister, the Commonwealth, a Commonwealth Minister or a public authority of the Territory or the Commonwealth.'.

Mr Speaker, the amendment proposes new clauses 5A, 5B and 5C. These have been circulated and I understand that some members, including Ms Reilly, have had briefings in relation to them. The effect of the amendment would be to remove ACT Housing Trust tenancies from the operation of these provisions, thus allowing the ongoing effective administration of public housing in the ACT. I carefully read Ms Reilly's tabling speech in February. This amendment ensures that the points of concern she has are addressed. I think no-one has any problems with that. I do note that the Residential Tenancies Bill will be brought down on Thursday; but, be that as it may, the major concerns she raised in her speech are addressed.

13 May 1997

These three proposed new clauses ensure that ACT Housing can continue its effective administration of public housing. The Bill will not interfere with that. Section 57 of the principal Act, Mr Speaker, to which proposed new clause 5A relates, requires a person who receives payment of rent or a bond to provide a receipt for each and every payment and specifies a range of details. That would have necessitated ACT Housing issuing about 12,000 receipts every fortnight. Quite clearly, I do not think that is intended by Ms Reilly's Bill. It is unnecessary. There are other procedures in place. It would mean that ACT Housing would have to spend extra money and would probably raise standing order 200, which would be a problem too. So, quite clearly, I think ACT Housing needs to be exempt from that; hence proposed new clause 5A. So, to avoid additional costs to the administration of public housing, which could not be justified, the amendment is necessary.

Mr Speaker, there is also an amendment which covers section 62A of the principal Act. Section 62A of the principal Act would effectively prevent ACT Housing, in accordance with the Housing Assistance Act of 1987, from undertaking an annual general rent review of its 12,000 or so tenancies. This is because the provision requires that there be an interval of at least 12 months between the commencement of a tenancy and the date of a rent increase. This means that the rents of some 2,500 dwellings allocated during the 12 months preceding a rent review in each year could not be increased until after a full 12 months had passed for each tenancy commenced.

Further, it would also cause rent increases for those dwellings to become unsynchronised with increases for dwellings generally. That would be most unfortunate because 12-monthly rent reviews are an effective and cost-efficient mechanism for keeping public rents consistent with market levels. The practice is well understood and accepted by our Housing Trust tenants. Furthermore, there is no equity issue to be addressed because practically all new tenants qualify for rent rebates, so they are unaffected by increases in market rents for the dwellings they occupy. Without this amendment, which is proposed new clause 5B, the effect of the provision would be to increase administrative costs without conferring any corresponding benefit on public tenants generally. Again, that would raise the question of standing order 200. Accordingly, that is necessary.

I am advised that section 71 of the principal Act - I have spoken to the Chief Magistrate about this - requires a magistrate to consider in eviction proceedings the hardship of a tenant compared to that of a landlord. I am told by lawyers that therefore this provision could have the effect of reducing ACT Housing's capacity to secure evictions of public tenants because they could always be considered to be in greater hardship than ACT Housing. That could have the effect that no-one could ever be evicted. Quite clearly, I think that is no-one's intention here. Accordingly, it is necessary for that to be amended as set out in proposed new clause 5C.

With this amendment, Mr Speaker, what Ms Reilly said in her tabling speech is brought into effect. Primarily, I think sections 63 and 64 really cover the things which she wants to achieve, and, of course, they stay totally intact as a result of this. This amendment will enable ACT Housing to operate reasonably effectively under the Landlord and Tenant Act 1949, as amended, pending that Act being replaced by the new and comprehensively reformed residential tenancy law. This amendment also ensures that the rights of public tenants are protected. I commend it to the Assembly.

MS REILLY (6.45): I just reiterate what I said when I introduced this Bill. I still wonder about the reluctance of the Minister for Housing to want to be part of the Landlord and Tenant Act. This has necessitated him amending my Bill. Originally, as I said in my tabling speech, the idea was to ensure that ACT Housing was subject to similar conditions in relation to evictions to other landlords. In fact, one of the issues that brought this to our attention was an appeal in the Supreme Court in the case of the Commissioner for Housing v. Little. It was suggested that ACT Housing should conduct itself as a model landlord and it was not in the spirit of the Commonwealth-State Housing Agreement that ACT Housing bring proceedings under the 1899 Act rather than under the 1949 Act. In fact, the respondent, the tenant being evicted, was discriminated against because no other landlord would have access to the 1899 Act. I suppose that is the spirit in which we are looking at my Bill.

The amendment that Mr Stefaniak has put up raises a few unintended consequences of the introduction of my Bill. Proposed new clause 5A refers to the receipting processes of ACT Housing. I can understand the difficulties for ACT Housing if they did have to provide further receipts. From a description of the process in relation to receipts of money, it would appear that this process is open and tenants are able to find out what moneys they have paid - although I am quite sure that some of them would be interested in receiving some of their maintenance bills a little earlier than they do. But that is a side issue and is not a part of this Bill.

Proposed new clause 5B refers to a change to section 62A of the principal Act and that relates to rent increases. I am hoping that the numbering, 62AW, is accurate. I hope that was checked, because my copy already has a section 62AW in the principal Act. That aside, the issue relates to rent increases. I think that the Minister's concerns are fairly heightened. I am not quite sure that the costs that he suggests would be there. There have been suggestions in other places that ACT Housing records probably leave much to be desired, and whether they would be affected if they had to do a staggered rent increase is a bit uncertain. I would also question what the cost might be if they had to do this. I am quite sure there are computer programs that could do it very easily on a day-to-day basis.

I was interested to hear about the fact that they have annual reviews in ACT Housing. I was told that the rent reviews are every three years. That is an issue about the internal processes of ACT Housing that I am sure can be sorted out elsewhere. I am quite sure that rent reviews are done in such a way that none of the tenants would be disadvantaged with the change in the rent market as it currently stands. So, in relation to proposed new clause 5B, at this stage I have no objection, although I do wonder at the reasons behind some of the Minister's concerns about this.

I do have more concerns, though, in relation to proposed new clause 5C, which is going to amend section 71. I have had discussions in relation to the exclusion of section 71 of the principal Act at this time. I go back to remind members that the basic criterion for setting up this Bill which I introduced in February was to ensure that eviction processes that ACT Housing undertakes are open and transparent and fully accountable to the tenants affected. I understand that the exclusion of section 71 at this time will not cause

13 May 1997

ACT Housing to be advantaged over any other landlord and that evictions will be undertaken in a way that is helpful, or as helpful, I suppose, as any eviction can be, to a tenant who is being asked to leave any ACT Housing premises. I hope there is time for people to work through the process. I hope that the information that is provided to tenants ensures that they are fully aware of what the process is. Some change will be required to some of those processes when this Bill passes. I hope that people are given that information about the timings that will come about under this Act.

In relation to accepting section 71 and the amendment that is suggested, I will continue to be interested in what happens with evictions. I will bring it to the attention of the house if there are any issues that arise that would cause undue hardship to a tenant who is being evicted. People in that situation - as a number of public tenants are already - do not need additional pressure put on them by unfair processes from ACT Housing.

I suppose one of the best things about looking at the outcome of this Bill and the amendment put up by the Minister for Housing is the welcome and exciting news that the Residential Tenancies Bill will finally be introduced into this house. I was beginning to think this was a myth, or that it was something I had dreamt; but I have seen it on the notice paper. If it turns up on the blue sheet on Thursday, you never know, we might actually see the draft.

MR SPEAKER: Order! Do not pre-empt debate, Ms Reilly.

MS REILLY: I am just sharing glad news, Mr Speaker. I am sorry, Mr Speaker. I just want to share my joy on this possible announcement.

MR SPEAKER: Your apologies are accepted.

MS REILLY: Seriously, it is important that we get good residential tenancy legislation in the ACT. It will benefit all people in the ACT. Not just public or private tenants are affected by that; the whole of the ACT obviously benefits from good legislation. If we had had that legislation, of course, it would not be necessary to have some of the amendments in the Bill that is being presented to us today. On that basis, I am not raising any further objection to the amendment put forward by Mr Stefaniak.

MR MOORE (6.51): Mr Speaker, I thought I would take a moment to say a few words in support of the work that Ms Reilly has done here. The process that led to a compromise on Ms Reilly's legislation is very good. I have some doubts about the amendment put up by Mr Stefaniak and I will be joining Ms Reilly in watching very carefully as this process goes ahead. We do know that it is a relatively short-term process whilst we look at the new legislation that we hope will be tabled at some time in the next three or four months, or six months, or a year or two, or whatever. I know, Mr Speaker, that we are assured it will be tabled this week, but for quite some time we have been assured it is coming this week, this year, or whatever. It seems to me that the outcome of this legislation should still be very positive.

MS TUCKER (6.52): The Greens will be supporting this Bill and the amendment. My officers, like many others in this place, deal with a constant stream of issues facing public housing tenants in the ACT. It certainly is not clear what processes are in place sometimes and I think this Bill will be very useful in creating a level playing field - something Liberals like to talk about. It is no wonder that many organisations have been arguing for more complete residential tenancy coverage of public housing. These include the Law Society, the Tenants Union, the Welfare Rights and Legal Centre, the Consumer Affairs Bureau, and the former Youth Accommodation Group.

The Community Law Reform Committee, in its report on private residential tenancy law, formed the preliminary view that the ACT Housing Trust should be bound by the proposed Residential Tenancies Act because the problems are broadly the same, whether the lessor is a private individual, a corporation or the ACT Housing Trust. The committee stated that public tenants should have the same rights, protection and obligations as private tenants. They did recommend that the issue required more investigation, but I think the issue of eviction is one very clear area where better legislative protection is required.

When Ms Reilly tabled this Bill the Government had been promising new residential tenancies legislation for some time. Although it has been promised for a long time, it has been a long time coming. I am very pleased that it will be tabled on Thursday, and I share Ms Reilly's enthusiasm. At the time Ms Reilly prepared this Bill it was still unclear whether or not the legislation would cover public tenants. Now we have been assured that it will cover ACT Housing. We are, however, still faced with the situation that, although we have new legislation about to be tabled, which we are assured will cover public tenants, it will still be some time before it comes into effect. In the meantime, public tenants have a right to due process when it comes to eviction, and this is clearly the intention of Ms Reilly's legislation.

The Government has put forward an amendment. Since Ms Reilly tabled her legislation the Government has come forward with evidence that there are unintended consequences of the Bill. Some of these unintended consequences are probably not a bad thing. Anyway, we are interested. We are prepared to support the amendment, although we also will be keeping a close eye on what happens. Ms Reilly has been very reasonable in agreeing to the Government's amendment, and we will support it.

Amendment agreed to.

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

Bill, as amended, agreed to.

ADJOURNMENT

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

That the Assembly do now adjourn.

Legislative Assembly - Eighth Anniversary

MR MOORE (6.55): Mr Speaker, I rise on the first sitting day after the eighth anniversary of this Assembly to recall that it was on 11 May 1989 that we first met. As I look around at the members sitting here at the moment, I recall that Mr Berry, Mr Kaine, Mr Stefaniak and I were there. Mr Humphries and Mr Wood were also there on that day. Mr Speaker, I have a range of memories of that First Assembly, of the beginning of that time. The thing in my mind that contrasts most greatly is the changing community attitude towards the Assembly. I take this opportunity to draw new members' attention to how delicate the community attitude is. Those of us who were in the First Assembly, and even those who were in the Second Assembly, would know that there is a changing attitude. It has been a particularly difficult exercise for some of us to gain some credibility. Mr Speaker, I think it is a very delicate matter which we all need to treat very carefully. It will be very interesting to see what sort of celebrations are part and parcel of our tenth anniversary.

Sister City Relationships

MR BERRY (6.57): Mr Speaker, today I received in my office a press release from Australians for a Free East Timor and the Canberra Program for Peace, and it is headed "Canberra/Yogyakarta: Carnell in secret sister city deal". I will read it, Mr Speaker. It says:

Indonesian news agency, Antara ... claims, "Indonesian Ambassador to Australia and Vanuatu, Mr S. Wiryono, has said Australia's Capital City Territory ... (ACT) of Canberra is eyeing Yogyakarta for a sister-city relationship. ACT chief minister, Kate Carnell, has sent a letter to Tony Ectaway ... about this and the forming of such a relationship has already been approved".

Mr Speaker, I raise this issue because that is the first I have heard of it and Mrs Carnell may wish to make a comment on it. I certainly would be very interested about any sister city relationship with a city in Indonesia.

Mr Moore: Any sister city relationship should go through an Assembly committee.

MR BERRY: Indeed, and that may be a controversial one. As Michael Moore rightly interjected, any city sister relationship should be dealt with by the whole Assembly, through one of its committees, or by a means which gives the rest of Canberra at least some opportunity to have an input into the issue. It is very clear that there would be some people out there in the community who would be most upset about a sister city relationship with an Indonesian city. I certainly would want to think about it. It would be a shame if this were to go ahead without the Assembly being fully informed on the matter.

Sister City Relationships

MRS CARNELL (Chief Minister) (6.59): Mr Speaker, I agree that it would be absolutely atrocious for the Government to enter into a sister city agreement without informing the Assembly, or, for that matter, our party, or anybody else. On Monday morning my office received a telephone call from a constituent who claimed that it had been reported by the Antara news agency, on the Internet, that on 8 May 1997 the Indonesian Ambassador, Mr Wiryono, had addressed a group of 35 lecturers at a university and stated that the ACT Government had established a twinning arrangement between Canberra and Jakarta. I think he probably meant Yogyakarta. Anyway, the Ambassador said that the twinning arrangements had been approved in a letter from the Chief Minister to Mr Tony Eastaway, President of the Australia-Indonesia Association of the ACT.

Mr Speaker, it might be appropriate for me to table that letter. The first paragraph of that letter says:

Thank you for your letter of 9 April 1997 in response to the Government decision not to enter into any further sister city relationships at this stage.

Notwithstanding this fact, and as you mention in your letter, there are advantages to be had by fostering closer ties. The Government welcomes and encourages opportunities for the development of friendship relationships with other cities.

In this context, I have asked the Executive Director of CanTrade, Simon Woolmer, to contact you -

and so on; all that sort of normal stuff. There is the letter, Mr Speaker. I am happy to table the first letter as well, which said categorically that we were not planning to enter into a sister city relationship at this stage.

13 May 1997

Mr Speaker, as a government, we believe strongly that sister city relationships have to come from the ground up. They have to be supported by the community first. They have to have a ground swell of community support to support the infrastructure of a sister city relationship. Certainly, as a government, we are very interested in fostering relationships between ACT business, cultural and educational facilities and other cities in our region. We are very happy to follow up on those sorts of approaches, whether it be from Yogyakarta, Korea or, for that matter other cities or countries, but we are certainly not in the business of entering into secret twinning arrangements.

Question resolved in the affirmative.

Assembly adjourned at 7.02 pm