



**DEBATES**

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

**HANSARD**

24 June 1997

**Tuesday, 24 June 1997**

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**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**

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

By **Mr Moore**, from 29 residents, requesting that the Assembly pass a Bill allowing for a Territory-wide referendum on the matter of legalising strictly and properly regulated voluntary euthanasia for the terminally ill.

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

### **Voluntary Euthanasia**

*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 respectfully draws the attention of the House to the issue of legalising voluntary euthanasia for the terminally ill.

Your petitioners request the Assembly to pass a Bill allowing for a Territory-wide Referendum on the matter of legalising strictly and properly regulated voluntary euthanasia for the terminally ill.

Petition received.

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**CONSIDERATION OF ASSEMBLY BUSINESS**  
**Suspension of Standing Orders**

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

That so much of the standing orders be suspended as would prevent orders of the day Nos 32 and 35, Assembly business, relating to the Report of the Select Committee on Estimates 1997-98 on the Appropriation Bill 1997-98 and the Government's response, being called on in sequence immediately after the resolution of any question relating to the conclusion of consideration of order of the day No. 1, Executive business, relating to the Appropriation Bill 1997-98.

**APPROPRIATION BILL 1997-98**

[COGNATE PAPERS:

ESTIMATES 1997-98 - SELECT COMMITTEE -  
REPORT ON THE APPROPRIATION BILL 1997-98

ESTIMATES 1997-98 - SELECT COMMITTEE -  
REPORT ON THE APPROPRIATION BILL 1997-98 -  
GOVERNMENT RESPONSE]

Debate resumed from 13 May 1997.

**Detail Stage**

**MR SPEAKER:** Is it the wish of the Assembly to debate this order of the day concurrently with the report of the Select Committee on Estimates 1997-98 on the Appropriation Bill 1997-98 and the Government's response? There being no objection, that course will be followed. I remind members that in debating order of the day No. 1, Executive business, they may also address their remarks to orders of the day Nos 32 and 35, Assembly business.

Standing order 180 sets out the order in which this Bill will be considered; that is, in the detail stage, any Schedule expressing the services for which the appropriation is to be made must be considered before the clauses and, unless the Assembly otherwise orders, the Schedules will be considered by proposed expenditure in the order shown. With the concurrence of the Assembly, I am proposing that the Assembly consider Schedule 1 by part and appropriation unit for parts 1 to 8, 11 to 14 and 16 and 18; and by part, appropriation unit and departmental total for parts 9, 10, 15 and 17. Is this the wish of the Assembly? That being so, Schedule 1 will be considered by part and appropriation unit or, where applicable, departmental total, then the clauses prior to Schedule 2 and the title.

Schedule 1 - Appropriations

**Part 1 - Legislative Assembly Secretariat**

Proposed expenditure - Legislative Assembly Secretariat, \$6,340,000 (comprising net cost of outputs, \$3,264,000; and payments on behalf of Territory, \$3,076,000)

**MR MOORE** (10.35): Mr Speaker, I thought it important to rise and speak in support of this part of the Appropriation Bill and to draw attention to the Government's response to an issue raised by the Select Committee on Estimates. The Government's response to the committee stated:

*"The committee noted that the current security arrangements were necessary following a cut of \$200,000 in the Assembly's 1995-96 budget."*

The Government wishes to point out that there is no logical connection between the cut in the Assembly's budget and the changed security arrangements.

Wrong, Chief Minister! The response continued:

Decisions regarding security arrangements are made by the Assembly Standing Committee on Administration and Procedure.

Wrong again! The response continued:

The Government agrees that the current arrangements are unsatisfactory -

right; finally -

a point emphasised by members of the community.

In fact, this was written before some arrangements of the security system were changed. I think most members would find now that the security system is much more satisfactory. As far as I am concerned, it will never be totally satisfactory until this Assembly has an appropriate level of security 24 hours a day; and it does not. I used the word "wrong" twice. I think it is fair that I then clarify what I mean when I say "wrong". The response states:

Decisions regarding security arrangements are made by the Assembly Standing Committee on Administration and Procedure.

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I said, "Wrong". The decisions are made by the Speaker. The Standing Committee on Administration and Procedure advises the Speaker. I must say that I am delighted that on most occasions the Speaker has taken that advice very seriously. In fact, it is not the case that the decision was made by the committee. The response also said - and this is the most fundamental point - that there is no logical connection - - -

**Mrs Carnell:** The Speaker told me it was you guys.

**MR MOORE:** Chief Minister, go and look at the Assembly's budget. This Assembly's budget is the cheapest budget of any legislative assembly in Australia, by miles. We started that way, and most members are very proud of that.

**Mrs Carnell:** The cheapest Executive by miles, too.

**MR MOORE:** I hear the interjection, "The cheapest Executive by miles". I will come back to that. I agree with that. But the reason there is a logical connection is that there is just nowhere else in the budget for us to move to accommodate this level of cutting. I think it was an extraordinarily silly thing for us to begin to cut, as an overall concept, the Legislative Assembly budget. It was different from every other section of government, in that when we got self-government every other section of government came over and then needed to be cut in a matching way with our cuts from Federal funds. I will come back to that. But what happened with the Legislative Assembly was that we were established to run on a shoestring, and we have been running on a shoestring compared to even the next cheapest assembly budget in any other jurisdiction. Remember that those other jurisdictions also do not have local council functions as well. In doing a comparison, it would be fair to actually take into account the cost of local councils.

That having been said, I think it is reasonable to say that, as far as I am concerned, the total budget of the Assembly has been contained. It has caused us some difficulties. I think the security arrangements are going to continue to cause some difficulties for this Assembly, until we can reach a point where we have the ability to employ security officers at this Assembly 24 hours a day, the same as every other parliament in Australia and most buildings in the ACT that contain government departments that have security measures installed.

**MR BERRY (10.40):** I rise to follow on from Mr Moore in relation to the issue of security. The issue of security was one that had to be dealt with by the Administration and Procedure Committee, for certain. As has been pointed out, it became necessary after the Government cut the Assembly budget. The Government has always been quick to criticise the Assembly security arrangements. When the Administration and Procedure Committee and the Speaker decided on certain security arrangements, both the Chief Minister and the now Deputy Chief Minister tended to be critical of the new security arrangements. Is it not amazing where the complaints first came from? Yes; that is a good question, because the first complaints came from Mr Humphries's office and from other Government members. They were the ones that complained about the lack of security arrangements. That is why the Administration and Procedure Committee acted to deal with problems facing staff.

It is not only the Chief Minister that the Assembly has to worry about in terms of security; it is her staff as well. Whilst the Chief Minister and the now Deputy Chief Minister might like to posture out there in the community about how these added security arrangements are unnecessary - they might be for them; they might not care about their own political hides - I would like to see a little more care taken for their staff. That was a very serious consideration which had to be addressed by the Assembly committee. There seems to be a philosophical barrier against caring about the safety interests of staff from that lot over there. It is not a barrier that prevents me from taking action, because the new arrangements are a proper and responsible reaction to the needs of working people in their place of work. This working place is no different from any other.

Mr Speaker, what we have seen in relation to this security matter is a political reaction to a practical problem. There was some political grandstanding by the Chief Minister and the now Deputy Chief Minister. What is most interesting about it is that the first complaints came from the Deputy Chief Minister's office. They were acted upon accordingly. I think the Government ought to keep its head down on this one because there is a fair bit of hypocrisy floating around. The Government were quick to cut the resources of the Assembly, and then they complained about the result of their cuts. When the Speaker and the committee, the Administration and Procedure Committee, acted to resolve difficulties with security, the Government complained again. This is a mob that you just cannot please. We were not that concerned about pleasing them politically; what we were concerned about, of course, was providing satisfactory security measures. They are much less stringent than might apply in a whole range of other places, including, I suggest, many ACT Public Service offices. The grizzling was quite unnecessary and was just political posturing.

**Mrs Carnell:** Mr Berry, is there a Public Service office in the ACT that you cannot walk into during the day?

**MR BERRY:** Try the one over there with finger scanning. The fact of the matter is that the Government has been caught out in relation to this; there is no question about that. They cut the Assembly's funds; they complained about security arrangements; and then they complained about the quite reasonable security arrangements that were put in place to protect not only them but also their staff. Minister Humphries's office was one of the first to complain. Other Government members complained about the security arrangements. They got a proper reaction, but we got a political whinge from the Chief Minister and her second-in-charge. I think they have been exposed for the hypocrisy of their stand in relation to the issue.

The other matter I want to talk about, Mr Speaker, is the politically inspired review of members' salary allocations.

**Mrs Carnell:** What has this to do with the budget? It is actually budget neutral.

**MR BERRY:** The Chief Minister says, "What has this to do with the budget?". It is about the supply of money to the Assembly for the payment of staff; that is what it has to do with the budget. You are struggling with this Treasury portfolio because you do not understand these quite simple things.

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The first point I would like to raise is that there was no consultation from this open and consultative Government regarding the terms of reference of the review or the appointment of Mr Prasad as the consultant. I think the two important points that ought to have been dealt with in the first place are proper consultation and dealing with an issue at the contemplative stage. The Government did not do that. They made a political judgment to deal with this issue and decided upon the terms of reference; they decided on the outcome they wanted; and they appointed a consultant who would deliver the outcome.

The first advice that we received - that is, that Labor received - that the \$29,500 review was to be carried out came after Mr Prasad had started work. There was no prior consultation with members' staff or with their unions. Indeed, there had been no formal discussion of members' salary allocations since November 1995. This was a politically inspired move, Mr Speaker. In that environment, it would be difficult for any worthwhile review to be carried out. The exercise was further flawed by the very short timeframe in which Mr Prasad was required to work. The Chief Minister's advice of the consultancy was received on 9 July 1996, and the deadline - slightly extended - was 31 July. Mr Prasad was not in the Assembly on a sitting day, for heaven's sake. How can he conduct a review of members' salary allocations when he does not even turn up to the Assembly on a sitting day to see exactly what happens? Not once! That review clearly started out with an objective.

The outcomes for non-Executive members are premised on the belief that the current situation in relation to staffing for Executive members is correct. Mr Moore said - I think it is in *Hansard* - that in the report a number of Executive staff members were left out of this review. Of course, that is true. Mr Speaker, there is another example of Mr Prasad not approaching the issue as openly as he ought to have. The Prasad report was shallow; it had objectives set from the outset; and it was not established with proper consultation before it commenced.

**MR SPEAKER:** Order! The member's time has expired. I remind members that they each have two periods not exceeding 10 minutes for each part of this budget debate.

**MR HUMPHRIES** (Attorney-General) (10.50): Mr Speaker, I rise to answer some comments made by Mr Berry in this debate. Let me refer, first of all, to the question of security arrangements in the Assembly. The Liberal Party's view remains that the adoption of new security arrangements had the unfortunate effect of making access to members of this Assembly more difficult and in a way which we believe, and continue to believe, is difficult to justify. It is true, of course, that members of my staff and perhaps of other members' staff - I do not know - have expressed the view in the past that security in the Assembly left something to be desired. I make no secret of that. In certain respects I think there were arguments for new arrangements to be put in place. However, it is drawing a longbow, on Mr Berry's part, to suggest that, because staff of certain members of this place asked for a review of security arrangements, those staff members and, indeed, those members were lumbered with the result that came forward from the Administration and Procedure Committee in whatever form that might have been.



Mr Speaker, you will recall that the Liberal Party transmitted a message to the Administration and Procedure Committee that it found the proposed new arrangements, before they were adopted, quite unsatisfactory and very damaging to the access that members would be able to engineer with their own constituents. That view was conveyed very clearly to the Administration and Procedure Committee, and the committee promptly decided to ignore those concerns.

**Mr Kaine:** This is consultation!

**MR HUMPHRIES:** This is consultation! Members in this place are very fond of lecturing this Government about its inadequate consultation mechanisms; yet, when the Liberal Party was asked to convey to the Administration and Procedure Committee a view about the new security arrangements - and, in a sense, the Executive, the ministry, is more heavily affected by the security arrangements than some other members because they have, I dare say, on average, many more visitors per day than other members do - that view was completely ignored. No changes were made to the arrangements based on the concerns expressed by the Liberal Party.

**Mr Berry:** Sometimes you are wrong.

**MR HUMPHRIES:** That is a very interesting comment, Mr Berry - "Sometimes you are wrong". If I had had consultation with the community about a particular proposal and rejected it, you would boast in this place that I had said, "Sometimes they are wrong; I am not going to listen to them because sometimes they are wrong", and you would crucify me.

**Mr Kaine:** He would try.

**MR HUMPHRIES:** Well, he would try; yes. You would be jumping up and down here; you would be waving your arms about; you would be spitting chips; you would be doing every bit of histrionics that the guy giving Mr Whitecross acting lessons could think of; you would be doing all of those things if we had said that.

**Mr Berry:** You have to try the personal stuff on; you cannot help yourself, can you? You have to do the old personal attack, have you not?

**MR HUMPHRIES:** When it comes to members of the Assembly being consulted, we find a different story. I will return to the question of personal attack when I get to my comments on Mr Prasad's report, Mr Berry, and I will show what a person of inconsistent values you are on such matters. Mr Speaker, let me put on the record very clearly that the Liberal Party has very considerable concerns about the arrangements entered into for security in this place. They have made it difficult for constituents to get access to members. It is a matter of severe concern.

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It is true, as Mr Moore pointed out, that we have lower costs of operating this Assembly than other parliaments in Australia.

**Mr Moore:** By miles.

**MR HUMPHRIES:** By a large margin. The argument that we could afford to build in a few protections, so-called, to prevent undesirable people from getting into this place, harassing us and so on is, I think, a rather weak argument.

**Mr Kaine:** The Labor Party did not think it necessary when they were in government.

**MR HUMPHRIES:** Indeed.

**Mr Moore:** It was your office that complained about it; it was your office that started the ball rolling.

**MR HUMPHRIES:** You were not here, Mr Moore, when I made those points a moment ago.

**Mr Moore:** I was listening.

**MR HUMPHRIES:** Then you will understand that the fact that we complained about security arrangements does not mean that the arrangements that are now in place are the best arrangements that we can have. Indeed, my party objected to the Administration and Procedure Committee about those arrangements and was comprehensively ignored.

**Ms Tucker:** It was not ignored.

**MR HUMPHRIES:** Well, you made no changes to them. We asked that the arrangement not be proceeded with in that form, and there was no change. Is that a reasonable basis on which to assume that we were ignored? I do not care what members in this place say about how much attention they paid to the Liberal Party before they decided to reject every submission it made; the reality remains that it is harder for members of this community to get access to their members, because of the security arrangements in this place. The Liberal Party makes it very clear that, if it has the numbers in the next Assembly, it will remove those security arrangements because they are inequitable and are unnecessary in a place like the ACT.

There are lots of members of parliament all over this country, probably all over the world, who operate electorate offices; and those electorate offices do not have security staff available at them. Members go to those electorate offices, sit there, talk to constituents who have come through the door and have to take their chances. Members of this place, allegedly, do things like go out and eat lunch, go to the bank to take out some money or go out and buy a present for their wives or something at lunchtime. On those occasions they have to leave the cloistered enclosure of this building and wander out somewhere amongst all those hordes of homicidal maniacs who are obviously out to get them somehow; and they have to take their chances. It seems to me that the idea of making this into Fort Knox, a little fortress, to prevent access by members of the public, does not exactly offer members of the Assembly a great deal of protection in their daily lives.

Mr Speaker, I am not arguing against some different security arrangements to those that existed before. I certainly have been critical of the fact that anybody was able to wander into the building without being challenged. I continue to take the view that that issue should have been addressed in this process. But, Mr Speaker, the elaborate arrangements made to provide Commonwealth-type security for the ACT Assembly were quite unnecessary. Indeed, it was not thought necessary by those opposite when they were in government. I think there is more than a little element of game playing going on about this, about making life just a little more difficult for the Executive of the day. We know there is a little of that going on in this whole arrangement as well. Mr Speaker, that is the view of my party on that matter.

Let me make one more point, though, about the security budget and about the budget generally for the Assembly. Mr Berry would have us believe that the budget was foisted on the Administration and Procedure Committee without any consultation. He well knows that the budget for 1997-98, as was the budget for 1996-97, was forwarded to the Administration and Procedure Committee for its comment before any decisions were made. Indeed, the proposal that we had put was not challenged by the Administration and Procedure Committee. The budget was accepted, and now we are told that this was foisted on the Administration and Procedure Committee. There is a little inconsistency going on there.

Mr Speaker, my last point is about Mr Prasad and the comments made by Mr Berry in that respect. Mr Berry may disagree with Mr Prasad's report - that is his prerogative - but to suggest that he was primed to make his decisions in advance is a severe insult to and slur on a man who has loyally served a number of governments of different political persuasions for a very long period.

**Mr Berry:** He should be careful what he says.

**MR HUMPHRIES:** Mr Speaker, here we have it: The man who does not believe in personal attacks is basically accusing the Government of being able to pay off Mr Prasad and buy him at a certain price to achieve a predetermined result. I do not know what other members of this place think, but I think that is a quite disgraceful act on Mr Berry's part. I would be very happy to remind him of that in other debates, when his chest puffs out and he rises in his place to defend some attack on the integrity of the Australian Labor Party. It does not wash, Mr Berry. In this matter you have very few scruples, and most people in this place can see that fact.

Mr Speaker, I think we ought also put on record when it comes to consultation on the Prasad report, the fact that Mr Berry refused to speak to Mr Prasad. When it was suggested that there be meetings with various members of the Labor Party in this place and members of the staff of the Labor Party in this place, the answer was that all meetings, all contact with the Labor Party and its staff, would have to occur through Mr Whitecross's office and in no other way. (*Extension of time granted*) I thank members for their indulgence. Mr Speaker, I will be very brief. I table a letter which was sent to all members of the Assembly and in which it was made clear that Mr Prasad was interested in discussing with all members arrangements for reviewing the allocation of staff salaries. This was indicated to members at the very beginning of the process, on 9 July. All members were invited to have those discussions with Mr Prasad.

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The record remains that the Labor Party individually declined to take that offer up and Mr Whitecross demanded that all contact with the staff of the Labor Party be through his office. The fact of the matter is that those in this place who often bleat about lack of consultation ought to examine their own record on those matters before they lecture us on this side of the chamber.

**MR SPEAKER:** I would like to acknowledge the presence in the gallery of pupils from Ainslie Primary School who are doing an area of study called "Local Government". Welcome to your Assembly.

**MS TUCKER (11.02):** I want, first of all, to comment about the question of security. I am really concerned at how the Liberal Party, particularly, are presenting the process that occurred. As a member of the Administration and Procedure Committee, I am actually quite offended by the approach of the Liberal Party, because not only are they misrepresenting the processes that occurred within the committee but also their consequent behaviour, after the findings of that committee, was so disrespectful of the findings of an Assembly committee. I will deal with that first. Basically, what happened was that this committee came out, after deliberation, with a security arrangement. The attendants in this place and the people in the Secretariat had to basically take responsibility for ensuring that the process that was determined occurred.

What we found happening, from the Government, from the Executive even, was a very childlike response, which was, "We do not like this; so, we are not going to do it". That showed total disrespect for the people who work in this place, that is, the attendants, who felt it was their brief to take on the instructions that came out of the Administration and Procedure Committee and which were agreed to by a majority of members. I believe this shows that, as leaders, this group has shown total disrespect for workers in this place. I think you should be quite ashamed to have to admit to that, because you have a responsibility, particularly as the Executive and Government, to follow appropriate practices and show respect for employees in this place. Many times I saw people wandering around here, and I saw attendants wondering why those people were on their own. They would then have the responsibility of dealing with that person, and they would be told, "I was told to go on my own and not take any notice of this so-called security system". Well, that is great; thank you very much.

The other point is that I thought that in this place you would have more respect for what came out of a committee system. We asked the Liberal Party for feedback and consultation. The consultation process that Mr Humphries says was so lacking did involve requests for feedback. The Liberal Party did not write once to the Administration and Procedure Committee with a detailed - - -

**Mr Humphries:** We let our members make comments; we have members on the committee already.

**MS TUCKER:** There was a member on the committee, and we took his input, which basically was, "My party does not like this". Okay; we listened to that. That is not a lot to work with - "My party does not like this". We were inviting input and alternatives, which is how consultation works. But you did not bother to give that to the Administration and Procedure Committee. Like any committee, we had to consider the

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issues before us. We were presented with a report from ASIO that we were not meeting our legal responsibilities here in terms of security. We had a responsibility, as a committee, to take that seriously. You did not offer any alternative legal advice. You did not say to the Administration and Procedure Committee, "We have a different opinion about this". We did not hear any of that detail at all. I do not know why you think you should be getting so much feedback, when you did not give very much information at all to the committee. We had to make a decision on the evidence that was put before us, and that is exactly what we did.

The other point that you have made today, which I think is very unfair and not the truth - and you were giving this impression - is that it was our choice; that the Administration and Procedure Committee decided to cut security; that we made that decision because we thought it was a good idea. We were told we had to find \$300,000 of savings in this place. Were we going to see jobs go in the Secretariat? Were we going to see the processes of democracy cut, through this saving that was imposed on us? We made a hard decision, which was about security. This is another case of the Government saying, "You make the decision; you are the manager; it is your responsibility". We did not make the decision to take \$300,000 out of our budget. We had to work with that decision, which was your decision. We made that decision to cut security, because it was the least painful in terms of how this Assembly works. We did not want to take jobs out of the Secretariat.

Once again, I am afraid the version that you are putting is totally inaccurate. I want to say again, quite clearly, that I refute it. I think the Administration and Procedure Committee worked very hard in trying to find solutions. We have been open to comment about how to change it. There have been changes made quite recently to try to make it accommodate actually what members of this place and their staff want. We showed flexibility and interest in that, but we did not get it from you people over there when we asked for it. If you want to show me letters you wrote, which we did not get, giving a detailed response, then I would like to see them; but we did not receive any.

With regard to the Prasad report: There was consultation on that. We certainly spoke at length with Mr Prasad about how we worked. We had quite a few difficulties with what he came out with, obviously. There were some quite farcical elements of it, which we have already discussed in this place, such as that it was determined that we would have a leader of the Greens, and even whom it should be. That was me, because I spoke first here. I think I asked the Speaker did I need to seek leave. I think that is what I said. That is a good reason to choose a leader. There were parts of this report that were a total farce. We were also given a lot of brownie points because we pooled resources; but we were penalised for that, with a significant cut to our staff allocation. Of course, we have difficulties with it. We had alternative proposals, which we have put to the Government on many occasions in writing, and we have some feedback. But the feedback has basically been, "Sorry; I do not agree at all". Okay, that is your choice; but I would still argue that our proposals dealing with the issue of staff allocation should have been given much more serious attention, because I believe it is an issue. It is an ongoing issue, and I am sure we will have more debates on that.

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**MR WHITECROSS** (Leader of the Opposition) (11.09): Mr Speaker, I wanted to just touch on a couple of matters in this debate. First of all, with respect to the Prasad matter, Mr Humphries, as is his wont, was fast and loose with the facts in his explanation of the consultation process under Prasad. It is true that the Labor Party decided that the consultation on the staffing would be done through my office, and that was done. In the course of that consultation, Mr Prasad expressed a particular interest in relation to the staffing appropriate to the Government Whip's office and the Opposition Whip's office. I said to Mr Prasad that he could discuss with Mr Berry the specific functions associated with the Whip's office in order to assess, for himself, the additional workloads associated with that. That was in addition to the information I provided to Mr Prasad about that matter. Mr Prasad did not take up that opportunity; so, it is wrong for Mr Humphries to say that the opportunity was not offered to Mr Prasad.

Mr Speaker, moving on to the issue of security: I share with Ms Tucker a quite extraordinary level of disbelief at the Government's approach to this matter. Having imposed the situation on the Assembly, for the Government to turn around and express dismay at the security arrangements, I think, is quite extraordinary. These security arrangements were not necessary when Labor was in government, because there was sufficient allocation to allow 24-hour guards in the Assembly. The new arrangements were initiated because the Government chose to cut back the allocation to the Assembly. As a result, the Assembly had to close the security doors after hours and had to implement new security arrangements. I think it is pretty hypocritical of the Government, who made the cut, to do what they like to do and say, "We made the cut, but the decision on how to implement the cut was made by the managers. It is not our fault". No-one buys that. That is a hypocritical position, and the Government has to accept responsibility for the cuts that are made.

Having said that, Mr Speaker, I have to say I receive people in my office all the time; constituents and lobbyists of various kinds come to my office. None of them have ever had any difficulty getting into my office, I have to say. They have always received the full cooperation of the attendants in accessing my office, and I just have not experienced the kinds of difficulties that the Government are claiming that they have had with the new security arrangements. I think the Secretariat are to be congratulated for the way that they have implemented the arrangements and the way that they have adjusted to take account of the changes that have been suggested by members of the Assembly and their staff. I think they have done a very good job.

Mr Speaker, my greatest disappointment in this whole debate is that in the Second Assembly, when Roberta McRae was the Speaker of the Assembly and I was working for her, we worked hard to win an extra allocation for the Assembly to improve the arrangements for the Assembly to make it easier for Assembly members to do their job. We won an additional allocation of the order of \$300,000 for the Assembly from the then Chief Minister, Rosemary Follett. Under this Government that \$300,000 has been taken back. The Government which talks about council-style government, the Government which talks about the importance of the committee process, the Government which talks about being more in touch with the community, has gone in and wound back the progress that was made under the previous Labor Government, cut the allocation to the Assembly

and made it more difficult for Assembly members to do their job. This is a key point of distinction between the approach of the Labor Party and the approach of the Liberal Party. The Labor Party is committed to the Assembly being able to do its job and is committed to the Assembly committees being able to do their job better. But this Government has cut the allocation and made it more difficult for Assembly members to do their job. The record should show that this Government has made it more difficult for Assembly members to do their job, not easier.

Mr Speaker, one thing I am particularly disappointed about is that the first Estimates Committee addressed this issue and tried to establish a new process for determining allocations for the Assembly. In recognition of the fact that this Assembly costs about half as much as governments cost in the States, this Assembly - - -

**Mrs Carnell:** So it should; it is half the size.

**MR WHITECROSS:** No; that is adjusted for our particular circumstances. We still spend, according to the Grants Commission, half as much as other States and Territories. I am not advocating that we double our budget, but what I am saying is that we should not think we have an extravagant budget and we should not be stingy about opportunities that might arise to do our job better. Recently, the Planning and Environment Committee had an idea of leafletting certain areas of North Canberra about an issue that was affecting them. It might have been the John Dedman Parkway issue, but I am not quite sure. The funds were not there to do so; they were not allowed to do so because there were not any funds there. I do not think that is adequate. We should be thinking up new, innovative ways of getting out our messages about the committees consulting with the community; yet the message is that the money is not there to do so.

Mr Humphries talks about how they consult with the Assembly before they allocate the budget. Yes, they consult with the Assembly; they say, "This is what we are going to give you". Then the Administration and Procedure Committee says, "It is not enough". They say, "Bad luck; you are going to get it anyway". I do not think that is consultation. If the Administration and Procedure Committee did not waste any time on it this year, Mr Humphries, it is not surprising, after the treatment they got last year and the year before. The fact is that we do need a new approach to allocating funds to the Assembly, an approach which takes an expansive view of the role of the Assembly, an approach which says, "It is in everybody's interests - Government, Opposition, crossbenches - for the Assembly to be able to do their job better; most importantly, it is in the interests of the community for the Assembly to be able to do their job better". I hope that there will be a more expansive approach taken in future to this. If there is a Labor government after the next election there will be a more expansive approach taken to this, because Labor's record is clear. We are the ones who allocated additional funds to make it easier for the Assembly to do their job; it is the Liberals who cut it back.

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**MR BERRY** (11.16): I just want to put down once and for all some of the comments that were made by Mr Humphries in relation to this budget. I think he said in the course of his contribution to the debate that there had been consultation with the Assembly. My leader properly points out that what happened in the course of that consultation was that we were told how many dollars the Assembly was going to lose - remember the three-year budget - over the three years. Of course, the Assembly Administration and Procedure Committee said, "We do not like that". The Government said, "Too bad". In effect, that is what happened.

**Mr Humphries:** "In effect", he says.

**MR BERRY:** Well, that is what happened. The security arrangements were subsequently reviewed. Ms Tucker raised the point about consultation flowing to and from the Liberal Party. It is not only the Liberal Party that we have to be concerned with - the political machine, the Liberal Party party room, which takes a particular view about the politics of this and conveys a message to the Administration and Procedure Committee - but their staff, who tell us they are worried. Our responsibilities do not end with the political meanderings of the Liberal Party; in fact, they go to our responsibilities of providing the secure arrangements for staff in this place. Mr Humphries conveniently ignored that issue.

One other matter which I would like to draw attention to is the political statements that have been made publicly by the various Liberals - the Chief Minister, Minister Humphries and Mrs Littlewood. We saw a great media stunt at the front of this Assembly, with Mrs Littlewood draped across the Assembly front door under the pretence that she was unable to get in or out of the place - I am not sure which it was - which, of course, was quite untrue. It was difficult to work out which it was. Then Mrs Littlewood said she was so upset by these new security arrangements that she was going to move a motion or put forward a proposition to change it all. I do not know how many months ago that was, but I have not heard a word.

**Mrs Littlewood:** It is all right; do not worry, Mr Berry; I am biding my time.

**MR BERRY:** Mrs Littlewood interjects that she is biding her time. She is waiting for the day when she will be able to prove that the security arrangements here are onerous, because at this point she cannot.

**Mr Humphries:** That happened several months ago, Wayne.

**MR BERRY:** Mr Humphries interjects - thank you very much, Mr Humphries - that it was several months ago; it has been fixed. Mrs Carnell says, "My children cannot get in". That is quite untrue too. Unless they cannot reach the telephone out there, they can - - -

**Mrs Carnell:** No, at weekends; there is no-one to ring.

**MR BERRY:** If there is no-one in here to ring, why would they want to come in here? What a joke!



**Mrs Carnell:** The phone does not come through to my office.

**MR BERRY:** Okay, then; one of the numerous red passes that you get could be given to your children. Mrs Carnell says she has only one. We will make sure that you get some more so you can give them to your children. They can be given a pass. They can certainly get access through the front door if there is somebody in here, the same as everybody else. Do not give me that nonsense about people not being able to get in here. It has not been an issue that has confronted any of us. Sufficient action has been taken to ensure that staff and their members are kept in a safe environment.

**Mrs Littlewood:** What about our constituents, Mr Berry? What about the electors?

**MR BERRY:** Mrs Littlewood, when the day comes that you find that security here is so intense that you need to do another stunt out the front, please call me. I want to watch.

Proposed expenditure agreed to.

## **Part 2 - Auditor-General**

Proposed expenditure - Auditor-General, \$873,000 (comprising net cost of outputs, \$873,000)

**MR WHITECROSS** (Leader of the Opposition) (11.21): Mr Speaker, I was going to take the opportunity, in speaking to the Auditor-General's allocation, not so much to talk about the Auditor-General's allocation which, as chair of the Public Accounts Committee, I have already supported and which I know the Auditor-General is happy with - - -

**MR SPEAKER:** You will be out of order if you do not talk about it; but go on.

**MR WHITECROSS:** No, Mr Speaker, because you indicated earlier that this was a cognate debate.

**MR SPEAKER:** I see. You are going to talk about that as well?

**Ms McRae:** If you would let him.

**MR WHITECROSS:** If I can get my word in, Mr Speaker. I was going to talk about the Government's response to the Estimates Committee. I was just explaining to the house what I was doing, so that they would be enlightened.

This is the Carnell Government's third budget and the third time we have gone through an Estimates Committee process in relation to a Carnell Government budget. The response we received to the Estimates Committee report, I think, reflects the customary contempt in which the Government holds committees of this Assembly, and the Estimates Committee in particular as an appropriate authority for scrutiny of ACT Government budgets. We cannot take the Government's response seriously.

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**Mrs Carnell:** We agreed with it, except for one recommendation.

**MR WHITECROSS:** I am getting to that, Mrs Carnell. We simply cannot trust this Government to take the recommendations of the committee seriously. Each year Mrs Carnell, as Treasurer, has stood up here and exuberantly said that she agrees with almost all the recommendations of the Estimates Committee. She did it again this year, and she has just interjected from across the chamber to say so. Last week she said, "The Government supports, either in principle or in full, all but one of the recommendations". Last year she even went as far as saying that the Estimates Committee endorsed her budget, which was a slight exaggeration.

Mrs Carnell's response can, at best, be described as shallow. It is true that "Agreed in principle" appears in abundance in the Government response. But what does this really mean? Last year Mrs Carnell said she agreed in principle to the committee recommendation that the Government provide details of revenue forgone in the provision of assistance to industry. Mrs Carnell said the Government was considering ways of ensuring that the cost of in-kind assistance, particularly in relation to the ACT business incentive scheme, was more visible and accountable and that this was consistent with the principles of financial management reforms. Well, the Government is obviously still thinking, because there is nothing in the budget papers.

Mrs Carnell also said that she agreed in principle with the Estimates Committee recommendation that the Government provide comprehensive monthly statements. At least we all know why she agreed in principle only, because she never really intended to provide monthly statements. Instead, Mrs Carnell has provided statements only according to her own timing; when she has felt like it; in the middle of the night; the day before Easter. The first three months' figures were provided as a quarterly statement, not as monthly statements. Her goal appears to have been to minimise scrutiny, rather than to meet the spirit of the financial management reforms. This year the financial statements for March were tabled in May, on budget day, ensuring that they were swamped with the budget coverage and that the Assembly did not have up-to-date financial information upon which to assess the budget. We are debating the Appropriation Bill today, and the March figures are still the latest figures we have. It is nearly the end of June, and the latest figures we have are to the end of March.

Mrs Carnell also agreed in principle to a range of other things that she obviously never intended doing. However, it allowed her to put out a media statement that she agreed with the committee. This is a government forever looking for a positive headline but not so concerned with actions. Mrs Carnell agreed, as opposed to agreed in principle, to a range of recommendations she has yet to implement. It is a sign of the contempt for the Estimates Committee process that the Government has yet to provide comparative figures in the budget papers. Comparative figures are essential in determining variations in revenues and expenditures. The Government's allocation of funding to specific outputs year on year must be able to be compared in order for the Assembly to ensure the Government is accountable.

In 1995-96, the Government did not provide comparative figures. The Estimates Committee recommended they do so the following year. The Government's explanation for the exclusion was the changed administrative arrangements. Then, the next year, 1996-97, the budget papers did not contain comparative figures. The excuse was the change to accrual-based accounting. The Estimates Committee again recommended that the Government provide comparative figures. The Government, in its response, agreed. The Government's response said that the Government always intended to provide comparative figures at the output class level as part of the 1997-98 budget. But where are they? The 1997-98 budget, once again, did not contain the comparative figures. The committee was forced to reiterate, in the strongest possible terms, the recommendation of the past two reports.

In the Government's response this year the Government has agreed in principle only, downgraded from agreed last year. Also I simply cannot miss the chance to read to the Assembly the Government's excuse for not providing comparative figures this year:

... there are logistical reasons and presentational difficulties inhibiting the inclusion of additional information in current Budget documentation.

The inclusion of an additional column in future Budget papers to provide this information would require a reduction in typesize to fit within the present page format, resulting in difficulty for most readers. Alternatively, the conversion of single page tables from portrait to two-page landscape presentation to accommodate the additional column would generate a significant expansion in the size of Budget Paper 4.

Yes, Minister! Obviously, the Government was low on imagination, given that they had to come up with an excuse for the third year running for the deliberate attempt to avoid scrutiny. It is disappointing and downright contemptuous that the Government has consistently ignored the Estimates Committee's call for comparative figures. At least if we had comparative figures we would be assured that the Assembly could properly scrutinise the budget and make the Government accountable. Labor will provide comparative figures and will not hold the recommendations of the Estimates Committee in contempt, as the current Treasurer has done for three years running.

With regard to superannuation, Mr Speaker: The last three Estimates Committee hearings have delved into the issue of superannuation and the Territory's short- and long-term liabilities. I will have more to say about that a little later. The Auditor-General, in the report on the Territory's operating loss last year, reported that this liability has become a considerable burden for future generations of Canberrans. This is a very serious concern, but what has the Government done? Since the recommendations of the Estimates Committee last year that the Government agreed to, the Treasurer was in a position to present a glossy account of superannuation liability - not the short- and long-term strategies that had been recommended by last year's Estimates Committee. While they agreed, they actually did nothing to produce the short- and long-term strategies which had been recommended.

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The Assembly must question the Government's commitment to developing and implementing strategies to deal with the superannuation liability. The Government's response to the committee last year illustrates it is still without a firm strategy. Once again, we have this trend in this year's response. Last year they agreed with the Assembly recommendation; this year they agree with the recommendation in principle only. Agreement in principle is not much, coming from this Government. Like most things this Government does, strategic thinking and logical and comprehensive public policy are not as important as glossy presentation designed to impress the media, to filibuster and to engineer a few media stories. We have yet to see a response from the Government.

The deficit is the next matter. Building on my comments regarding superannuation and the Government's lack of commitment to a strategic approach, I believe it is necessary to comment on the Government's approach to the structural deficit. The deficit is a difficult issue to resolve in the ACT, and the Liberal-induced recession has not done much to assist the situation. But borrowing, whether through pillaging the coffers of ACTEW as they have done this year or entering into sale and lease-back arrangements, is still borrowing and does not address the underlying deficit.

Last year's Estimates Committee report said the sale and lease-back arrangement was really borrowings. The Government denied it. However, the Estimates Committee's assessment and the Opposition's assessment was later confirmed by both the Auditor-General and Standard and Poor's. This Government is incapable of being honest about its approach to dealing with the deficit. They are incapable of fixing the problem. Last year the Government tried to tell us they were running a cash surplus. No-one believed them; everyone has even forgotten they ever claimed they were running a cash surplus; and everyone now believes they were running a cash deficit, because that was the truth. Such borrowings do not represent a deficit reduction strategy of government, as the Government would have everyone believe.

Like many other policy decisions of this Government, there is no long-term strategic approach; they are governing for now only, just for today. The response to comments in the Estimates Committee report about the ACT's overall financial position demonstrates the concern of the Estimates Committee with this. Yes; the Government has made some changes which have brought some gains in terms of efficiency and small reductions in operating expenses of government. The Auditor-General, however, states in his report on the operating loss last year that there are:

... important management actions which should reduce costs ... [they] appear however to be insufficient to make a major impression on the size of the Territory's operating losses.

The committee had the right to conclude as they did. Again, we have seen a shallow response from this Government. (*Extension of time granted*)

Mr Speaker, the last point I want to make about the Government's response to the Estimates Committee's report is in relation to ACTEW and borrowings. The committee raised concerns about the Government's deceitful and duplicitous attempts to disguise its borrowings. Over the next two years the Government will receive around \$305m

from ACTEW. Just because the Government says in the budget papers and in press releases that it is not borrowing does not mean the argument holds water, though. Mrs Carnell obviously believes that just because her spin doctors tell a story it must be true. However, the committee, as was the case last year, had no other option. On all the information presented to it, it had to conclude that the dividends from ACTEW were just another form of borrowing. In its response to the report, the Government says:

... if borrowing were used by ACTEW to fund any part of the repayment, it is in the community's interests ...

They are having it both ways. They are trying to say, "We are not telling ACTEW to borrow; but, if they do borrow, it will be in the community's interests". ACTEW may have to borrow; it is not simply borrowing on behalf of the Government. The answer, of course, is yes; ACTEW would not have to borrow if it were not to meet this dividend imposed on them by the Government, a dividend which reduces ACTEW's capacity to make new investments and to expand their business, which is what they ought to be doing. During the ACTEW corporatisation debate on 20 June 1995, the Government repeatedly said that it would continue to be the owner of the corporation, that the people of the ACT would continue to be the owners. Surely, if ACTEW borrows, the people of Canberra are borrowing. There is no other conclusion. In the ACTEW corporatisation debate we were told that the reason they were corporatising it was to allow ACTEW to get on with the business of running its business. But what has happened? The Government have turned ACTEW into a milch cow to fund their budget deficit.

Mr Speaker, rather than addressing the issues associated with the deficit, we have seen elaborate tricks to disguise the borrowings necessary to fund the deficit. The Government has deliberately attempted to avoid scrutiny all year. The budget papers again demonstrate the Government's contempt for the estimates process. They have not provided the level of comparability and the level of information necessary. The Government have deliberately truncated the process of scrutiny. In 1995-96 the Estimates Committee made recommendations about the period that should be allowed for scrutiny by the Estimates Committee. This Government has deliberately brought down the budget according to a timetable which has limited the opportunity for scrutiny. Their lack of commitment to Assembly committee processes and to scrutiny is on the record for all to see.

In this response, they have shown their continuing contempt for the committee process. As was the case last year, they have agreed or agreed in principle to a whole raft of recommendations; yet, as was the case last year, we can confidently expect that they will do nothing about actually implementing any of those recommendations, because, as far as they are concerned, agreeing in principle is the end of the matter; they can then put the report on the shelf and forget about it. That is not good enough. Labor's charter of financial integrity gives a genuine commitment to the people of Canberra that Labor will not treat the Assembly, its laws and its legitimate committee processes with the contempt that the Carnell Government has held the Estimates Committee process in year after year.

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Mr Speaker, we will have more to say on individual lines in the budget; but I have to say that the persistent attacks on the Assembly's right to scrutinise this budget and the Government's consistent ignoring of Assembly reports, while allegedly agreeing in principle, are matters that ought to be of concern to all Assembly members. It is something that we should be aspiring to do better at in the future. Labor certainly does aspire to do better at it in government than this Government has done. I would urge other Assembly members to think carefully about this Government's record of agreeing in principle to Assembly committee recommendations and then doing nothing about them.

**MR MOORE** (11.36): In rising to speak to part 2, Mr Speaker, I would like to remind members of the Assembly of Auditor-General's Report No. 3. Report No. 3 was referred to in the Estimates Committee report and in the Government's response, at page 12, paragraphs 2.35 to 2.45, about revenue base and borrowing. The quote the Government used from the Estimates Committee report was:

*"There was a concern within the committee that no effective efforts have been made to fix the ACT's overall financial position and that it is an attempt by the Government to borrow large sums of money without acknowledging that this is essentially borrowing."*

I certainly share that concern. I was one of the people who expressed that concern within the committee. Mr Speaker, we then have this response from the Government:

The Government has formally responded to the Public Accounts Committee request for its position on the Auditor-General's Report No. 3 of 1997 dealing with the 1995-96 Territory Operating Loss.

My understanding - and I checked again this morning - is that at this stage the Public Accounts Committee has not made that response public; but I also understand they received it only last week, at the beginning of a sitting week. I can understand that. But I would urge the chair of that committee to make it public as soon as possible. However, the Government then goes on in its response to the Estimates Committee report to confirm that it is addressing certain problems. We are talking about problems of an operating deficit of some \$280m, give or take a little. The Government's response lists certain savings. They include:

continued reductions in workers' compensation premiums as a result of improved OH&S management - - -

That is very important, but there are no level figures. I am going to ask the Chief Minister to - - -

**Mrs Carnell:** It is \$12m this year.

**MR MOORE:** She indicates \$12m; so, that is a saving of \$12m.

The response continues:

adoption of an accommodation strategy leading to ongoing savings of \$8m per annum; -

getting us to \$20m -

partnering arrangements for InTACT leading to sustainable savings of \$3m per annum; -

that takes us to \$23m -

a smaller senior executive service providing savings of \$1m per annum ...

That takes us to \$24m. The transfer of works and commercial services and a series of other small amounts are added in. As I see it, and as I think the Auditor-General saw it, there are two parts to the operating loss. The first part is the superannuation costs that have to be dealt with. Quite clearly, neither Labor governments nor this Liberal Government have as yet effectively dealt with the operating loss associated with superannuation. It is an issue that Mr Osborne raised in his initial response to the budget. I think it is a very important issue.

As far as I am concerned, until we have a sustainable system in the budget, there are no areas of the budget which people can feel comfortable with or which are not open for challenge and change of priorities. If you take out the roughly \$200m that is associated with superannuation and the \$25m that the Government has saved, you realise that, apart from that superannuation deficit and the normal operating loss, we still have a gap of some \$60m. There were a series of ways that it was made up this year and in previous years. Last year it was the patch-up process of sale and lease-back; this year it is \$100m from ACTEW, which also goes to paying a little money - you could consider it as such - to paying a little of our debt; and next year it is the possibility of the sale of light poles. But none of that goes to the sustainability, Mr Speaker.

I would suggest to the Chief Minister that the first and most significant step - and I see from her response that there is some resistance to this - is to realign our taxation system with New South Wales. Immediately we do that, there is another \$18.8m; taking us that much closer to closing that gap. The only way we are going to close that gap is by looking for small amounts in the budget, as indeed the Chief Minister has identified in her response to the budget - \$10m here, \$2m or \$3m there. This is how it is going to be made up. Let me emphasise again that one of the important ways of going about this - and, as I recall, it is additional to that \$18.8m - is to adopt a bed tax. It is a very good idea. Do you notice a bed tax? No. I was recently in Darwin. It was part of the bill. You do not go somewhere because there happens to be a bed tax. The old argument that people would stay in Queanbeyan hotels instead of staying in hotels in Canberra because of the bed tax has gone. It was always a ludicrous argument, anyway; but now it has completely disappeared.

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**MR SPEAKER:** Mr Moore, is this the Auditor-General or tourism that you are discussing?

**MR MOORE:** Mr Speaker, this is about the Auditor-General. I am referring to the Auditor-General's report. Do not forget, Mr Speaker, that we also agreed to address the response to the Estimates Committee report. What I am intending to do is make a fairly broad conceptual speech at this stage and then, as I go on, I will be able to speak in much more specific terms.

**MR SPEAKER:** That is understood.

**MR MOORE:** But I think these underlying issues are very important. We still have throughout this budget the problem that the budget is not sustainable. Wherever we go, wherever we look for more money, wherever we think we should retain expenditure - whether it is on health, education or whatever - we are very conscious that we have this problem. The Auditor-General, in dealing with these issues, re-emphasises, as he does again and again in a series of reports, that we cannot ignore the amount of funding that goes on education and health and that we should be looking at cutting those. That is very interesting. We have managed to maintain the education funding and increased health funding significantly. We have these kinds of pressures still there.

Mr Speaker, I think it is very important that we do look at revenue raising. There are some very sensible ways of going about it. It is no good just looking after a few businesses in the ACT by allowing them to avoid paying payroll tax, thus avoiding their responsibility. It is fair to say that the Chief Minister, in her response, said that there are some structural taxation problems. I agree that is the case. That is why it is that I accept the moves federally and amongst all the States and Territories to look at the taxation system. Taxation reform does not mean just saying that we will have a GST; taxation reform means looking at where States are able to tax and where they are not, compared to the Federal Government. I think there are some very important issues there.

Just think, Mr Speaker, if we actually had control over income tax and the Federal Government had control over other taxation systems. Then we would be in a far better position than almost any other State or Territory because we pay so much more in income tax than we wind up getting back. I do not think that opportunity should be missed. I think, even in negotiations over tax reform, we should be keeping that in mind and pushing for how we can best help the Territory. In the meantime, there is this underlying problem with the budget that we do not have a sustainable system of maintaining our budget. We need one, and we must have the kind of leadership that will take us through to a sustainable budget. I shall come back to this issue as we go through the budget in more detail, Mr Speaker.

**MRS CARNELL** (Chief Minister and Treasurer) (11.45): Mr Speaker, I just want to answer some of the questions that Mr Moore put forward. I think in many ways Mr Moore was making a statement about the current operating loss that the ACT has. I think one of the things Mr Moore did not acknowledge is that in the budget the ACT Government has actually reduced the operating loss this year, compared to what our forward estimates were. The operating loss that we project for this year will be somewhat less than we anticipated it was going to be.



When Mr Moore made comments that maybe we are fiddling at the perimeters of the operating loss, that somehow a bed tax will make a difference, and that we should take into account such things as reductions in workers compensation premiums, I made the comment that it was \$12m this year. There was also a reduction last year. I think the reduction in our premium is from some \$34.5m three years ago to just over \$21m in the coming year. That is a significant reduction. The accommodation strategy we spoke about is \$8m per annum.

**Mr Moore:** Almost the same as the bed tax.

**MRS CARNELL:** Exactly the point I was just going to make. Mr Moore indicated that the approach we are taking is somehow fiddling at the perimeters and that the bed tax will somehow make a difference.

**Mr Moore:** No; I did not. That is not what I said. I actually said that you should do it bit by bit.

**MRS CARNELL:** I did not interrupt you. I was very nice to you. The reason that we do not believe a bed tax is appropriate for the ACT is the same reason the New South Wales Government did not believe a bed tax was appropriate for regional New South Wales or, for that matter, any part of New South Wales except the Sydney CBD. The CBD in Sydney has very close to 100 per cent occupancy. It is the major tourism hub and, with the Olympics coming up, will continue to be so.

Let us be fair; people have very few choices. Whether we agree or disagree with the New South Wales Government's decision to go down that path, the fact is they did not bring in a bed tax for outer Sydney, Wollongong, Newcastle, Queanbeyan or, for that matter, any other parts of New South Wales. We have a situation at the moment where our tourism industry is struggling; it is doing it reasonably tough out there. We are not seeing the sort of growth that we would like to see, whereas the CBD in Sydney is seeing the sort of growth that you would expect to see run on from the Olympics and other things. I am confident that the bed tax would not have been introduced in the CBD in Sydney if the tourism industry had not been doing extremely well.

Mr Speaker, one of the things that I find really interesting about the approach that those opposite have taken with this budget is that, on one hand, they are saying that we are not doing enough to address the operating loss that we currently have; and, on the other hand, they are saying, "Don't you dare touch staff". In fact, the Estimates Committee report suggests that it is inappropriate to go down the path of redundancies at this stage. What is our biggest single cost? Staff wages, the actual costs of running government. On one hand, they are saying, "Yes, you have to do something more". On the other hand, they are saying, "But do not touch the areas that are costing you the most". That is just ridiculous. I said in my budget speech, and certainly in comments I have made since, that I do not believe that now is the appropriate time to take huge hits out of the current budget. The reason we reduced the redundancy budget significantly in this budget that we are supposed to be debating today - but you would not know it - is that we do not believe this is the right time in Canberra, in its current economic cycle, to hit redundancies in a big way. We believe that to maintain the current slight improvement that we are

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seeing - in fact, the quite significant improvement in some areas in the ACT economic situation - the ACT Government must maintain the sort of impetus and the sort of direction that we have established over the last two years. We believe it is the right way to go.

The other thing that Mr Moore has overlooked is that, as well as the unfunded superannuation problem, there is something like \$110m worth of depreciation in that operating loss figure. I think that is something that Mr Moore needs to take into account, as do those opposite. It is only since we moved to full accrual accounting that things such as unfunded superannuation and depreciation have even been on the table. When you actually look at the situation, we are addressing a number of the areas of cost in our budget - the areas that are costing us more than national averages or that we believe we can reduce our costs in. We will continue to do that, but we will not do that at the expense of the very real improvements that we are seeing at this moment in the ACT economy.

Mr Speaker, it is interesting to note that in the Auditor-General's report - and I will quote from page 14 - he says:

It is acknowledged that with the current economic difficulties which both the ACT Government and the ACT business community are encountering the present time may not be appropriate for revenues and costs to be balanced.

We agree with the Auditor-General; we do not believe this is the appropriate time for that to be done. But we do believe that it is the appropriate time to address things such as workers compensation premiums, accommodation strategy and our approach to information technology. InTACT will lead to some \$3m savings per annum. Moving to a smaller senior management will lead to a \$1m per annum reduction. A more sensible approach to works and commercial services, to make them more competitive out there in the marketplace generally, is another saving. There are many other, I think, very sensible approaches to cost reduction. But they are not at the expense of the small improvements that we are starting to see in the ACT economy at the moment. Of course, there are the very large improvements we are seeing in the employment area. We believe that the approach we have taken in this budget is appropriate, and I am confident that the Assembly will see it that way as well.

Proposed expenditure agreed to.

### **Part 3 - Chief Minister's Department**

Proposed expenditure - Chief Minister's Department, \$50,922,600 (comprising net cost of outputs, \$28,952,600; and payments on behalf of Territory, \$21,970,000)

**MR WHITECROSS** (Leader of the Opposition) (11.53): Mr Speaker, I will try not to repeat comments I made earlier on the Estimates Committee response, but there are a couple of issues in relation to the Chief Minister's Department that I want to address specifically. I have to return briefly to the question of how the Government goes about funding its deficits. We have seen lease-back arrangements last year and the forced

payment from ACTEW this year used as ways of disguising borrowings by the Government to fund their structural deficit. We have also seen the dividend for ACTEW increase from 70 per cent to 100 per cent of their profit, all this while the Government claims that this will not have any long-term effect on the cost of electricity in the ACT. Over the two years ACTEW will be paying the Government some \$305m, ACTEW's dividend payment to government decreases in the forward estimates. This demonstrates that this is a short-term measure to fund the deficit. They are not concerned with the long-term impact of this level of borrowing on the capacity of ACTEW to expand their business or on ACTEW's electricity and water prices. There is no strategic approach behind this. It is a short-term measure to raise some money to fund the deficit.

The Government has said that the \$100m this year is going to be spent on capital works, but \$100m is more than the capital works budget. The Government has not increased capital works by \$100m in this year's budget, notwithstanding the \$100m they have extracted from ACTEW. In fact, the Government is spending \$28m less on capital works than Labor budgeted for in 1994-95. The Government is simply not committed to maintaining capital works spending. They are not really committed to the employment that would go with that capital works spending. They are happy to reduce the expenditure on community infrastructure. Mrs Carnell, just a moment ago, was bleating about depreciation; but she is cutting back on capital works spending, which is how you maintain the value of assets, how you improve the asset holdings of the Territory. The money from ACTEW is, in reality, to patch up holes in the budget. The money from ACTEW is, in reality, to help pay for things like the health budget blow-out, which has happened every year under this Government.

Most seriously, the money from ACTEW will undermine ACTEW as a corporation and its ability to do business. If ACTEW were borrowing \$100m to make new investments to expand its business, to expand its profitability, to return additional profits to this community, I would think that was a good thing; but to borrow money just to prop up the Government's health budget seems to me to be a waste and to go against everything that corporatisation of ACTEW is meant to be about. The Government has admitted in the Estimates Committee hearing that ACTEW may have to borrow. In the debate on the corporatisation of ACTEW in 1995, the Government said that it still owned ACTEW. This means that the people of Canberra own ACTEW, which means that the borrowings by ACTEW will in the end be sheeted home to the people of Canberra. They are the ones who are going to have to pay the bill.

The Government's budget for the Chief Minister's Department includes, as in previous years, an allocation for funding redundancies. The Government last year spent \$27m on redundancies in the public sector, from the Chief Minister's Department, from the Treasurer's Advance, and from individual agency-funded redundancies. This was substantially more than was allocated in the redundancy pool, substantially more than they told the community they were going to spend on redundancies. Their own figures show that 1,000 jobs have been lost from the public sector in the last financial year. That is more than 1,600 jobs lost under this Government. Agencies have been funding redundancies without any public disclosure of this fact until the Estimates Committee process. Notwithstanding what Mrs Carnell might wish to say about her jobs strategy,

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I believe that it is irresponsible for the Government to be spending \$27m on reducing employment at a time when the ACT economy is experiencing three consecutive quarters of negative growth. Over three years, the Government has spent \$44.2m on redundancies, at a time when the economy is performing a lot worse than it performed under Labor.

The Government is seeking to rely on ABS statistics to argue that employment is improving, yet the February statistics suggested that this improvement in employment came from the public sector. We have the Commonwealth Government laying off workers and we have the ACT Government laying off workers, yet the ABS statistics for February indicated that there were 3,000 more people working in the government sector than in the previous period. That simply does not hold water. I do not know what is going on with the ABS statistics. I know that they have been changing their methodology and making some other changes, but to suggest to the people of Canberra that there are 3,000 more jobs in the public sector at a time when the Federal Government is laying off staff and at a time when the ACT Government is laying off staff defies belief.

In addition, we have a general problem in the ACT economy. We have retail turnover down, we have people not wanting to spend, we have reductions in employment in the construction industry, we have spending down in the tourism industry and we have business confidence at a record low; yet the Government wants to tell us that this is an economy performing well, that this is the kind of economy in which they should be tipping an extra 1,000 people onto the unemployment queues. I do not think that is a sustainable position, and I think it is an example of the bad priorities of this Government. It is one thing to address these issues in good times, but the middle of a recession is not the time to be laying off 1,000 people, as this Government has done.

The Government in this budget has relied on increases in taxes to help fund its budget - not that it announced them this year; it announced them last year. We have seen a new debits tax and increased imposts on pensioners through reductions in pensioner concessions in particular. We have also seen some rather curious figures in this year's budget papers. We have economic growth predicted in the budget papers and we have a 4 per cent growth predicted in average weekly earnings, yet we are predicting that payroll tax revenues will rise by, I think, one per cent. These figures simply do not add up. The evidence presented to the Estimates Committee does not explain why payroll tax revenues should be so low, given the projections of average weekly earnings, economic growth and employment that the Government has made. It looks to me like a hollow log, so do not be surprised to see in a couple of months' time the Government boasting that its payroll tax figures exceed the budget estimates.

Marketable securities revenue is another interesting one. That revenue is doing far better than was anticipated in last year's budget. I have yet to hear a satisfactory explanation of this. The Government steadfastly refused to say that this is due to people investing their redundancy payments, although they have never denied it when I have suggested it. If indeed this is the case, the further cuts to the Federal Public Service mean that the marketable securities area is again likely to perform well as a revenue item.

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The Government has budgeted only \$15m for this; that is \$15m less than they collected last year. (*Extension of time granted*) Do not be surprised when the Government claps its hands and says that its revenue is doing better than expected. Do not be surprised if this is more money for election goodies in the lead-up to the election, which will be magically funded out of improvements in revenue compared to what is in the budget papers here.

Gaming machine taxes is another area where I would not be surprised to see the Government do much better than they have anticipated in the budget. While they have provided some explanation of falling per machine revenues, the budget projection for revenue from this item also does not seem to me to stand up to scrutiny. It does not take account of additional machine licences that have been issued, and I would not be surprised to see gaming machine taxes exceed the projections. It will be interesting to watch whether we find as the election approaches that there is lots of revenue magically appearing in the monthly financial statements, if indeed we get monthly financial statements. I would not be surprised to see the Government coming up with all sorts of ways of spending the money a couple of months out from the election. Watch for that one, because I think we can be pretty confident it is going to happen.

The Government has shown over the last year some very poor priorities with respect to the Chief Minister's Department. They have been spending huge amounts of money on reducing the size of the work force in the middle of a recession. They spent over \$100,000 on a strategic plan that was rejected out of hand by this Assembly, yet they told the Estimates Committee this year - it is in their budget papers - that they do not expect to have their strategic plan completed until June 1998, after the next election. That is pretty convenient, is it not?

**Mr Humphries:** That is your fault, not ours. You bounced it.

**MR WHITECROSS:** It is a long time ago that the Assembly last had a look at your strategic plan, and now you are telling us that it is going to take you another 18 months to come up with a proper strategic plan. At the end of three years of Liberal government, we will not have seen any strategic plan out of this Government. The Government has not had any long-term plans on anything else, certainly no long-term plans for economic development in this Territory, and at the end of three years will not have been able to produce a strategic plan. They have spent plenty of money on it, plenty of glossy material has gone out, plenty of bureaucrats have been paid, but there will be no strategic plan until June 1998. That is simply not an acceptable result, and I think the ACT community has a right to be disappointed about the performance of this Minister in terms of strategic planning. She is not committed to strategic planning, she has performed poorly on this issue and, as with her whole approach to jobs, she has let the community down.

I believe that this budget, and particularly the allocation for the Chief Minister's Department, reveal the whole approach of this Government. It is an ad hoc, short-term approach which is all about getting to the end of next week and what is going to be on television tonight, not about real, long-term planning for the ACT. Whether we are talking about the way they address the budget deficit, whether we are talking about the

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way they address jobs, whether we are talking about the way they address strategic planning in the Territory, it is all short term; it is all just getting us to the end of next week. That is not a good enough basis on which to govern. They have not earned the right to govern, and I think they will find in February next year that the ACT community is not too happy with the way they have been conducting themselves.

**MS TUCKER** (12.08): I would like to speak about the Government's response to the Estimates Committee report. Overall, it was a disappointing response to the Estimates Committee. Although only one recommendation was rejected outright, I note that many of the "agreed in principle" positions may as well be outright rejections. Many of the comments are quite offhand and demonstrate a lack of understanding about where the committee was coming from, and I support Mr Whitecross's comments on that.

Mrs Carnell dealt with the issue of a domestic violence project coordinator in her response to the Assembly. I do not think the Government has come up with an adequate response to this issue. They still seem to think a council will be able to do this job without the backup of an adequately resourced coordinator position or positions. A coordinator position would make the work of this council much more effective, as well as assisting with the very important task of case tracking. It is also very disappointing that we are possibly going to miss out on opportunities to secure Commonwealth Government funding because of the Government's poor handling of this issue. The domestic violence intervention project, as recommended by the Community Law Reform Committee, would provide the basis for a very innovative and forward-looking model. However, I am still working with the Government on this issue and will continue to negotiate to see whether we can reach an outcome that will be appropriate, that is, that we end up with this position in place. I am sure other members of the committee will be disappointed with the Government's response, and I hope we can work together to reverse this decision.

As with most Government responses, the heading "Agreed" is often misleading. "Agreed in principle" is often another way of saying that this will be on the backburner or an excuse to explain what the Government is doing instead of implementing the particular recommendation. For example, the response in relation to green power was "agreed in principle". In practice, I do not think the Government has shifted ground very much at all on this matter, but I can assure them we will be consistent in trying to persuade them. A bit of obsessiveness or determination, as Mr Moore put it so eloquently on the radio this week, never goes astray.

In relation to privacy, the response is also a little puzzling. Although the Government has agreed to this recommendation, in practice they have said that they will not do anything unless it is a national scheme. The whole point of my questioning was on the basis that the Commonwealth Government has announced that they will not do anything and therefore we need to look at what other jurisdictions are doing and also what the Privacy Commissioner is doing. It may well be that a de facto national scheme could be introduced through the implementation of a code developed, by the Privacy Commissioner, into State or Territory legislation.

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I am very pleased to see that the Government will be developing appropriate performance measures in relation to the environmental impact of tourism events. The Greens' amendments to the Canberra Tourism and Events Corporation Bill have hopefully paved the way for a greater focus on the environment, and I hope that the proposed environmental subcommittee goes ahead and that some very effective strategies are in place so that the ACT's precious natural environment is protected. I must say I was surprised in the Estimates Committee hearings when I was informed that the evaluation of the car rally had been carried out by the head of the people who actually ran the rally. This is obviously not at all appropriate.

Another recommendation that the Government did not get right was in relation to performance indicators. The Government seems to think we were asking that every performance target should be cross-referenced in the budget overview. That was not what we were asking. We were talking about the need to ensure that all Government targets - for example, the progress towards meeting the target of no waste in the year 2010 - are reported on in the budget. I think this is an entirely reasonable and sensible suggestion. We also look forward to seeing a vast improvement in performance indicators, and less farcical indicators, such as 100 per cent for policy advice when there has been an Ombudsman's report slamming the Government's performance in this area. I am also pleased to see that the Government has finally agreed to produce a separate environment budget, and we look forward to much better reporting on the environment in next year's budget. If the environment were really a priority for this Government, I do not think we would have to be making recommendations such as this.

With regard to the recommendation about Bruce Stadium, once again this is agreed, but in practice it is likely that commercial-in-confidence provisions will mean that the Assembly does not really get access to very much information. This is an ongoing problem. In relation to other issues raised by the committee, the Government still appears to be in denial about calling the ACTEW return to the shareholders a form of borrowing. Once again, they denied any hypocrisy in their position by saying that, as owners and shareholders, government has responsibility in terms of setting the strategic directions and overall economic performance of the corporation, consistent with the appropriate management of community resources. If they can intervene in economic matters, why not intervene in relation to ACTEW's environmental performance?

The Government did not respond to the comments made by the committee in relation to the need for additional resourcing to alternative education facilities in the ACT. On mandatory reporting, the Government did respond to the comments made by the committee, but they still do not seem to acknowledge that the community sector is already under severe stress and even a small increase in workload could be too much to handle. Obviously, the Social Policy Committee will be able to examine these issues in more detail.

Moving on to issues in relation to the budget as a whole, I think a critical issue today is that this is a government that has come to power promising council-style government, but they have delivered three budgets without any real attempt to seek meaningful involvement from other members of the Assembly. This year I was invited to discuss it with Mrs Carnell eight days before the budget was finished. I think it was ready for the printer at that time. It is really a bit of a joke. This is about consultation and having input

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into what the budget will look like. Despite being in a minority situation, this budget has been developed by an Executive. Labor and Liberal have also ensured that it is impossible for any amendments to be made to the budget. Despite all the fanfare about increased transparency in the budget papers, it is still extremely difficult to determine what money is really going where. Once again, we hear nothing about the losers.

I believe also that this Government has failed to come up with a suitable long-term vision for the ACT. The Government is driven by a bottom-line economic approach. There is no far-reaching economic or industry strategy for the ACT in the budget. There is no real attempt to make our economic institutions more responsive to the pressures and challenges of the twenty-first century. Focusing some attention on the need to create jobs and strengthen the local economy is welcome; but, again, this is really much more of a window-dressing exercise. An industry plan is about more than gloss and rhetoric, events and airports.

As I said in the in-principle debate, this Government cut labour market assistance by nearly \$3m in 1995. The Estimates Committee asked for a commitment from the Government to develop a strategy for addressing unemployment in the ACT, particularly long-term unemployment and youth unemployment. The Government's response to this was disappointing. In fact, they were saying that this is the Commonwealth's responsibility. Now, two years later, we see them boasting about the biggest single injection of funds into unemployment. It is also telling that the single biggest funding initiative is the graffiti reduction program.

This Government has also given low prioritisation to the environment, and we will speak again about that later. Two years ago, ACTION was cut by \$12m over two years, and we warned then this would translate into cuts in services. The bus services in this town have become appalling, and at least now we have had some sense from the Government in this area in employing someone to do a thorough examination of ACTION services. I hope very soon this will translate into improved services. We will certainly welcome that report. We see no financial commitment to implementing greenhouse gas reduction targets, and some serious issues about Landcare funding also came to light during the estimates process. The ACT is at a crossroads and, despite a few good initiatives, on the whole the Government has not demonstrated the vision to take us down a path that will benefit the people and the environment of our region.

I note that Mr Whitecross referred to the strategic plan. While I am also concerned that we have not got further with it, I am not so sure that I agree with Mr Whitecross that it needs to be hurried at this point. There is a process being set in place by this Government now, addressing the concerns that were expressed in the Assembly, to look at the issues in a much broader way. I commend that, and I think it would be difficult to put a date on when that would be able to be reported on. If this is done properly, it may take that much time and we might actually get it right. I also support the concerns Mr Whitecross raised about the number of redundancies in a time of high unemployment. (*Extension of time granted*)



The introduction of the purchaser-provider model is still a concern to the Greens because there are still a lot of loose ends in there. The consequences of that are quite concerning, so we will continue to monitor and encourage the Government to evaluate closely what the purchaser-provider model means in terms of service delivery, in terms of strains on the community sector, even in terms of cost-effectiveness. We know that the whole question of the administration of purchaser-provider split is still unclear in terms of its cost implications, and we have discussed that in regard to the possibility of the Auditor-General being able to look at that at some time.

In conclusion, I hear from the Government that they are interested in the whole-of-government approach. In some areas, there does seem to be a real attempt to improve interagency communication. However, I tend to think it is still more about whole-of-government financial managers simply making decisions for all areas.

**MR MOORE** (12.19): In speaking to the appropriation for the Chief Minister's Department, it is very interesting to follow Mr Whitecross and Ms Tucker, who referred to *Canberra: A Capital Future* - ACT strategic plan. It is interesting that the Auditor-General also referred to that on page 8 of his Report No. 3 of 1997 on Territory operating loss. This is the document that was rejected by the Assembly, so it is very interesting that the Auditor-General uses it as a way of trying to understand where the Government is going. Perhaps, had it been a Government plan, that would have been reasonable; but the reason it was rejected was that it was the Assembly's view that the strategic plan should be able to carry on, taking into account the full views of people in the Assembly.

Mr Speaker, I draw your attention to that because it is also mentioned at page 14 of Budget Paper No. 4, Volume 1, that the staging of a national capital futures conference will provide a forum for discussion of those key issues confronting the Territory. I hope that that forum will mark the beginning of an attempt to get a coordinated approach to a strategic plan. If we can get an agreed position from the vast majority of people in the Assembly, there is a chance that such a strategic plan can carry through into the future. I can understand why some people would feel sceptical about that, but it still seems to me to be the best way to test whether we can get an agreed position.

Chief Minister's Department responsibilities include, to quote from page 13, a well-managed public sector, with motivated and trained staff to provide responsive services to the ACT community, and a soundly managed economy. It is interesting that that is the overriding interest of the Chief Minister's Department, and so it should be. It would be interesting to test whether the people of the ACT feel they are getting increased responsiveness in the provision to them of public service.

Apart from those general conceptual things, I also want to deal with a couple of minor issues coming out of the Government's response to the Estimates Committee. It is very interesting that in response to recommendation 1 the Government agrees in principle and then says:

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The Government notes that original past year figures are available in the relevant past-year Budget documents, and that there are logistical reasons and presentational difficulties inhibiting the inclusion of additional information in current Budget documentation.

One is tempted to say, "Yes, Minister" when one reads this sort of language. The point goes on:

The inclusion of an additional column in future Budget papers to provide this information would require a reduction in typesize to fit within the present page format, resulting in difficulty for most readers. Alternatively, the conversion of single page tables from portrait to two-page landscape presentation to accommodate the additional column would generate a significant expansion in the size of Budget Paper 4.

I find that particularly interesting. It is not the response we would expect from that overriding Chief Minister's Department goal - a well-managed public sector with motivated and trained staff to provide responsive services to the ACT community. This is not responsive. This is saying that it is difficult to do, instead of working out how to do it. I draw this to the Chief Minister's attention because I think it is an appalling example of lack of responsiveness when the response was so easy.

Let me demonstrate for you, Chief Minister. Here is the current size budget paper on which we cannot fit an extra column in order to be responsive to the Estimates Committee. Here is 1996-97 Budget Paper No. 2. What happens when you stick one over the other? You notice that, in the current year's budget papers compared to Budget Paper No. 2 from last year, there is room for an extra column. All you had to do was say, "Yes, we will be responsive, in accordance with the overriding conceptual point of the Chief Minister's Department, and maybe we could use a slightly different format". Granted, the box you put things in - and it is a wonderful presentation this year; I found it much better - will have to be another inch, or 2 or 3 centimetres, longer, just enough to take an extra column; but I do not think that is going to cause any big problems on anybody's bookshelf.

We still have a situation where there is often a response, "We cannot do it", as opposed to a responsive approach of, "How shall we go about doing it?". I think this response highlights the particular problem, which still exists. Not only should we say "Agreed in principle" - I take Mr Whitecross's point that it is not enough to say "Agreed in principle" and then go away and do something else - but also "Agreed in fact". It is not difficult to do. I hope we will see an adoption of that kind of approach: How do we go about doing this if we possibly can? The Chief Minister's Department is responsible for setting the tone of the Public Service. I must say, to be fair to the Chief Minister's Department, that there have been many examples where I have seen a quite reasonable response on other things; but it is an excellent example of where we need to improve and how we can improve.

It is interesting to go back to the Auditor-General's report on that underlying problem of the budget. It was the Auditor-General's report that looked at the 1995-96 operating loss and shifted it back to departments. In the initial instance, he says that most of the operating loss was associated with the Chief Minister's Department; but that is because that was the way it was being paid, not because of the way it was being distributed. It is particularly interesting to look at those results and at the way the Auditor-General redistributed those costs across the departments. The reality is that that operating loss still is the main responsibility of the Chief Minister's Department and tackling that operating loss is still the main challenge for this Government. The Government is not dealing with it particularly well in this budget, so it is going to be the main challenge for governments in the future.

**MRS CARNELL** (Chief Minister and Treasurer) (12.28): I want to answer a few of the comments that have been made. I was fascinated to hear Mr Whitecross and, I think, the Greens make a comment about this Government having no plans, no direction. As we were discussing the Chief Minister's Department, I was also interested to hear comments such as, "The approach taken in the Chief Minister's Department is, I think, indicative of this Government's whole approach". That is very true, and I would like to thank Mr Whitecross for that comment. It is indicative of this Government's whole approach. This Government's whole approach is about making central government smaller and concentrating more on service delivery. The Chief Minister's Department has reduced its budget significantly over the last couple of years. We have moved three departments into one. Our organisational structures have changed significantly and, yes, there have been some redundancies out of our central agency. I think it is a very good total approach to government to spend money on service delivery, not on administration. I am very pleased that this Assembly has seen that that is the approach this Government takes.

The other thing I was interested in was the comment about no plans. All you really need to do to see some of the plans of this Government is to open Budget Paper No. 4 at the Chief Minister's Department and look at the sorts of things the Chief Minister's Department, from a whole-of-government perspective, is in charge of and where it is doing some very good things. There are such things as the new arrangements for the Canberra Airport; the high speed rail service between Canberra and Sydney; the redevelopment of the Kingston foreshore; the establishment of the ACT as a key call centre location for the Asia-Pacific region; exploring opportunities for defence functions relocating to Canberra, including the development of Canberra as a centre of excellence in defence education; the National Museum; the upgrading to international status of the annual multicultural festival - the list goes on and on. Over the page, under Public Sector Improvement - again, something this Government has perceived to be very important - we see such things as further progressing the development of a customer-focused Public Service; an integrated asset management strategy; developing and implementing a self-insurance fund and risk coverage for the ACT. Again, the list goes on, and it does not indicate to me a government without direction or with no plans.

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That is a little at odds with those opposite. We were looking last night at the Labor Party's home page - I am very pleased that the Labor Party has finally gone onto the Net - where it was great to see this:

Welcome to the home page of the Australian Capital Territory branch of the Australian Labor Party.

From here you will find information about the Labor Party in the ACT, policies of the ACT Labor Party and ACT Labor MPs.

You can then access those particular areas to find out more about the ACT Labor Party. Because Mr Whitecross was so keen on making comments about how this Government had no plans, we immediately went to ACT ALP policies. Unfortunately, it is not a very long entry. Under ALP Policies, it says:

The ACT ALP is currently reviewing its policies. New policies will be released before the 1998 election.

If we are looking at no plans, do we have no plans from those opposite! At least it did not take us long to read it. Mr Whitecross also made some comments about ABS statistics. He suggested that you simply could not believe them. I think he should go and tell the Australian Bureau of Statistics.

**Mr Berry:** He did not say that.

**MRS CARNELL:** He did, actually; he did suggest - - -

**Ms McRae:** Suggest - it is a bit different.

**MRS CARNELL:** No; you read what he said. He suggested that the unemployment figures - the ones that were produced by the ABS - were somehow unbelievable. If Mr Whitecross does not like those figures, he might like to look at the DSS figures. Those are the people who actually pick up benefits on a weekly or fortnightly basis. The ABS statistics show that there are 11,500 people unemployed in the ACT at this stage; the DSS figures show just over 9,000. Maybe he would like to use the DSS figures rather than the ABS figures, and on that basis I think we would have just over 5 per cent unemployed in the ACT. Those are the only two sets of figures that exist. One is the number of people who pick up benefits; the other is the Australian Bureau of Statistics figure. We do not mind which one they use, because both sets of statistics are tracking down.

The other thing that was raised in the debate was the ACTEW situation. It seems that those opposite and others in the Assembly believe that somehow ACTEW at this moment has an appropriate capital structure. That means that the way ACTEW was set up was right. No other government in this country that I know of would perceive that ACTEW's current capital structure was right. In fact, the New South Wales Government and other governments have either privatised, as the New South Wales Government is about to do, I understand, or, alternatively, changed the capital structure of their energy producers.

The thing that seems to have escaped those opposite and others in this Assembly is that there is a great difference between return to shareholders, meaning this Assembly, the people of the ACT, and the actual management of ACTEW. The ACTEW board manages ACTEW, but that does not mean that the people of Canberra should not expect a reasonable return on their significant capital investment in ACTEW. For the Greens to suggest for a moment that the Government and the people of Canberra expecting a reasonable return on investment and, therefore, requesting a reasonable return on investment is the same thing as directing ACTEW on how they should produce the power they produce or how they should buy it or where they should get it from shows a total lack of understanding of the organisational structure of ACTEW, whose job it is to manage ACTEW under the requirements, the expectations, shall we say, of those who have invested heavily in the infrastructure of that organisation.

Again, I come back to the central basis of this debate so far. It is that you are damned if you do and you are damned if you do not. We have heard all the speakers commenting on this line in the budget say that it is absolutely shocking that this Government should go down the path of redundancies. Those opposite did exactly the same when they were in government; but now it is not a good idea, now it is a dreadful idea. We are not supposed to have redundancies, we are not supposed to reduce costs, as we have in the Chief Minister's Department, as we have reduced the cost of administration - that is a really bad thing to do - but you have to address your operating loss. You cannot address wages, according to those opposite, you cannot change what you spend on things such as health, education and service delivery out there; but you have to address your operating loss. One day, they will tell us what they would do.

**MR BERRY (12.37):** Mr Speaker, I rise to speak on this line with concern, first of all, over the way the Chief Minister's Department in particular has pursued its role in the Estimates Committee. I would ask the Independents to listen closely to this.

**Mr Humphries:** There are none here. How can they?

**MR BERRY:** They will be listening. I would ask the Independents to listen closely to this because I know that, each time the Independents criticise the Government and the Greens criticise the Government, you can see that look from the Government benches. They look over and say, "Not again! They supported us; why are they criticising us?". They expect it from us because they know that we do not support their ideology; but the on again, off again support that comes from the Independent and Greens benches must be a bit like a boil.

In any event, this is about the Government's approach to the committee process. I think the Estimates Committee process this year was treated shabbily, particularly because it was in the lead-up to an election and the community were entitled to have a full process in accordance with previous recommendations of estimates committees. That was not something that was able to be carried through this Assembly. Labor would have preferred that outcome, but the Government has had its way in relation to that issue. I think the Estimates Committee process this year has been unfair and too short, and the Government has got off lightly in relation to the issue because of the tight timeframes that were set on the matter.

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**Mrs Carnell:** We finished early on Health because you ran out of questions.

**MR BERRY:** We will come back to Health in due course, and we will come back with a vengeance. Here we have the Government hoping to limit the estimates process to avoid scrutiny, and it got away with it. We ended up with the same situation as we have ended up with before, that is, the inability to easily compare where we are in relation to the budget. Some would say that this has been a top job from the people who devise the budget papers. I asked the question in our briefing on the budget papers from officers what they thought they got out of 10 for making these documents difficult to compare with previous documents. In my experience in this place, that seems to be the major role that officers pursue in relation to budgets - to make them difficult for people to consider, rather than easier. I reckon they got about eight out of 10 on this one. It was not easy for the community to understand; it certainly was not easy for seasoned politicians to understand, because it was designed that way. Some would say, "Not much has changed when it comes to budget papers, because that seems to be the order of the day rather than the exception".

Mr Speaker, during the course of the Estimates Committee process, on some occasions it was very difficult to get straight answers to straight questions, and I raise one issue in particular, namely, the industrial dispute on the Acton Peninsula project site. This is something like a circus. When this began on budget day, Mrs Carnell wrote the dispute off as a fight between two unions. The unions wrote to the Assembly. Their response was tabled in the Assembly. It showed clearly that it was not a fight between unions; it was about jobs. What had happened was that the contractor for the Acton Peninsula project site had intended not to provide local truck operators with demolition work on the site. The truck operators were, naturally, agitated about that, particularly given previous commitments by Mrs Carnell that the emphasis was on providing local jobs and providing local small businesses with work. They were suitably upset about the way they were being treated.

When we got to the Estimates Committee, Mrs Carnell was still clinging to the line that it was a fight between two unions. In the end, she said, "It is not my problem. You should ask Totalcare". Her officers at the time, unbelievably, said that they were not aware of the details of the settlement of the industrial dispute. I find it impossible to believe that the Chief Minister's Department would not know the precise details of the settlement of an industrial dispute on a site as sensitive as the Acton Peninsula site has been over the years.

**Mr Humphries:** So you are calling them liars, are you?

**MR BERRY:** It is either that the Government has decided that they are not going to inform the committee about these things, or that Mrs Carnell's quite incorrect statement to this Assembly that it was a fight between unions was to be defended at all costs. It struck me as impossible to believe that officers in a modern bureaucracy would not know what was going on on an industrial site, particularly one as sensitive as the Acton Peninsula site, particularly one where the Government has an interest in making sure that it goes smoothly.

Later on, Totalcare was asked what the details of the settlement dispute were. This is because Mrs Carnell had said that it ought to be referred to Mr Kaine's portfolio. I read from the committee report at paragraph 3.45:

While the Chief Minister had claimed this was a demarcation dispute between two unions, it was confirmed to the committee that the dispute was about jobs in the ACT, with evidence that the dispute was about the amount of work contracted out to a Newcastle contractor instead of to ACT haulage contractors. It was confirmed that local haulage contractors will now be employed on the site.

Did the Chief Minister deliberately mislead the house? Did the Chief Minister, when she said that it was a fight between two unions - - -

**MR SPEAKER:** That is a rhetorical question, I trust, Mr Berry.

**MR BERRY:** Indeed.

**Mr Humphries:** Mr Speaker, rhetorical it may be, but it is an assertion by a rhetorical question. By its nature, a rhetorical question is not meant to be answered. It is obviously an assertion, and it should be withdrawn.

**MR SPEAKER:** Mr Berry, Mr Humphries has asked that it be withdrawn.

**MR BERRY:** Mr Humphries is quite a bit precious about this; and I would be, too, because there is something to be precious about. I withdraw it.

**MR SPEAKER:** Are you going to withdraw it?

**MR BERRY:** I have done it.

**MR SPEAKER:** Thank you.

**MR BERRY:** The fact of the matter is that the information provided to this Assembly has the potential of misleading it, because it was incorrect. Whether that was deliberate or - - -

**Mrs Carnell:** Mr Speaker, I raise a point of order. Is Mr Berry suggesting that I direct public servants to lie in the Estimates Committee? If he is, I would ask him to withdraw that totally.

**MR BERRY:** Mr Speaker, the rhetorical question that I raised is as follows: The information that was given to this Assembly was incorrect. It was not about a dispute between two unions. Was the - - -

**Mr Humphries:** Mr Speaker, on a point of order - - -

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**MR SPEAKER:** The imputation that public servants have been - - -

**MR BERRY:** No, I have not talked about public servants. I am talking about the Chief Minister.

**MR SPEAKER:** In that case you can withdraw any imputation against public servants.

**MR BERRY:** I do not have to.

**Mr Humphries:** Mr Speaker, if Mr Berry does not have the guts to make his allegations directly, then he should not be making them in a veiled way which attacks the integrity of public servants who are serving not this Government but the whole of the community. If Mr Berry wants to say that a certain public servant lied, let him name the public servant and we will have a debate about that in this place. It is unfair to attack public servants in this way, and he should withdraw.

**MR BERRY:** Mr Humphries is trying to recraft history again. Let me say what my intentions were in relation to the debate before this place. It is about whether Mrs Carnell put evidence before this - - -

**Mr Humphries:** Mr Speaker, I rise on a point of order.

**MR SPEAKER:** We have a long budget debate to go. If you want to stay here, we will stay here for hours; but may I suggest that all of you just withdraw - - -

**MR BERRY:** I withdraw any imputation that any public servants lied.

**MR SPEAKER:** Thank you. Let us get some commonsense into this. I direct that to everybody.

**MR BERRY:** Not that I made any imputation, but it might keep Mr Humphries stuck in his seat for a little while.

**MR SPEAKER:** Just go on with your debate, Mr Berry.

**MR BERRY:** But I will make the point that the information that was put before this Assembly was incorrect. That information was put to this Assembly by the Chief Minister. (*Extension of time granted*) It comes down to whether the Independents and Greens continue to accept that this Assembly can be given incorrect information by the leader of the Government. That is the point I make. On the face of it, you have to ask the question I raised a moment ago, which I am not going to raise again, fearful of the requirement to withdraw it. Incorrect information was given to this Assembly, and the Chief Minister should be taken to task on that score.

**Mrs Carnell:** Mr Speaker, I think that allegations to suggest that I misled the Assembly are very significant. If Mr Berry wants to - - -

**MR BERRY:** No; I said you gave incorrect information.



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**MR SPEAKER:** The imputation is still the same. I do wish that everybody in this place would stop being childish. Withdraw, Mr Berry.

**MR BERRY:** I withdraw any imputation. In my view, the information was incorrect. We have a situation which the Assembly can either accept or reject, but that is something which came out in the course of the Estimates Committee consideration of this issue. The fact is that one thing was said to the Assembly and another thing happened. The committee was advised that the dispute may have led to additional costs for the project, but these could not be quantified. The committee was advised that the additional costs would be handled within the overall budget for the site.

Another issue that was raised in the course of questions of the Chief Minister's Department was the use of the electronic mail system. I think it is important that the Government be pinged for politicisation of the Public Service. An officer decided that a very political press release from a member of this Assembly which criticised other members of this Assembly was appropriate for circulation to each officer in the Public Service. Of course, we know that officers who have computers in front of them have the obligation to ensure that any circulation that goes through the electronic mail system is drawn to the attention of any other public servant. The Government has acquiesced in this sort of thing happening and seems to pretend that it is not politicisation of the Public Service. Clearly it is. While ever those matters are allowed to continue, I think the Government should be properly criticised. I think I might come back to my comments in relation to the Estimates Committee a little later.

Proposed expenditure agreed to.

Debate interrupted.

**Sitting suspended from 12.52 to 2.30 pm**

## **QUESTIONS WITHOUT NOTICE**

### **Pool and Leisure Centres - Strategic Review**

**MR WHITECROSS:** It is good to see you in such a happy mood, Mr Speaker.

**MR SPEAKER:** We will see whether that lasts this afternoon.

**MR WHITECROSS:** Mr Speaker, my question without notice is to the Minister for Sport and Recreation, Mr Stefaniak. LRM Australia has recommended a refurbishment of the Civic pool, which its sister company, Leisure Australia, manages. Minister, are you going to commit Government money to this work? If so, on what basis are you confident that LRM's inquiry into aquatic facilities was fair and unbiased? Minister, can you be confident that LRM Australia is not simply seeking to enhance the business opportunities of its sister company, Leisure Australia?

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**Mr Humphries:** On a point of order, Mr Speaker: Standing order 117(c)(ii) indicates that Ministers should not be asked to announce Government policy. Mr Whitecross has asked Mr Stefaniak whether he intends to support the proposal. As yet, that has not been decided or, if it has been decided, it is Government policy which cannot be announced, pursuant to that standing order.

**MR SPEAKER:** If that is correct, and I am not in a position to comment on that - Mr Stefaniak, you must be aware of that standing order - if there is anything else in Mr Whitecross's question that can be answered, I would ask you to proceed with that.

**MR STEFANIAK:** Mr Speaker, I think Mr Whitecross is referring to the Strategic Review of Pools and Related Facilities in the ACT. In fact, I think it is looking at the next 20 years. As members might be aware, last year the Government commissioned the Strategic Review of Pools and Related Facilities in the ACT. Mr Whitecross, the report was released to the community for public comment on 4 July this year.

**Mr Whitecross:** On 4 July?

**MR STEFANIAK:** I am sorry; on 4 April. The 4th of July is American Independence Day. People are commenting on that report. The cut-off date for people to comment is the end of the month. I understand that quite a few comments have been made already.

That report was released to the community on 4 April, with the specific intention of gaining wider comment. It contains a large number of recommendations for consideration over the next 10-plus years. One of the recommendations was that the Government should consider upgrading the Civic pool and that, at some stage, the Dickson pool should close. I have received a lot of comments in relation to that, Mr Whitecross, naturally enough; but I can say this: This Government has no intention of closing the Dickson pool. Also, the report and the views expressed therein are the consultant's, and the consultant's only, and not necessarily those of the Government.

The report recommends expenditure of well over \$50m. I think, realistically, that it would be very difficult for any government to accept all of those recommendations. It is a review only. It is a review that was conducted by a company, the selection process for which, I think, the Auditor-General has commented on already and given a big tick in the box. It is a review on which a lot of members of the community are now making very valuable input to this Government, certainly in terms of their suggestions on the recommendations and the views expressed in that particular report. That will be very useful for this Government, and indeed for any future government, as it considers Canberra's aquatic needs for the next 10, 15 or 20 years.

But the report is only the views of the consultant. I can certainly reassure people here - indeed, I have been doing so - about the suggestions it makes in relation to Dickson. I might inform members that the current contractor there has a contract up until 2002, with an option to extend for a further five years after that. That is simply a fact. The review only expresses some opinions of the consultant. I look forward to seeing all the various comments that people make, and I thank those members of the public who have to date made comments on this particular report.

**MR WHITECROSS:** Mr Speaker, I have a supplementary question. The Minister seemed to be able to anticipate public consultation on some aspects of the report but not on others. So, Minister, I assume that you have not made a final decision on whether to implement it; but can you assure this Assembly and the community that, in making your decision, you will be acting in the public interest and not in the interests of the private company which currently manages the Civic pool and which is a sister company to the company that did the report?

**MR STEFANIAK:** Mr Whitecross, I think this Government always does its absolute best to act in the public interest. I think you can rest assured of that. Also, in terms of that particular company, I refer you back to the Auditor-General's report in relation to that, in relation to the selection of LRM and, indeed, in relation to the selection of, I think, all four successful private contractors for four out of the five government-run swimming facilities in the Territory.

### **Commonwealth Contracts - Outsourcing**

**MRS LITTLEWOOD:** Mr Speaker, my question is to the Chief Minister. Earlier this month - - -

**Mr Berry:** You can just use the card if you want to get out.

**MR SPEAKER:** Order! Mrs Littlewood is asking the question.

**MRS LITTLEWOOD:** Now, now, Mr Berry! Mr Speaker, my question is to the Chief Minister. Earlier this month the Government announced that it was establishing a new Territory-owned corporation named CanDeliver - more than the Opposition can - to bid for Commonwealth outsourcing contracts on behalf of local small- and medium-sized businesses. Can the Chief Minister inform members what progress has been made on this initiative and what has been the response from the business community and others?

**Mr Whitecross:** Mr Speaker, further to Mr Humphries's point of order just a moment ago: This sounds remarkably like the announcement of Government policy, which you specifically ruled out of order in relation to my question. Mr Speaker, Mrs Littlewood has just invited the Chief Minister to announce Government policy; that is, she asked what progress is being made in relation to the CanDeliver matter. That is clearly a request to announce Government policy and is as out of order as the question I asked.

**MR SPEAKER:** If there is any Government policy involved in the question, then the Chief Minister will avoid making any reference to it, because that would be out of order. I would give her the same advice as I gave Mr Stefaniak.

**MRS CARNELL:** Thank you very much, Mr Speaker. The fact is that the question started with the words, "Earlier this month the Government announced the policy". I think poor old Mr Whitecross cannot handle two sentences in a row. Mr Speaker, the policies of the Commonwealth Government in outsourcing many of its functions will see a considerable number of jobs shift from the public sector to the private sector.

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CanDeliver is about keeping those jobs in Canberra and creating new jobs, Mr Speaker. It is about putting the strengths of the ACT Government, including our AAA credit rating, behind local businesses in order to give them a chance of winning Commonwealth outsourcing work.

Mr Speaker, I am happy to inform members that this innovative job creation approach has met with overwhelming support from small- and medium-sized business in Canberra. It is not hard to see why. They understand that, while they would have difficulty in even bidding for a share of Commonwealth outsourcing work on their own, an initiative such as CanDeliver may give them a real chance of winning new business. It came as some surprise, then, Mr Speaker, when we heard on a news bulletin on a local radio station the Deputy Leader of the Opposition, Mr Berry - or shall we call him "Mr Business" - condemning the CanDeliver initiative.

**Mr Berry:** The taxpayers have to take the risk.

**MRS CARNELL:** There we are; Mr Berry is doing it again. He thinks it is a dreadful idea. Mr Speaker, the radio bulletin said that a plan to keep outsourced jobs in Canberra had come under fire by the Opposition. Shock, horror! Fancy planning to keep outsourced jobs here in Canberra, Mr Speaker! That was the way the story ran. It went on to quote Mr Berry as saying that businesses would take the profits and that the plan was full of holes. Again, shock, horror, Mr Speaker! In other words, we have the Labor Party saying, "Tough luck, small business".

**Mr Berry:** Taxpayers put up the risk capital; that is the issue.

**MRS CARNELL:** There you are; Mr Berry is still saying it - "Risk capital; shock, horror!". Mr Speaker, shock, horror, if this Government is about keeping outsourced jobs here in the Territory. What the Labor Party was basically saying was, "We do not think you deserve any assistance, small business". Mr Berry is saying it again: "We do not think you deserve any assistance whatsoever in bidding for Commonwealth outsourcing". In fact, we have members of the Labor Party effectively saying that they do not care if small- to medium-sized local businesses are frozen out of this process and jobs are lost as a result. Mr Speaker, this is the same Labor Party whose leader, Mr Whitecross, claimed just over a week ago that it would look after local business. What absolute hypocrisy, when their response to a plan that would actually help local businesses is to shoot it down, without even proper consideration.

The thing that really seems to offend Mr Berry about the CanDeliver approach is that businesses might profit. I am sure that was the bet. Then he said, "Shock, horror! Businesses might take the profits". Mr Speaker, once again we see the Labor Party's inability to understand how jobs are actually created. If a business is profitable, then guess what it does. Its business grows and it employs more people, Mr Speaker.

**Mr Berry:** Mr Speaker, on a point of order: If Mrs Carnell wants to put words in our mouths, I wish she would use the words that we would use ourselves.

**MR SPEAKER:** There is no point of order.

**MRS CARNELL:** Mr Speaker, I was actually quoting from the radio bulletin. Mr Berry was saying that businesses would take the profits and that the plan was full of holes, Mr Speaker. So, I am not putting any words into his mouth at all. Mr Speaker, if a business is profitable, it employs more people; if a business is not profitable, it has no option but to lay people off. It is actually quite simple, Mr Speaker. If businesses lose business - - -

**Mr Berry:** No; there is another one too: If businesses are profitable, they put more money in their pockets.

**MRS CARNELL:** Mr Berry said, "There is another one: They put money into their pockets", Mr Speaker. That is what he believes.

**MR SPEAKER:** Order! Mr Berry will not interject and, Chief Minister, do not respond to him. You are answering Mrs Littlewood's question.

**MRS CARNELL:** Mr Speaker, every time he makes such a stupid comment, what can you say? If businesses are not profitable, they lay people off. If businesses lose business from the Federal Government or cannot increase their business, then they cannot employ more people. It is very simple, Mr Speaker. Given that it is now generally accepted that sustainable job growth in Canberra will come from the private sector - even those opposite have grudgingly admitted that - it is vital that small- and medium-sized businesses are profitable. We hope that the CanDeliver approach will assist that profitability by giving local businesses a greater chance of winning a share of Commonwealth outsourcing.

Mr Speaker, CanDeliver will be formed through an amendment to the Territory Owned Corporations Act which will be introduced later this week, and it will be bidding against other major corporations for Commonwealth contracts. It may not win these contracts, Mr Speaker; but we will certainly be giving it our best go to do so. This Government will be in there fighting for local businesses. We will be taking innovative approaches such as CanDeliver. We will not be knocking everything, as Mr Berry is so capable of doing. Mr Speaker, I will finish by making the comment, just as that radio bulletin did: A plan to keep outsourced jobs in Canberra came under fire by the Opposition. Shame, Mr Speaker!

### **Pool and Leisure Centres - Lifesavers**

**MR CORBELL:** Mr Speaker, my question without notice is to Mr Stefaniak in his capacity as Minister for Sport and Recreation.

**Mr Berry:** Use the white button if the card does not work.

**MR SPEAKER:** Would you be quiet, Mr Berry. Mr Corbell is trying to ask a question.

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**MR CORBELL:** Minister, is it the case that you were recently approached by the Royal Life Saving Society, which raised with you concerns that Leisure Australia was not employing the correct number of properly qualified lifesavers to staff the facilities it manages? Minister, can you explain what action you are taking to rectify this situation, or is it the case that you are simply prepared to turn a blind eye to safety procedures to look after your mates?

**MR STEFANIAK:** Mr Corbell, your lot are the ones who know about mates. What this Government is on about is just trying to do the best possible deal we can for the local citizens of Canberra, and that includes recreation facilities. Mr Corbell, I have meetings with the Royal Life Saving Society quite regularly. As you are well aware, Mr Hird is a member of it. Yes, they met with me and they raised a number of concerns. Concerns raised by anyone are taken very much on board by this Government.

In terms of Mr Corbell's question, I understand that, over the past few weeks, a number of staff actually have been refused work at both of the facilities managed by Leisure Australia because their qualifications had, in fact, expired. Also, I understand that a register is kept. They are obliged to keep a comprehensive register of all staff, detailing qualifications. That has recently been audited by the bureau, Mr Corbell, and it was found to be up to date and accurate.

**MR CORBELL:** Mr Speaker, I would like to ask a supplementary question. The Minister has really failed to address one point in my question, which is: Were the pools employing the correct number of people? Yes or no? Were they employing the correct number of properly qualified lifesavers? If not, why not? Minister, I also ask: Is it the case that you have simply gone down the road of using shonky procedures to engage consultants and contractors that you now have to stand by?

**Mrs Carnell:** The Auditor-General said that the procedures were fine.

**Ms McRae:** He did not. I would not boast about the Auditor-General.

**MR STEFANIAK:** Mr Corbell, I repeat that the Auditor-General, in his report, last year - - -

**MR SPEAKER:** Would you all be quiet while Mr Stefaniak answers the supplementary question.

**MR STEFANIAK:** Thank you, Mr Speaker. The Auditor-General has gone through all of that and has given that particular part a big tick in the box, Mr Corbell. So, I would just refer you back to that report. Mr Corbell, you might also be interested to hear that the bureau is the ultimate area for seeing that the contractors are doing their job properly. What they do there, Mr Speaker, is investigate all complaints and take action if that is warranted. Also there are well-established procedures, under the contracts, for monitoring performance and dealing with complaints.

**Mr Corbell:** On a point of order, Mr Speaker - - -

**MR STEFANIAK:** All pools are subject to six-monthly formal reviews.

**MR SPEAKER:** Order! Mr Corbell is raising a point of order.

**Mr Corbell:** Mr Speaker, I was not interested in what the bureau did in terms of monitoring; I wanted to know whether or not there was an adequate number of lifeguards at the pools at all times. Yes or no?

**MR SPEAKER:** There is no point of order.

**Mr Corbell:** He is not answering the question.

**MR STEFANIAK:** That is not a point of order. If Mr Corbell would like to shut up and stop trying to take points of order, I will get to that part. As I said, Mr Corbell, all pools will be subjected to six-monthly formal reviews. Those include such issues as staffing rosters and qualifications, adherence to established safety standards, financial performance, response to customer complaints and attendance statistics. Mr Corbell, the bureau has actually gone out and had a look at these pools. I am advised that, when they did that, they were quite satisfied with the way things were proceeding. For your information, Mr Corbell, there will be another review. There will be a review in July 1997 in relation to those very issues.

#### **Pool and Leisure Centres - Learn-to-swim Classes**

**MR WOOD:** Mr Speaker, my question to Mr Stefaniak is about the Tuggeranong pool. I refer the Minister to the dispute between Ms Fereday, who was operating as a private swimming instructor at the Tuggeranong pool - a common procedure in pools, in the past at least - and Leisure Australia. Minister, it has been reported that the manager of the Tuggeranong pool had defended Leisure Australia's position of excluding Ms Fereday from the centre because Leisure Australia is the sole supplier of the facility and it was within its contract - its Stefaniak-given right - to do so. Minister, will you table a copy of that contract to which the manager referred? Secondly, if this is the case, what are the repercussions for organisations, such as the Royal Life Saving Society, that wish to run learn-to-swim classes at the centre - they do this all over the town - and will be in competition with Leisure Australia? Does Leisure Australia have a Stefaniak-given right to exclude them also, and what would you do if that happened?

**MR STEFANIAK:** In terms of tabling contracts, I will do whatever is proper there, Mr Wood. If it is proper to do that, I will. If there are problems with that, I will not. I will take that on board to see what is the situation there. In relation to Ms Fereday and in relation to such groups as Leisure Australia, Leisure Australia is running and I think is down to run - as it usually does - a number of learn-to-swim programs for the Department of Education and Training. It does that also as a non-profit organisation. I understand that that is proceeding as normal. When we give contracts to people to run pools, Mr Wood, if those groups also have learn-to-swim programs - - -

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**Mr Berry:** On a point of order: This Minister is making a joke out of the standing orders. It is very clear from standing order 118 that the answer to a question without notice shall be concise and confined to the subject matter of the question. The subject matter of the question, clearly, in this case was whether there would be repercussions for organisations such as the Royal Life Saving Society that wish to run learn-to-swim classes at the centre and will be in competition with Leisure Australia, and whether he would table a copy of the contract. They are two pretty simple questions. Perhaps the Minister could confine his attention to those matters, which are the subject of the question.

**MR SPEAKER:** There is no point of order. In any case, I cannot hear what the Minister is saying because of the interjections.

**MR STEFANIAK:** Mr Speaker, in terms of the Royal Life Saving Society using the Tuggeranong pool, since March 1997 Leisure Australia has written to Royal Life on four separate occasions to ensure that arrangements were proceeding smoothly, so I am advised. I am also advised that, although all the space at times required by Royal Life may not be available, Leisure Australia has made an effort to accommodate Royal Life. I understand that the pool will be used by Royal Life at various times - even into next year, from what I can gather, Mr Speaker. I have had some recent discussions with Royal Life in relation to that and also, as I indicated earlier, it has been charged the approved fees for non-commercial users. In relation to Ms Fereday, I understand that the state of play there is that she may still be using the Erindale Leisure Centre. Also, I think, the managers of the Tuggeranong indoor pool are happy to talk to her and see whether some mutually convenient arrangement can be made. So, I do not even think that avenue is necessarily shut off, Mr Wood. But the Government makes no bones about the fact that we need to run our pools as efficiently and effectively as possible. I am also pleased to see that all the indications to date, since we have taken the step of contracting out the management, are that attendances are up and generally people's usage of the pools is very satisfactory indeed.

**MR WOOD:** I notice that the Minister said that there has been nothing concluded, if I heard him correctly. So, we will see what transpires and whether there are different rules for different people.

**MR SPEAKER:** Are you asking a supplementary question or making a statement?

**MR WOOD:** Can I ask a supplementary question now, Mr Speaker? Thank you, Mr Speaker. A large number of complaints have been made about the Tuggeranong pool and the associated facilities - the gym and the like - that costs to patrons have increased markedly and services have been reduced. Is this what you mean by "efficiently and effectively run"? Minister, how are you protecting the public interest in this instance?

**MR STEFANIAK:** I think, if you have a look at costs, Mr Wood, you will find that the costs we charge for our pools are very competitive with those of centres elsewhere. They are very similar. In fact, it is cheaper, for example, than at the Whitlam Centre in Western Sydney and a number of other centres. I think, Mr Wood, even when you were in government, you people would have put up pool costs on occasions. That is something that occurs. But it is pointless putting up pool costs or costs to any facility by too much, because it is counterproductive. That is just part of good management.



I suggest that you compare the costs at the Tuggeranong indoor pool with, say, the costs at the Whitlam Centre in Western Sydney or look at some of the other indoor centres around. I think you will see that our costs in Canberra, including at that facility you mentioned, compare very favourably. Also, Mr Wood, when we came in, we were paying out about \$1.79m a year for the management of five facilities. We are aiming certainly to make a much better deal for the ACT taxpayer there. The whole idea behind contracting out these pools is more efficient management, providing a decent service to the public, at far less cost. Mr Wood, all the indications are that that is actually proceeding very nicely, indeed, and this Government will make significant savings as a result of measures we have taken.

### Sentencing Principles

**MR HIRD:** I would like to ask the Attorney-General a question.

**Mr Berry:** You will not get an answer out of him. You are wasting your time.

**MR HIRD:** Are you suffering from a little bit of itchy mite or something over there?

Is the Attorney-General aware of the comments made by Chief Justice Miles of the Supreme Court, who recently said that the Crimes Act overlooks one of the most fundamental objectives of sentencing, that being protection of the public? Can the Attorney explain what provisions in the Crimes Act the Chief Justice was referring to and what action the Government has taken, and is taking, to address the concerns articulated by the Chief Justice?

**MR HUMPHRIES:** I want to thank Mr Hird for his question - - -

**Mr Berry:** That question would not be asking for a legal opinion, would it?

**MR SPEAKER:** Mr Humphries is aware that he cannot offer a legal opinion, and he is also very aware that he cannot criticise the judiciary. He is aware of both of those things. So, we will just watch it.

**Mr Berry:** Mr Speaker, on a point of order: I wondered whether Mr Hird knew that he could not ask for a legal opinion. That is the point that I make.

**Mr Hird:** I am not asking for any legal opinion.

**MR HUMPHRIES:** No, Mr Speaker; I think the question - - -

**MR SPEAKER:** Questions should not ask Ministers for a legal opinion.

**Mr Berry:** Well, he did. "What is your interpretation of the law?" is what he asked him.

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**MR HUMPHRIES:** No, Mr Speaker; I can be asked to indicate the Government's views about the concerns raised by the Chief Justice. It does not ask for a legal opinion, it does not ask for - - -

**Mr Hird:** I am asking about concerns.

**Mr Berry:** Mr Speaker, it sounds like a legal opinion to me. If it quacks like a duck and looks like a duck, it is a duck.

**MR SPEAKER:** No, it is not a legal opinion. I will judge that, and Mr Humphries is quite capable of answering. Mr Humphries, continue. Be aware of the pitfalls that we must avoid.

**Mr Berry:** No; Mr Speaker, with respect, your interpretation of the standing orders is incorrect. It is not whether Mr Humphries gives a legal opinion; it is whether the member is entitled to ask for a legal opinion.

**MR SPEAKER:** Questions shall not ask Ministers for a legal opinion.

**Mr Berry:** I would like you to give me an interpretation of whether you thought - - -

**MR SPEAKER:** I do not believe that Mr Hird has asked for a legal opinion; but I do caution Mr Humphries about giving one or, for that matter, reflecting on the judiciary.

**Mr Berry:** I would not take any notice of it anyway, Harold. It will probably be a bit, you know - - -

**MR SPEAKER:** Can we get on with question time? We have a big day ahead - a very late night, in fact, if you are not careful. Proceed, Mr Humphries.

**MR HUMPHRIES:** Mr Speaker, I am glad that everyone, including those opposite, is focused on this very important issue. The Chief Justice made comments, which appeared in the *Canberra Times* on the 16th of this month, on section 429 of the Crimes Act. He described that section as signposting a radical change in sentencing procedures. Members will recall that that amendment to the Crimes Act was passed by the Assembly in 1993 and it dealt with principles of sentencing. There was debate at that time about issues such as the prevalence of crimes being a factor to take into account when judges and magistrates are sentencing people for particular crimes when appearing before their courts.

The Chief Justice's comments were, in effect, that the way in which section 429 of the Act is worded elevates the issues of rehabilitation and reparation beyond other objectives in the Crimes Act, in the sentencing principles in the Crimes Act. Particularly, issues of deterrence and denunciation are, in a sense, demoted by the way in which that provision of the Crimes Act has been constructed. Mr Speaker, there has also been criticism of the fact that, in sentencing a convicted offender, the court is prevented from taking

into account the prevalence of an offence. Members will recall that there was debate about that issue also when the Crimes (Amendment) Bill was debated in this place in 1993. Members will recall that I have written to members in the past about this very important issue, an issue that affects the sentencing policies of the court.

**Ms McRae:** Boring!

**MR HUMPHRIES:** While it might be boring to Ms McRae, it is a matter of enough concern by the judiciary to have it raised by them in a public way and also raised with me by the Director of Public Prosecutions, who has also drawn attention to what he believes is a weakness in the legislation.

I have written to members previously on this subject and related subjects to do with sentencing procedures. I have to indicate my view that the Chief Justice has a very clear point when he raises these concerns about the state of the Crimes Act. I will remind members that it is the view of the Assembly that the provisions in the legislation that the Chief Justice and, I think, other judges have complained of should remain, particularly the provision dealing with prevalence. I would, therefore, ask members to consider whether that provision ought not to be amended, as suggested by, among other people, the Chief Justice and the Director of Public Prosecutions.

It is a matter of some considerable importance, even if some members do not realise that. I hope that members will give serious consideration to the issues that have been raised there. It is affecting the way in which people who are convicted before our courts are being sentenced, and in some ways that sentencing policy has been perverted or corrupted by the way in which the legislation has been worded. I cannot fix it by myself. I need the support of members of this Assembly to do that. Members of this place - - -

**Ms McRae:** You cannot fix it in question time.

**MR HUMPHRIES:** Mr Speaker, if I could continue my remarks - - -

**MR SPEAKER:** Continue.

**MR HUMPHRIES:** Members of this place have, in the past, expressed reluctance - - -

**Mr Berry:** It is just posturing and mucking around.

**MR SPEAKER:** Order! I will ask Mr Humphries whether he would mind repeating his answer, because I did not catch it all.

**MR HUMPHRIES:** I would be happy to, Mr Speaker. The Government can indicate its view about these matters; but, of course, it is a matter for the Assembly. I simply convey through you, Mr Speaker, my appeal to members of the Assembly to consider again the position outlined in the Crimes Act to do with both the elements of rehabilitation in sentencing and the question of deterrence.

**Mr Berry:** It is your own portfolio.

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**MR HUMPHRIES:** Mr Speaker, I really appeal for some assistance in being able to complete this answer.

**MR SPEAKER:** Continue, Mr Humphries. I am finding it difficult to hear all of your answer. You may have to repeat some of it.

**MR HUMPHRIES:** I repeat, Mr Speaker, that this is a matter for the whole Assembly, and members need to address their concerns about this issue to that legislation. I will be writing to members again - - -

**Mr Berry:** You will not make a decision on anything, will you?

**MR SPEAKER:** Order!

**MR HUMPHRIES:** I will be writing to members again, asking them to reconsider previously taken positions in this debate and asking that we be able to put to the Assembly a position that will attract support. Members might be happy for me to put forward legislation which I know is going to be defeated; but the weakness in that approach, of course, is that we end up with those who have appealed for that to occur - in this case, the Chief Justice and the Director of Public Prosecutions - being embarrassed by having their views directly rebuffed by the Assembly. I would rather not put those important officers of the justice system in any embarrassing position. Therefore, I am going to ask members to consider separately, apart from this chamber, the position that has been outlined by those officers in this way.

### **Waste Building Materials**

**MS HORODNY:** My question is to the Chief Minister, Mrs Carnell, and it relates to the media release that she put out today that said that the ACT Government is assisting the Master Builders Association with a major study on the recycling of demolition material in the ACT. Mrs Carnell, I am very pleased to see that you agree that not enough recycling of rubble material goes on in the ACT at the moment. In your media release, you say that your Waste Management Unit is establishing a recycling estate in Hume that will take waste directly. In May of this year, the Assembly passed a motion calling on the Government to undertake a study into establishing a waste collection centre and recycling estate at Mitchell. There is also a major building waste recycling facility at Pialligo which has been operating for some years and has scope for upgrading. So, why is the Government pursuing a recycling estate at Hume and not following up these other options?

**MRS CARNELL:** The proposal for Hume, as I understand it - and I will certainly get some more information back to Ms Horodny on this one - is somewhat broader in its concept. Recycling is not just about building wastes, Ms Horodny, as you would be well aware. I understand that the Pialligo facility is really quite specific in the sort of waste that it can take. We have now had a quite large number of very interesting

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proposals put to our business incentive scheme for really innovative approaches to recycling all sorts of things, from organic waste through to building material. We are very positive about looking at those approaches in a fairly broad concept. As we know already, our current recycling people are operating out of the Hume area; so, it would appear to be a sensible extension of that approach. But I must admit that the approach that we have taken has been to encourage these sorts of environmentally sensitive and innovative approaches through ACTBIS. As I say, there are quite a number of proposals, apart from the one that I announced today, that have been given the nod by the business incentive scheme.

**Mr Berry:** Somebody you know?

**MRS CARNELL:** Three or four, I think, Mr Berry; but, if you would like more information on that, I would be very happy to provide that as well.

The proposal that I announced today was for \$20,000 as part of the money that would be needed for a study to look at the business of recycling building rubble. The Master Builders Association and others have put forward a proposal suggesting that, as over the next few years there will be quite a number of buildings in Canberra that will reach their use-by date and therefore will be demolished, we really should be looking at the most cost-effective approach - one that will create the most jobs in Canberra and one that will be able to deal with this building waste in the most effective way.

I know that it is something that the Greens support, and I appreciated their support in their media release today as well. It is the sort of proposal that we will be supporting, to give local jobs to Canberrans but also to create new industries that have a capacity to grow in the future; in other words, real economic development, sustainable jobs in sustainable industries.

**Ms McRae:** Knocking down buildings. Wow!

**MRS CARNELL:** Ms McRae says, "Knocking down buildings". Buildings do reach their use-by date. It is fascinating, Mr Speaker, that the Greens actually support this approach. They are well aware that there will be times when there will be buildings that are knocked down and that should be recycled. It seems that the only people who do not accept that are those opposite, Mr Speaker.

**MR SPEAKER:** Ms Horodny, do you have a recycled supplementary question?

**MS HORODNY:** Yes, I do. What is the timeline for the study and for the recycling estate?

**MRS CARNELL:** I will get that information for Ms Horodny.

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## **Pool and Leisure Centres - Employees' Wages and Conditions**

**MR SPEAKER:** Mr Berry - at last, formally, without making a noise.

**MR BERRY:** If people on that side would observe the standing orders - - -

**MR SPEAKER:** When you were interjecting!

**MR BERRY:** Mr Speaker, my question without notice is to Mr Stefaniak in his capacity as Minister for Sport and Recreation. Minister, when the terms and conditions were drawn up to lease the Civic pool to Leisure Australia, were wages and working conditions for employees included in those terms and conditions?

**Mrs Carnell:** This was done at arm's length from the Government. The Minister did not do it.

**MR STEFANIAK:** I really am amazed at Mr Berry's question, Mr Speaker. As I hear the Chief Minister interject, it was done at arm's length from the Government. Mr Berry, I understand that, in relation to terms and conditions that Leisure Australia and I think their employees - - -

**Mr Berry:** You do not know?

**MR STEFANIAK:** No; I do, Mr Berry. They employ their own staff. I understand, Mr Berry, that they have also successfully negotiated an enterprise bargaining agreement with their employees at the Civic centre and at the Tuggeranong Leisure Centre.

**Mr Berry:** That is not the question I asked.

**MR SPEAKER:** That is the answer you are getting.

**Mr Berry:** Mr Speaker, on a point of order: The Minister seems to have completely misunderstood my question. My question - - -

**Mrs Carnell:** That is not a point of order. Mr Speaker, can we suggest three strikes and you are out in question time - three stupid points of order and you are out?

**Mr Berry:** No. You can raise points of order all day.

**Ms McRae:** Mr Speaker, can we suggest that there is another Speaker in this house and perhaps she would like to take over?

**MR SPEAKER:** Would you all like to go outside and have a private conversation about this?

**Mr Berry:** No. We would just like the Minister to answer the question.

**MR SPEAKER:** He is answering it. There is no point of order.

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**MR STEFANIAK:** Mr Speaker, I am answering it now. They have applied to have it ratified in the Industrial Relations Commission under the Workplace Relations Act 1996. I understand that it has yet to be ratified. I understand that the commissioner has deferred the matter and has asked Leisure Australia to provide more information. In particular, I understand that the commissioner has asked them to examine five awards to determine, firstly, whether they are applicable, and then to apply the "no disadvantage" test to their agreement with employees. I understand that they are currently undertaking that particular work. In terms of this enterprise bargaining agreement, I congratulate them on that initiative. Mr Berry, I understand too - - -

**Mr Berry:** Rip off the workers.

**MR STEFANIAK:** Mr Berry, will you shut up. If you listen, you might learn something. I understand that the pay and conditions are an improvement over award conditions operating in similar facilities in New South Wales, which is a Labor-run State, Mr Berry. It would be very handy, Mr Berry, if you would let these people just get on with the job. I will tell you a couple of other things, Mr Berry. Do you realise that approximately 230,000 people have entered the Tuggeranong pool since the changeover. That is a little bit up on last time. So, people are voting with their feet. They are going in there. Mr Berry, at the Civic Olympic Pool there has been a 13 per cent increase over 1995-96 since there has been a change of management. So, Mr Berry, it cannot be all bad.

**MR BERRY:** Mr Speaker, it seems that the Minister is not concerned - well, I should put it this way so that one does not get - - -

**MR SPEAKER:** No; you are just asking a supplementary question. That is what you are doing.

**MR BERRY:** Mr Speaker, is it Liberal policy to worry more about the number of people who come into swimming pools than about the wages and working conditions of the people who look after them?

**MR SPEAKER:** I am afraid that that is out of order.

**MR STEFANIAK:** Mr Berry, I have already told you that the pay and conditions are better than they are in New South Wales, a Labor State. We worry about a lot of things, Mr Berry. We want to see people paid properly and adequately, we want to see our facilities used and we want to see people enjoying themselves.

**Mr Kaine:** Most of us worry about you, Wayne.

**MR STEFANIAK:** Yes, we do worry about you, Mr Berry. You are a bit of a worry. I suggest that you pop in there and have a look at the Olympic swimming pool. I am delighted to see that there is a 13 per cent increase in the number of people going through the gate and utilising programs. That indicates that people are happy. I am also delighted, Mr Berry, to see that the pay and conditions which have been put forward are better than those for similar facilities in New South Wales. That is good news for Canberra workers, too.

### Dickson Pool

**MS McRAE:** Mr Speaker, my question is to Mr Stefaniak in his capacity as Minister for Sport and Recreation. I refer to the recent report by LRM Australia where they recommend that the Dickson pool be phased out of use. You have said today that you have no intention of closing the pool; but, Minister, can you inform the house as to what you do intend to do? Are you planning to let the facility run down and to let it be closed by default? Can you give a categorical and unequivocal undertaking that you will not let the Dickson pool run down to the point where it has to be closed?

**MR STEFANIAK:** I have a short answer to that one, Mr Speaker. I think it is *res ipsa loquitur* - let the facts speak for themselves. You might note, Ms McRae, that, in terms of the Dickson pool's immediate future, the Government is about to undertake a substantial upgrade of the Dickson aquatic centre, valued at over \$130,000, which is due for completion prior to the 1997-98 season. That is hardly letting a pool run down.

**MS McRAE:** I have a supplementary question. Minister, what have you done to assure the users, the managers and all the people who are concerned about the Dickson pool that you will not run down this pool?

**Mrs Carnell:** Spend \$130,000.

**MS McRAE:** Mrs Carnell may laugh because there is \$130,000 that is actually going to be spent; but, in terms of the costs of the pool, that is a very trivial amount of money, and it would be quite easy to run the pool down - - -

**MR SPEAKER:** Ask your question.

**MS McRAE:** If she did not interject, I would not be explaining.

**MR SPEAKER:** You are addressing the question to Mr Stefaniak.

**MS McRAE:** I am explaining. It is quite trivial in the realm of the expense that is needed for the pool, and it is not assuring at all, Minister, that you are spending \$130,000 this year. It is clear that a rival company to Leisure Australia is running Dickson. What have you told the people of Canberra and the users about the - - -

**Mr Kaine:** On a point of order, Mr Speaker: Is this a statement or a supplementary question?

**MS McRAE:** I am just asking the question and - - -

**Mr Kaine:** You are not asking the question at all.



**MS McRAE:** I have just asked the question, and you interrupted, Mr Kaine. I will now ask the question again.

**Mr Kaine:** It has taken you five minutes already and you have not got to it.

**MS McRAE:** If people did not interrupt, I would not take so long, Mr Kaine.

**Mr Kaine:** Get on with the question.

**MS McRAE:** Try not interrupting, and then maybe I will go ahead. What have you done to assure the users and the managers of the Dickson pool that a recommendation that is being made in favour of a rival pool will not be followed through? What have you actually gone out and told them?

**MR STEFANIAK:** Lots, actually. I have certainly told them that there will be this \$130,000 upgrade, which - I repeat, Ms McRae - is due for completion prior to the summer season 1997-98. Also, Ms McRae, let me say this to anyone who is concerned: There have been a couple of people who have written in because they enjoy using the facility. I have been there myself. It is a lovely facility, Ms McRae. The current contractor has a contract until 30 June 2002, with an option to extend for a further five years after that. In this world, that is pretty well about as long term as you can get, in terms of seeing into the future - and I have told that to people who have any concerns as a result of suggestions made in that report. It would be about three or four more terms of a Liberal government, Ms McRae. So, I think, really, that shows a substantial commitment by this Government to this excellent facility.

### **Literacy and Numeracy Programs**

**MS TUCKER:** My question is to the Minister for Education, Mr Stefaniak. Minister, last year the Government announced in the budget that it would be establishing a fund of \$1.2m to be targeted specifically at expanding literacy and numeracy programs in schools. I understand that the interest from this fund - about \$90,000 annually - was to be used to enhance literacy programs in schools. Can you inform the Assembly how this money has been used in the past financial year?

**MR STEFANIAK:** I thank the member for the question. As she states, the previous year's budget provided \$1.2m to be invested to generate income each year to fund literacy and numeracy initiatives. This, of course, is another initiative by this Government for the development of literacy and numeracy skills in primary schools and also in high schools. Ms Tucker, there is a reference group, which comprises representatives of parents, school boards, principals, teachers and universities, advising the Government on the most appropriate use of these funds. The reference group sought, and was granted, an extension of time to consider the use of the funds. I expect to receive the report from the reference group very shortly indeed.

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**MS TUCKER:** I have a supplementary question, Mr Speaker. Basically, what you are saying is that you have not spent it.

**Mr Stefaniak:** No.

**MS TUCKER:** I would then ask what the comment of the Minister would be on the fact that, when Mrs Carnell tabled the budget last year, she said:

These additional resources will provide hundreds of Canberra students with greater opportunities to receive specialist assistance right now, when they most need it.

**MR STEFANIAK:** Ms Tucker, I think even you would have to agree that this Government has made a significant advancement in terms of assisting people with literacy and numeracy problems and doing things in our schools there. You would also appreciate that, when a reference group seeks an extension of time to consider the use of the funds, that is very important. It is important to get this right, Ms Tucker, and it is important to let the experts actually have their input. If they want a bit more time to get it right, far be it from me to say, "No. Let us do it immediately". I think it is important to get it right.

**Ms Tucker:** They have taken a year. There has been a need for a year.

**MR STEFANIAK:** You would be the first one to complain, Ms Tucker, in relation to something, if you did not like the way it was spent. So, I think it is fair enough if they want an extension of time.

**Mr Kaine:** It is a process of consultation.

**MR STEFANIAK:** It is. I am pleased to see that I am going to receive the report very shortly. Certainly, the Government is quite happy to give them an extension of time, because these people are the experts. They know what they are doing, and I think it is important that we take note of their views and come up with a good formula and a good allocation of those funds to where they are needed most.

### **Children - Access Visits**

**MS REILLY:** My question is to Mr Stefaniak as Minister for Family Services. Minister, what are the current arrangements for children who are under the care of Family Services and who are required to be transported to access visits to their families? Does a member of Family Services staff accompany these children to ensure that they reach the right place?

**MR STEFANIAK:** I thank the member for the question. I am aware that there are varying ways in which access actually occurs. Access can occur, of course, in some instances - where it is difficult to access - at the Family Services office. I am aware of a number of instances where there is supervised access. In other instances, assistance is given to transport people for access. Indeed, on occasions when there is a mix-up, quite often my office is made aware of that and we do our best to sort that out.

But it depends on the type of access and, fundamentally, of course, just the needs of the child. But, in instances, certainly, assistance is given in terms of transportation, and in more difficult cases there is supervised access actually at something like the Family Services office, with a member of staff there at all times. It does vary from case to case.

**MS REILLY:** Mr Speaker, I actually asked about children who needed to be transported, not about ones who are met at Family Services. Is it true that Aerial Taxis delivers these children like parcels to a location and no-one has any idea whether or not they reach the right location?

**MR STEFANIAK:** Ms Reilly, if you have any instances of that, where people are treated like parcels and there is a problem, I would suggest that you let me know. I have already indicated that, certainly over the period we have been in government, there have been a couple of instances where people have had problems in terms of transportation. That is something that we look into. So, if there is any problem with Aerial cabs being used and people being taken to the wrong place, or if there is a lack of supervision and there is some problem there, if you have any specific instances, please let me know about them.

### **Heroin Abuse - Shooting Gallery**

**MR OSBORNE:** Mr Speaker, my question is to the Minister for Police - or the pretend Minister for Police, because the real Minister for Police is up on the hill. Anyway, my question is to our Minister for Police down here, Mr Humphries. Minister, do you - as this person, the Minister for Police - support the establishment of a shooting gallery for heroin addicts? Have you had any discussions with the AFP and the AFPA regarding this issue, as their Minister?

**MR HUMPHRIES:** Mr Speaker, let me say that the issue of a so-called shooting gallery is a very difficult and complex issue, which members of this place will have seen debated from time to time in public places, most recently in the report of the Wood royal commission in New South Wales. They will be aware that it is a sensitive issue, which needs to be carefully and sensitively canvassed around our community. It is very easy for us to jump on a bandwagon and beat up an issue in a way which alarms the rest of the community. I would like to think nobody in this place was in that boat, but I cannot really say that I am confident of that.

The ACT Government is committed to the harm minimisation approach to the use of illicit drugs. We realise that there is a variety of methods of dealing with the harm done by drugs in the community. There is also an approach which emphasises the use of abstinence as the key tool to prevent the harm that drugs do to our community. If you seek my personal view, Mr Osborne, I have long been on the record as saying that I do not believe that the abstinence approach - the end all trade in drugs approach - works. That is a personal view. I believe that policy is more appropriately placed on a harm minimisation basis, to ensure that members of the community who do, for whatever reason, become victims of the use of those drugs have an opportunity to be able to receive appropriate care and treatment and restoration of their place in the community, which the present approach in many ways does not emphasise.

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I think it is incumbent on all governments to examine innovative approaches in these areas. If, at the end of discussions between relevant parties in the community, it were determined that a shooting gallery concept - and it is a very emotive concept - were worth while pursuing, I certainly would be open-minded about taking that approach in this place and supporting it as Minister for Police. There have been some discussions on this issue between me and the Australian Federal Police and I think that the issue has been discussed, although not recently, with the Australian Federal Police Association. Mr Speaker, Mr Osborne would be aware of some of those discussions because he was present at some of those discussions.

### **Political Parties - Donations**

**MR MOORE:** Mr Speaker, my question is also to Mr Humphries, in his role as Attorney-General and the Minister responsible for electoral matters. Mr Humphries, you would be aware of the report of the Joint Standing Committee on Electoral Matters, which referred to the \$1,500 threshold for disclosure of donations. It stated:

Section 314AC of the Electoral Act provides that political parties must disclose a sum of \$1500 or more received from any one person or organisation during a financial year. Individual amounts of less than \$500 need not be counted when calculating whether the \$1500 sum has been reached ...

The Liberal Party submitted to this inquiry that the \$1500 reporting figure should be raised to \$10 000 -

since I mentioned the Liberal Party, I had better mention the Labor Party too -

... the ALP's National Secretary supported the proposed increase to \$1500, -

the original one -

although he did not support an increase to \$10 000 for reporting of total amounts received.

The recommendation, therefore, was:

that section 314AC(1) of the Electoral Act be amended so that political parties are required to disclose a total amount of \$5000 or more, rather than \$1500, received from a person or organisation during a financial year.

Last November, your Government, aided and abetted by the Opposition, lifted the requirements for political parties to disclose donations made to them. You argued that it was appropriate to do this to match a similar loosening of the controls in the Commonwealth requirement. Your changes lifted the total donations from one person which needed to be disclosed to \$1,500, with the \$500 limit, the same as there.

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Given that the Commonwealth's joint standing committee has made this recommendation, loosening the requirements to \$5,000 - a change which has the potential, through money movement across the nine branches of a national political party, to conceal donations of up to \$45,000, according to the Federal Electoral Commissioner - will you, first of all, condemn this recommendation by your Federal colleagues - there was a dissenting report from the Labor members, I should point out - and, secondly, guarantee to this Assembly that your Government will not seek to match this appalling proposal, should the Commonwealth adopt it?

**MR HUMPHRIES:** Can you repeat the question, Mr Moore?

**Mr Moore:** It would be my pleasure.

**MR HUMPHRIES:** I will not put the members of this place through that ordeal. Mr Speaker, in fact, I have not read the report of the Joint Standing Committee on Electoral Matters. I was not even aware that it had come down. I am very happy, though, now that Mr Moore has drawn my attention to it, to go away and read it with voracious interest.

**Mr Moore:** From \$1,500 to \$5,000; it is not hard.

**MR HUMPHRIES:** Yes, I heard what you said about that, and I was unaware that that recommendation was made to the committee by the Liberal Party federally. Mr Speaker, I think Mr Moore is asking me a hypothetical question. He is asking me whether, if the Federal legislation were to be amended to increase it to that level of \$10,000, the ACT would move to match that.

**Mr Moore:** I am asking you just to rule out matching it.

**MR HUMPHRIES:** Either way, it is hypothetical. I very much doubt that legislation of that kind would pass through the Federal Parliament in the first place.

**Mr Moore:** The Liberals have the numbers.

**MR HUMPHRIES:** I am afraid that they have not, Mr Moore. There are Greens in the Federal Parliament. Yes, I have seen them. There are Greens. We are not the only parliament afflicted with these people; the Federal Parliament has them as well. The Government does not hold the balance of power. It does not hold the majority in the Senate either. So, it is a hypothetical question. Mr Speaker, however, I am happy to put on the record that I do not favour the idea of raising the limit to \$10,000 in the ACT. The fact of the matter is that at \$10,000 you would exclude from accountability virtually all donations made to all parties and all individuals in the ACT. So, you might as well not have disclosure legislation at all, if you were to adopt such a provision.

Whether that is applicable at the Federal level I could not say. It sounds strange to me; but I would put it no more strongly than that. I am not the Federal Minister. Mr Speaker, I cannot guarantee that we would not want to abandon the principle of remaining in sync with the Federal legislation. We did that last year, was it?

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**Mr Moore:** November last year.

**MR HUMPHRIES:** We did that last year by amending our legislation to line up with the Federal legislation so that parties contesting elections at both levels would be able to operate at both levels without having completely different sets of accounting for both levels of operation. But, if I were asked hypothetically whether I would be supportive of \$10,000 in the ACT, my hypothetical answer - and that is a personal answer again - would be no.

**Mr Whitecross:** On a point of order: I know that the Minister has avoided taking a position until he knows the Labor Party's position, so I can put on the record that we will not be supporting the increase - - -

**MR SPEAKER:** There is no point of order.

**Mrs Carnell:** I ask that any further questions be placed on the notice paper, Mr Speaker.

### **Taxi Ranks**

**MR KAINE:** I would like to provide an answer to a question that Ms Tucker asked me last week about taxi rank facilities in Manuka. Ms Tucker's initial question asked me to clarify whether it was the Government's responsibility to provide taxi rank facilities and whether or not we review these facilities from time to time to make sure that they are appropriate and safe. The answer to that original question is yes. The ACT Government is responsible for the installation and maintenance of signs and associated line marking for taxi ranks on public roads; but, of course, that is constrained by the fact that such work is done from the minor works program, and those who are familiar with the budget will know that that is limited to about \$350,000 a year in total. The answer to the second part of that question is yes. Officers from my department do maintain constant communication with the management of Aerial Taxis and other interested stakeholders, to review the location, adequacy of supply and safety of taxi ranks. They do that on a fairly regular basis.

The supplementary question asked whether I was aware that the provision of sufficient taxi ranks had become an issue in Manuka and whether I could explain why a request from Aerial Taxis for additional facilities in Manuka was met by the statement that it would be more likely to happen quickly if Aerial Taxis did it themselves and funded it. I was not aware of that, and I had to ask for the details. The fact is that the department did receive a request from Aerial Taxis, on 13 December 1996, seeking improvements to the taxi rank and feeder rank in Manuka. They requested that those works be implemented before Christmas. I note that it was on 13 December that they were asked for it. Of course, at that stage, it simply was not possible to achieve that kind of timetable.

Furthermore, members will be aware that there is a strong likelihood that section 41 will be redeveloped in the future. My officers felt that it was not a good thing to spend a considerable amount of money to upgrade the taxi rank, which would then be demolished in the construction work at section 41. The response, that they might prefer to pay for it themselves and get it quicker, is not unusual, Mr Speaker. Where requests for changes to line marking, signposting and the like are not safety related but deliver a specific benefit to the requesting organisation - in this case, Aerial Taxis - the department does permit the organisation to exercise the option of paying for the work to expedite its implementation. This is not unusual. A number of businesses, diplomatic missions and ACTION have all done so. They have done this work at their own expense because it was in their own interests to do so. So, it was a quite reasonable response, I believe, under the circumstances.

I believe that my departmental officers exercise due discretion to make sure that the limited amount of money they have is spent to the best advantage, noting, Mr Speaker, that as of this moment the department holds a quite large number of uncosted requests of a similar nature, the total cost of which, if costed, I am sure, would run to hundreds of thousands of dollars. How could we simply jump the queue on all of those for Aerial Cabs, for a request on short notice? I think it was a reasonable request, but the response from the department was equally reasonable.

## **SUBORDINATE LEGISLATION Papers**

**MR HUMPHRIES** (Attorney-General): Pursuant to section 6 of the Subordinate Laws Act 1989, I present subordinate legislation in accordance with the schedule of gazettal notices for determinations and instruments of appointment.

*The schedule read as follows:*

Clinical Waste Act - Determination of fees - No. 103 of 1997 (S165, dated 12 June 1997).

Consumer Credit (Administration) Act - Instruments of appointment to the ACT Credit Tribunal -

No. 85 of 1997 (S147, dated 28 May 1997).

No. 86 of 1997 (S147, dated 28 May 1997).

No. 87 of 1997 (S147, dated 28 May 1997).

No. 88 of 1997 (S147, dated 28 May 1997).

Dangerous Goods Act - Determination of fees - No. 104 of 1997 (S165, dated 12 June 1997).

Firearms Act - Determination of fees - No. 79 of 1997 (S138, dated 19 May 1997).

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Gas Act - Determination of fees - No. 102 of 1997 (S165, dated 12 June 1997).

Nature Conservation Act - Determination of fees - Access to Tidbinbilla Nature Reserve - No. 111 of 1997 (S171, dated 20 June 1997).

Taxation (Administration) Act - Determination to reduce the rate of Financial Institutions Duty - No. 101 of 1997 (S164, dated 12 June 1997).

**PLANNING AND ENVIRONMENT - STANDING COMMITTEE**  
**Report on State of the Environment Report and Government Response - Government Response**

**MR HUMPHRIES** (Attorney-General and Minister for the Environment, Land and Planning) (3.33): For the information of members, I present the Government's response to Report No. 25 of the Standing Committee on Planning and Environment entitled "The 1995 ACT State of the Environment Report and the Government's Response", which was presented to the Assembly on 18 February 1997. I move:

That the Assembly takes note of the paper.

I also present, pursuant to section 30A of the Interpretation Act 1967, a letter from the Commissioner for the Environment relating to the furnishing of a State of the Environment Report for the period ending 30 June 1997 and my response to that letter.

Mr Speaker, I have just tabled the Government's response to Report No. 25. The response builds further on the Government's record of continually improving the transparency and accountability of our management of the environment in the ACT and region. The Government has already moved to implement some of the committee's recommendations, such as improving the transparency of the Commissioner for the Environment's funding arrangements. As the continuing independence of the commissioner is crucial, this transparency has been achieved by including the commissioner's financial details in the budget papers as an expense on behalf of the Territory.

The Government disagrees with only one of the committee's recommendations. This concerns the amendment of legislation to automatically refer the commissioner's report and the Government's response to an appropriate Assembly committee. The Government recognises and supports the important role of the Assembly's committees in researching and reviewing public policies. The Planning and Environment Committee is already able to inquire into and report on the ACT State of the Environment Report and the Government's response, whenever it sees fit, under the terms of its resolution of appointment.



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While the Assembly may choose to make the need for an inquiry explicit in the committee's resolution of appointment, the Government does not see any benefit, other than in symbolism, in incorporating an automatic referral in legislation. I would, however, like to emphasise that the Government will always support the referral of future State of the Environment Reports and the Government's responses to an appropriate committee for scrutiny.

The committee made two recommendations that it characterised as urgent. One relates to noise from motor sports at Fairbairn Park and the other to a review of the ACT Decade of Landcare Plan. On the first matter, members will recall that I tabled the Government's response to the Commissioner for the Environment report entitled "Management of Noise from Motorsports in the ACT" on 15 May 1997. With regard to the review of the Decade of Landcare Plan, many of the issues interrelate with the work of the Rural Policy Task Force, which is to report in a short while. I will make a statement to the Assembly on that issue after the Government has considered the task force's report.

On a related matter, I would like to inform the Assembly that I have granted the Commissioner for the Environment's request for a further extension until September this year for presentation of the triennial ACT component of the regional state of the environment report. He has requested the extension in order to meet his commitment to the regional leaders forum to report on the period ending 30 June 1997 at the same time as meeting his obligation to prepare the separate ACT component of the report.

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

### **DISABILITY PROGRAM - CONTINUING REFORM Ministerial Statement**

**MRS CARNELL** (Chief Minister and Minister for Health and Community Care) (3.37): I ask for leave of the Assembly to make a ministerial statement on continuing reform in the ACT Community Care disability program, and I also ask for leave for it to be incorporated in *Hansard*.

**MR SPEAKER**: First of all, is leave granted to make the statement?

Leave granted.

**MR SPEAKER**: Secondly, is leave granted to incorporate this statement in *Hansard*?

Leave granted.

*Statement incorporated at Appendix 1.*

**MRS CARNELL**: I move:

That the Assembly takes note of the paper.

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

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

**MR WOOD:** Mr Speaker, I present Report No. 7 of 1997 of the Standing Committee on Scrutiny of Bills and Subordinate Legislation, and I ask for leave to make a brief statement on that report.

Leave granted.

**MR WOOD:** Mr Speaker, among other matters, the report comments on the Traffic (Amendment) Bill 1997 and draws the Assembly's attention to a number of clauses which require that medical professionals must carry out certain actions, in this case imposing a duty to intrude on the body of their patient at the time. If the professional fails to do so, he or she commits an offence and is liable to a penalty. The committee asks the Assembly to consider whether these clauses do not unduly trespass on personal rights and liberties. That last phrase is from the committee's terms of reference. That is precisely the term of reference that Mr Moore referred to in a debate on another amendment to the Traffic Act last week. Mr Moore believed that restriction on the ability to go to court and various other facts might well be an undue trespass on personal rights and liberties. I indicated to Mr Moore then that the committee would consider his comments, and it did so this morning. I might confirm with Mr Moore that we examined that matter quite carefully and we noted his argument.

The Scrutiny of Bills Committee is very conscious of that term of reference to which he referred and which is part of this report today. We do take great note of the rights and liberties of citizens. It is sometimes a difficult matter to determine. I suppose, to put it in simple terms, that the answer to Mr Moore's query is that matters raised sometimes fall over that dividing line and at other times do not quite cross that line. I must say to Mr Moore that in this case that is the answer we give to him. The committee has considered that the matter referred to ought to be referred to the Assembly for its consideration, should any member wish to raise it. We acknowledge the seriousness of Mr Moore's comments the other day. Ultimately, of course, all these questions are for the Assembly to determine. We appreciate Mr Moore's scrutiny of these Bills as much as we take care of our own.

**ECONOMIC DEVELOPMENT AND TOURISM - STANDING COMMITTEE -**  
**NEW ZEALAND VISIT**  
**Statement by Chair**

**MR HIRD:** Pursuant to standing order 246A, I make the following statement in relation to the Standing Committee on Economic Development and Tourism's visit to New Zealand. The statement follows a visit by my colleague Mr Simon Corbell and me to Christchurch, New Zealand, from 20 to 24 April this year. The third member of the committee, Mr Osborne, was unable to attend due to family reasons. The statement was adopted by members on Monday, 23 June this year. Attached to this statement is a full schedule of the committee's meetings in Christchurch.

The committee decided to visit Christchurch because Christchurch is seen as an excellent example of a city which has turned its economy around, and there are many similarities between Christchurch and Canberra. The Mayor of Christchurch, Ms Buck, was jointly sponsored to visit Canberra by the Canberra Business Council and the Australian Capital Region Development Council in November 1996. An international consultant had been impressed with the success of Christchurch's economic strategies and policies, particularly during very difficult economic times, and had recommended that Canberra could learn much from its experiences.

The similarities between Canberra and Christchurch include: Similar population sizes, 300,000, with regional populations of about 500,000; a well-educated and highly skilled work force with excellent educational facilities; similar economic challenges, and the need to boost local confidence in how to tackle those challenges. Christchurch has dragged itself out of the economic doldrums and gained a reputation as a progressive and innovative city with a bustling economy. The city aggressively markets itself as offering a high quality of life, a highly educated population and a highly skilled work force. Christchurch considers its main assets to be its educated work force, high-quality infrastructure and existing regional and city-based industry. Like Canberra, Christchurch sees its future in manufacturing and value adding, particularly in high-technology industries, with its major challenge being skills development. The Canterbury Development Corporation is working with industry, small business, and educational and training facilities to meet these challenges.

Christchurch is now the second fastest growing city in New Zealand and has the second lowest rate of unemployment. The turnaround has been achieved by changing the gloom and doom mentality to a positive outlook; strong financial and moral support to the operations of the council-owned Canterbury Development Corporation; maintenance of council ownership and control of Southpower, Christchurch International Airport Ltd and Lyttelton Port Co. Ltd; council recognition of the need for it to take a strong interventionist role in the provision of public services and facilities, for example, public transport; redeveloping most of the central city; developing an extensive calendar of regular events and festivals which are principally aimed at Christchurch residents rather than tourists; developing new attractions such as the gondola and the International Antarctic Centre; opening of New Zealand's first casino and the newly constructed Convention and Entertainment Centre; marketing Christchurch as having a high quality of life, highly educated population and skilled work force; encouraging suitable industries or businesses to relocate to or set up in Christchurch - however, this is not done through financial incentives; and implementing innovative business assistance programs.

Because the committee considers there are useful lessons for Canberra from the Christchurch experience, I want to expand on some of these initiatives. I will start with the new events and festivals introduced to Christchurch by the council. We were told that Christchurch used to be considered conservative, cold, slow and boring. The council helped to change that image by developing and sponsoring an extensive calendar of regular events and festivals which are free of charge or very low in cost. They include the Festival of Romance, which occurs during the 10 days leading up to Valentine's Day;

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Kids Fest, which is aimed at children under 10 and held in winter during the school holidays; Blues Booze and Barbecues, where people drink beer, eat barbecued food and listen to good music; the Older and Bolder Festival for older people; World Buskers; Heritage Week; Balloon Festival; Winter Carnival; Adventure Canterbury - and the list goes on, Mr Speaker. These events and festivals liven up the winter period, which is always a difficult time. The committee has given the brochures it received concerning these events and festivals to Canberra Tourism.

The second initiative I want to expand on is the introduction of programs to help local businesses. These programs include Business Grow; Business Taskforce Project; Company Rebuilders; Businesslink Canterbury; Business Investment Opportunities, and Business in the Community. I will talk a little on these, Mr Speaker. Business Grow is a council initiative which has been adopted throughout New Zealand. The Christchurch City Council realised that a number of businesses were experiencing difficulties and were unaware of what assistance was available to help them. Business Grow was established to help those businesses. Business Grow is sponsored by the council, the central government, Trust Bank Canterbury, Telecom and the Bank of New Zealand. Business Grow takes a positive approach by visiting people at their place of business. Five staff travel throughout the region to provide a free, confidential service. People are often referred to other services such as the Business Taskforce Project (Canterbury) or Company Rebuilders. My committee considers there are useful lessons for the Territory from the success of Business Grow in Christchurch. It is likely that many businesses in the Territory which are experiencing difficulties at the present time could improve their performance if similar assistance was made available to them.

Business Taskforce Project (Canterbury) is sponsored by the Trust Bank Canterbury Community Trust and is supported by the Canterbury Employers' Chamber of Commerce, Canterbury Development Corporation and the Canterbury Business Development Board. The project is aimed at small- to medium-sized businesses that need specialist help. The project began operations in March 1996 with 15 advisers. The advisers help improve systems, processes, procedures, planning, and management understanding, and solve problems. Company Rebuilders is also aimed at small- to medium-sized businesses. It is a network of retired business people who help businesses experiencing financial, system or operational problems. The concept originated in Christchurch but has grown throughout New Zealand. The aim of the service is to save jobs. It is a free and confidential service.

Businesslink Canterbury is another initiative of the council which has spread throughout New Zealand. Businesslink is operated by the Canterbury Development Corporation. It is a free and confidential database of local products and services. As part of the service, the Canterbury Development Corporation also sends relevant national and international tender details to businesses, conducts seminars, provides details of relevant inbound or outbound trade missions and assists in joint ventures or technology transfer. Business Investment Opportunities is a free and confidential service where local, national or international investors are matched with local businesses or new businesses requiring capital. Business in the Community is a business mentoring program. Experienced businesspeople provide a free and confidential service which includes guidance, business expertise and professional advice.

The third initiative I want to mention, Mr Speaker, relates to the very close link between economic development and local social development. Christchurch authorities stressed to us that it is not desirable for the business community to gallop on while leaving the general community behind. They view economic development as closely linked to initiatives to assist the unemployed and to provide education and training for the community generally. Consequently, the Christchurch City Council is involved in a number of innovative employment initiatives. These initiatives include Actionworks, the Wai Ora Trust, Aranui High School and Super Grans. I will say just a few words on each of these.

Actionworks is sponsored by the council, the Canterbury Development Corporation and the central government. Actionworks case manages all unemployed youth aged 16 to 24 years and includes assistance with life issues such as accommodation and finance as well as training and post-placement support. The Wai Ora Trust is a non-profit organisation which helps the long-term unemployed gain employment through horticulture and other employment programs. These programs include a nursery which specialises in native plants and a wood cutting and delivery unit. Aranui High School offers an employment preparation program which provides life skills to disadvantaged youth through participation in sport. Super Grans is a scheme where women volunteer their time to help educate and coach young people, in particular young mothers, in life skills. These skills include home budgeting, cooking, parenting and cleaning.

The fourth initiative concerns Christchurch's approach to encouraging businesses to set up in or relocate to Christchurch. There seemed to be universal agreement amongst the people the committee met with that offering incentives creates bidding wars with other locations in New Zealand and overseas. They argued that offering incentives did not produce long-term solutions because the company moved for the wrong reasons. If another city offered greater incentives in the future the company often relocated again and the council's investment could be lost. On this basis, the council made a deliberate decision to allocate funds which would have been used as incentives to improve the city's infrastructure so as to make the city a better place in which to live and work.

Instead of business incentives, Christchurch uses a strategic approach to enticing businesses to Christchurch. The Canterbury Development Corporation identifies industries or companies which will complement rather than compete with existing industry. The committee was given the example of the emerging film industry. It seems that there are no production companies in Christchurch, so the Canterbury Development Corporation is looking for a production company to relocate to or establish in the city.

The committee was interested to learn about Christchurch's involvement in the management of important regional transport infrastructure, namely, the airport and Lyttelton Port. The Christchurch City Council, Mr Speaker, owns 75 per cent of the Christchurch International Airport. The national government owns the remaining 25 per cent but is keen to sell its share to private shareholders. The council also owns 65 per cent of the Lyttelton Port Co. Ltd, which is listed on the stock exchange. The council is keen to retain majority ownership of the airport and port, as they are so important to tourism and business and they are major employers.

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The committee considers that there may be some important lessons for Canberra from the Christchurch experience. They include upgrading Canberra Airport to international status; developing and sponsoring more events and festivals, particularly during the winter period, to develop greater community pride and involvement in Canberra and the region; lobbying to have our road transport links upgraded; rapidly promoting the very high speed train service between Canberra and Sydney; examining the initiatives of the Christchurch City Council to help existing businesses and, if appropriate, adapt them to Canberra and our region; reconsidering the way we encourage businesses to relocate to or establish in Canberra; examining our employment assistance programs to see whether some of the Christchurch City Council's programs may be appropriate to the Territory; and continuing to focus on skills development through education and training.

In closing, Mr Speaker, the committee would like to express its appreciation to the many people we met in Christchurch. All of them were open and frank. All our meetings were stimulating and worth while and members of the committee have come back to Canberra with many ideas and a much broader perspective of the issues surrounding economic development and tourism. In particular, the committee would like to thank two Kiwis, the first being the Mayor of Christchurch, Ms Vicki Buck, who visited Canberra last November. We found that Ms Buck is widely respected and valued for her openness, progressive attitude and willingness to support new ideas. At some stage during every meeting the mayor's name was positively mentioned. Ms Buck is a risk taker who encourages people to have a go and, while recognising that some mistakes will be made in that process, has achieved a lot of success. The second Kiwi is Mr Chris Hyland from the Canterbury Development Corporation. Mr Hyland arranged an interesting and informative program of meetings for the committee, transported the committee during its stay, and provided helpful information to the committee between appointments. Mr Speaker, I commend this statement to the house.

**MR CORBELL:** Mr Speaker, I ask for leave to make a short statement in relation to the same matter.

Leave granted.

**MR CORBELL:** Mr Speaker, the Economic Development and Tourism Committee's visit to Christchurch was a very interesting and very worthwhile visit to undertake. It was interesting, certainly from my perspective as a new member in this place, because it demonstrated both the importance and the viability of a government authority taking direct hands-on involvement in the management, control and operation of important services in the city and actually being able to influence the economic direction and economic development of a city the size of Christchurch. Christchurch, as Mr Hird has mentioned, Mr Speaker, is of a similar size population to our own city of Canberra. It was certainly very interesting and highly worth while to look at what the Christchurch City Council was able to achieve. It is important to recognise that the Christchurch City Council does not have all of the functions that we are responsible for in this place and in this Territory, but it has a large number of them.

Perhaps one of the most important things that we were able to look into while we were in Christchurch was the Christchurch City Council's development of the Canterbury Development Corporation. This is an organisation that is run directly by the Christchurch City Council. It is a progressive and active organisation which sees its main role not as assisting business, which we were somewhat surprised at, but at providing jobs. It saw its No. 1 role and its No. 1 charter from the council which funded it as the provision and creation of jobs for its citizens. I think that is a very valuable base upon which to examine the activities of the Christchurch City Council and it is something that we can draw some attention to here. It is not just about assisting business; it is about creating jobs. That is the emphasis they have chosen to put on it.

Of particular note in the Christchurch City Council's economic development strategy which I would like to draw to the attention of this house is the ownership by the Christchurch City Council of several key elements of public economic infrastructure. The first is that the council owns 100 per cent of an organisation called Southpower - a power production and power distribution network which was previously owned by the New Zealand national government. This was privatised by the New Zealand national government some years ago and the Christchurch City Council made a deliberate decision to borrow money to purchase this organisation and to call it Southpower. Southpower is now the South Island's main energy provider and it is run entirely on a business footing - very similar to our own organisation, ACTEW.

I think what this demonstrates, and I will make some other points also, Mr Speaker, is that when a government is prepared to borrow money for what it sees as a worthwhile benefit you can get a very decent return and you control a key economic asset. Certainly, it would be a major economic asset for any city in New Zealand if it controlled the major provider of power for the South Island. They run it on business lines. They appoint people who are experienced in the management of power companies; but it is owned by the Christchurch City Council and it returns a dividend to the council, much like ACTEW.

Perhaps of more relevant note and of interest to Canberra is the ownership of Christchurch International Airport. Christchurch International Airport is owned 75 per cent by the Christchurch City Council and 25 per cent by the New Zealand national government. Again, here we have a very clear example of the Christchurch City Council recognising the importance of taking a strategic controlling interest in the management of key strategic economic assets. There is no doubt that Christchurch International Airport is very important to Christchurch's ability to compete not only in New Zealand but also in other markets overseas. It is the largest airport on the South Island of New Zealand and it is run entirely as a council business operation.

The importance of this for Canberra cannot be underestimated. The Federal Government has announced that Canberra Airport will be put up for sale. It will, in effect, be privatised. What we should learn from the Christchurch City Council example is that the long-term stability provided by the ownership by the Christchurch City Council of their airport has meant that their airport has been able to develop. Their airport has had the stability to undertake long-term borrowings to upgrade and improve the

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infrastructure, to make it a far more attractive terminal than it once was and to attract more business. This has been achieved only because a long-term investor provided the stability needed to take the long-term view in the development of the airport. That is a lesson that we can learn from the Christchurch City Council and their ownership of Christchurch International Airport.

Christchurch International Airport now has direct flights from Sydney, Singapore, Brisbane and other places. These are aims that our own Government here in the ACT, the Liberal Government, has announced it would like to see as desirable for Canberra Airport. I would draw to the Government's attention the valuable lesson we can learn from Christchurch on this point: Some form of public control or ownership is valuable in providing stability and long-term strategic direction for the development of an important economic asset like an airport. Perhaps the third most important asset which Christchurch City Council owns is the Lyttelton Port Co. This is perhaps of less relevance to us here in Canberra, but again it demonstrates the importance of strategic control in implementing economic development policies which benefit the entire community.

Mr Speaker, there is one other point I would like to make in relation to the Economic Development and Tourism Committee's visit to Christchurch, and that is in the area of business assistance. Everywhere we went in Christchurch, every person we spoke to, no matter whom they represented, said to us that providing incentives, financial or otherwise, to encourage businesses to come to their city was a misleading and inappropriate policy. They said this because it meant getting into bidding wars. They said this because it meant throwing money at companies that may not have the best interests of their city at heart. I am glad you are paying attention to this, Mr Speaker, because it is very important. People said to us that if you provide business incentives for businesses to come to a city the only businesses you are going to attract are ones who will move elsewhere when they get a better offer, which has been their experience, or it will mean you attract businesses that perhaps can be viable only because they get some form of financial assistance.

Are those the sorts of businesses we want to attract? They said to us, "We do not want to attract businesses like that. We want to attract businesses to our city on our city's merits". They said to us, "Our city has wonderful advantages. Our city has a great outdoor lifestyle, like Canberra. Our city has an attractive residential environment, like Canberra. Our city has a highly educated work force, like Canberra". Because it had all of those things, those were the assets on which they sold their city for businesses to come to them, and when the businesses came to Christchurch they gave them every assistance possible to make sure that they succeeded. That is where you see the Canterbury Development Corporation, which Mr Hird mentioned earlier, Mr Speaker, come into effect; but all the programs that that organisation runs are free to business. Mentoring advice, assistance in management of the business, assistance with employing people, all those things, all those assets, all those advantages, are delivered free of charge once the business has arrived.

I think what I learnt from my visit to Christchurch is that you have a far stronger case when you go to someone and you say, "Our city stands on its own two feet. We believe in what our city is about. We believe in the capability of our city. We want you to come here"; not that we can give them \$10,000 and a block of land.



We want them to come here because this is a good city for them to be in. That, I think, is a very salient lesson for us to learn. It is certainly the point that my leader, Andrew Whitecross, has put forward very clearly as Labor Party policy. I think it is a very salient lesson that we can learn from Christchurch.

Mr Speaker, the last point I want to make is a somewhat more negative one, and that is in relation to what has also made Christchurch competitive. What has made Christchurch competitive, unfortunately, is a distinct lowering of labour costs. In New Zealand they have introduced new industrial relations legislation. It has been in place for, I think, six or seven years, and wages have declined for people who are poorly organised, people who work in positions where they can be easily replaced, and people who do not have highly desirable skills, such as people who work in supermarkets and the hospitality industry. Where skills are relatively easily replaceable you find that the wages in those industries are significantly lower, very low.

It is different, though, in industries where employees have highly desirable and highly educated skills. An example that we were shown, as Mr Hird has pointed out, was an engineering company where there were fitters and turners. Fitters and turners were working on parts for the Anzac ship project. They were very highly skilled individuals and very highly organised. Their union represented them and they got very good wages and conditions. They were organised, but they had the skills desired by their employer. The employer wanted to keep them.

The point I want to make here is that we have to strike a balance between making our city effective as a centre for businesses to come to and protecting the wages and conditions of the people who work in those businesses. Unfortunately, one of the downsides of Christchurch is that in many businesses people are being employed on lower wages than they were perhaps a decade ago. That is something that we need to take heed of. It is not an issue that affects us directly here in Canberra, but it is a national issue that we all should be conscious of.

Mr Speaker, in summing up I would like to thank particularly the committee secretary, Beth Irvin, for all her hard work and the assistance she gave to me and to Mr Hird on our visit to Christchurch. We had a very busy schedule, as members would see in the statement that Mr Hird has tabled. I counted 23 different meetings in the four days that we were there. That is quite a few meetings each day. By the end of it your brain tends to get a little overloaded, but I think we both found that schedule very interesting. It would not have been possible without assistance and without the great energy that Beth Irvin demonstrated, and I would like to thank her on behalf of the committee. I would also like to thank Mr Hird for his chairmanship of the committee while we were in New Zealand. I commend the statement to the Assembly.

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## APPROPRIATION BILL 1997-98

[COGNATE PAPERS:

ESTIMATES 1997-98 - SELECT COMMITTEE -  
REPORT ON THE APPROPRIATION BILL 1997-98

ESTIMATES 1997-98 - SELECT COMMITTEE -  
REPORT ON THE APPROPRIATION BILL 1997-98 -  
GOVERNMENT RESPONSE]

### Detail Stage

Debate resumed.

Schedule 1 - Appropriations

#### Part 4 - ACT Executive

Proposed expenditure - ACT Executive, \$1,805,000 (comprising payments on behalf of Territory, \$1,805,000)

**MR MOORE** (4.11): There are some issues that need to be raised here. I appreciate the openness with which certain areas of the Executive are dealt with. For example, details of ministerial travel are tabled regularly. I know from recent talks with members of the Northern Territory legislature that there is a very different approach there when members try to find out information about the travel of the Executive members in that parliament. The Chief Minister mentioned earlier that the Executive here is significantly cheaper than the Executives in other parliaments. I would be very interested in seeing some figures on that, Chief Minister. You would need to divide the total figure by the number of Ministers. I would be very interested to hear your response on that. Generally, I am quite keen to see that we carry out these functions as cheaply as possible.

I would like to raise travel overseas. I am aware that the Chief Minister took a trip to Beijing which she paid for from her own funds. Raising this may embarrass the Chief Minister, but I must put on record that I think that that is entirely inappropriate where the Chief Minister is travelling on Assembly business, Government business or any business to the overall benefit of the Territory. I looked at the schedule that the Chief Minister followed when she was in Beijing. It would be very difficult for anybody to argue that she went there for a holiday. Under those circumstances, I think it is inappropriate that the Chief Minister paid. If the current Chief Minister or Mr Whitecross, if he should become Chief Minister, plans to represent the ACT for good reasons - and I believe Mrs Carnell had good reasons - then they will certainly have my support for the expenditure of funds in doing that. It is appropriate for us to scrutinise travel carefully but also to recognise that it is an important part of the functions of the Government and the Assembly and not put members' families in a position where they miss out on the money that would otherwise have been available in the family if an individual had not paid for their own travel. With those few comments, I indicate that I will be supporting this line in the budget.

**MRS CARNELL** (Chief Minister and Treasurer) (4.15): We have tried, but it is actually very hard to get figures from other Executives around Australia. As Mr Moore said, ministerial allowances and other things are not on the public record. The only place they are on the public record is here. One thing we can be confident of is that the Executive has a lower cost now than it had under the previous Government. In fact, when we came to government the Executive budget was blowing out to over \$400,000. We have managed to pull that back and are now operating within budget. We have also moved to economy travel for the Executive. Unlike those opposite, we have moved to make sure that we limit the amount of money that is spent right across the board on the Executive. I think that all Executives around Australia should be putting their travel expenditure on the record. I think they all should be putting on the record even what they are paid. It is even a little hard to find out what they pay their staff, but it is all on the record here and I am proud of that.

Proposed expenditure agreed to.

### **Part 5 - Central Financing Unit**

Proposed expenditure - Central Financing Unit, \$22,310,000 (comprising payments on behalf of Territory, \$22,310,000)

**MR BERRY** (4.16): I want to continue with some points that I was making in relation to the Estimates Committee report on the Appropriation Bill. One of the areas that were dealt with by the committee was the issue of redundancies. I heard Mrs Carnell earlier today rightly applauding the change in the employment figures in the Australian Capital Territory in the last couple of months. I have already issued statements welcoming those figures and expressing the hope that they in fact persist, but my attention was drawn to an article in this morning's *Canberra Times*. (*Quorum formed*) My attention was drawn to an article in this morning's *Canberra Times* by Mr Ian Davis which raised significant scepticism about the figures. I hope Mr Davis is not correct; but, if I were the Chief Minister, the figures would give me the jitters a bit because it does not look as though they are as solid as they ordinarily would be on receipt of the ABS figures. When you have a close look at the figures and some of the comments by some of the commentators which I will read into the *Hansard*, it is enough to make many of us nervous about these figures although hopeful that, though there are some sceptics, the situation continues to improve.

ACT Chamber of Commerce and Industry spokesperson, Mr Peters, described these figures as "an aberration" and "very surprising". They are just two comments. The large and sudden swings described in employment growth in industry are unlikely, according to the article. According to the headline, job figures are under fire. I trust it does not burn down. I think it will be a good thing if the employment figures continue; but you would have to say, on any assessment of the Government's performance, that they have made no real contribution to the increased employment in the Territory. Leave aside what John Howard has done to the Territory. Mrs Carnell's preferred Prime Minister has made an absolutely shameless attack on 7,000 jobs in the ACT. Why would anybody want to do that to a society? Look at all the energy that is being put into the 2,000 jobs that have not gone yet in Newcastle. Talk about a phoney! We have one in that Prime Minister when it comes to compassion.

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In the same debate we have to deal with the attitude of this Chief Minister. Here is a Chief Minister who, on any assessment of the budgetary performance of the ACT and reasonable expectations for the ACT economy, ought to have abandoned the old Liberal philosophies of small government and bringing down the size of the Public Service. We know that Mrs Carnell has fixed up about 1,600 jobs in the ACT since she arrived as Chief Minister.

**Mrs Carnell:** There are more jobs now than when we came to government. Unemployment is lower.

**MR BERRY:** These are public sector jobs, Mrs Carnell. If you were a responsible manager, why would you downsize the Public Service while the economy is under pressure and shrinking? Have a look at the Estimates Committee report. On page 19 it draws attention to redundancies. It states:

By the end of the current financial year the Government will have provided some \$25.59m for redundancies.

These decisions were made well before the latest figures came out. The Government did not care about the damage it was going to do to the economy. All it was concerned about was the old dogma of reducing the size of the Public Service, sacking public servants and reducing the size of government. That is what this Government has been about in relation to the ACT economy. It has been an obsession with the Liberal Party, both nationally and at the Territory level, to get stuck into the Public Service. That obsession has been acted on at a time when it is least appropriate, when the economy is struggling. The Estimates Committee has properly drawn attention to an area of dreadful Government performance which deserves the strongest criticism.

One other matter that I would like to refer to in this particular debate about the Estimates Committee - and there are some others that I will deal with later on, as we get to the relevant lines - concerns comments by the Estimates Committee on the Kingston industrial site authority. They wrongly call themselves the Kingston Foreshore Development Authority. It has a nice ring to it, but it has nothing much to do with the site. When you look at the map of the land that is being exchanged for what is arguably the best site in the ACT, there is not much foreshore in it. In the Estimates Committee process I asked about the unimproved value of that parcel of Commonwealth land that is to come over to the ACT in exchange for what is arguably the best site in the Territory. Of course, the Government did not want to answer that, because to do so would have been a significant embarrassment. Their response was something like, "There is no point in our telling you that, because really the value of the land ought to be determined on its future use, not on its current use". Why not tell us what its unimproved value was at the time of the swap?

**Mrs Carnell:** It was worth nothing.

**MR BERRY:** It was because the Government was being dishonest with the people of the ACT and with this Assembly, trying to demonstrate that this indeed was a good deal when it has been shown clearly on a number of occasions that it was another dud deal by the Carnell Liberal Government.

The exchange of that small portion of the Kingston industrial site for what is arguably the best piece of land in the Territory has resulted so far in projected expenditure of \$6m. (*Extension of time granted*) So far the Government has committed \$8m, but it says it will spend \$6m on the demolition of that site to prepare it for Commonwealth use. How could you say that it was a good swap when we spend \$6m on a piece of land to prepare it for the Commonwealth, and we take over a piece of industrial land which, according to Mrs Carnell's interjection, is worth nothing undeveloped?

**Mrs Carnell:** I said that Acton was worth nothing.

**MR BERRY:** She says now that Acton was worth nothing. Okay, Acton is worth nothing and the Kingston industrial site is worth nothing. We will have a level playing field so that we can adopt some of those Liberal philosophies.

Let us assume for a moment that the industrial site at Kingston is worth nothing and the Acton site is worth nothing. If I were looking at either one for development, I think I would come to the conclusion that the Acton site is worth many times more. We have taken that land at Kingston off the Commonwealth. We have to clean it up. We have to demolish the buildings in due course. Mrs Carnell will interject, I am sure, "No, the developer will do that". Do you not think the developer will deduct the cost of the demolition of those buildings from the premium that he pays for the site? So it comes at a cost to the Territory. We are so generous that on the Acton site, which is worth nothing according to Mrs Carnell, we spend \$6m to make it worth something so that we can give it to the Commonwealth. That, in effect, is what has happened. This has been a dud deal which has been foisted on the people of the ACT, and they deserve to have it brought to their attention at every opportunity.

**MRS CARNELL** (Chief Minister and Treasurer) (4.30): Is it not tragic? I will start off where Mr Berry finished off and work backwards on the things that he spoke about. First of all, I will deal with the Acton-Kingston land swap. Mr Berry was terribly confused. We will look at the reality of the situation. We inherited an ageing empty hospital on Acton Peninsula, a site with nothing happening on it, and the Kingston site was an industrial site that was being used more or less as an ACTEW dump. On one site we had Acton Peninsula with an ageing hospital not being used, and on the other site we had an ACTEW dump.

Two years later we have the commitment by the Federal Government to a \$130m National Museum on Acton Peninsula. I thought everyone in this Assembly supported that. It will provide significant jobs for Canberra and has significant tourist potential for the city. On Friday of this week we will announce the winners of the ideas competition for the Kingston foreshore, the site that we now own. Mr Berry said that the developer of Kingston will obviously charge the Government for demolition. The interesting word that he used was "developer". The fact is that on the Kingston site we can have a developer. We can actually have things happening on Kingston that will create jobs.

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The only person who has ever suggested that Acton Peninsula should be used as a development site is Rosemary Follett. Those who have been in this house for a couple of terms will remember that those opposite seemed to support a proposal that would have used Acton Peninsula for a medium- to high-density housing development. That is the only basis upon which the land could have been developed. "Developed" means "sold". This side of the house did not believe that Acton Peninsula should be sold for any development purpose. We believed that it should have been used as it is to be used - as a site for something that is important to all Australians and certainly all Canberrans, as the National Museum is. We went from ageing buildings on Acton Peninsula to a National Museum and \$130m worth of development. The other site was an ACTEW dump. This week we will announce the winners of the ideas competition, and we believe that we will have some movement on that site before Christmas. That sounds to me like a pretty good step in the right direction.

Mr Berry spoke about the ABS figures that were looked at in the newspaper this morning. Mr Whitecross earlier made similar comments. They both seemed to doubt the Australian Bureau of Statistics figures. The Australian Bureau of Statistics surveys one in every 75 residents in the ACT, as I understand it. That compares to one in 277 in New South Wales or one in 200 in Australia. In fact, one in 75 is the highest level, along with the Northern Territory and Tasmania, of any sample taken. Those opposite relied on these figures when they were in government. It is funny that now we are in government they somehow think there is something wrong with them. They are certainly the best figures we have. They are certainly the best figures that exist.

All those opposite are doing is doubting the Bureau of Statistics; but, as I said this morning, if they doubt the Bureau of Statistics, why do we not look at the Social Security figures, the figures for the people who actually pick up benefits every fortnight? Mr Whitecross used to work in that particular department, and I am sure he has every faith in DSS figures. The ABS figures show, I think, 11,600 people unemployed - a significant reduction over the last few months; in fact, a reduction of 100 since we came to government. The ABS figures list fewer people as unemployed now than when we came to government two years ago. There are also significantly more jobs in the system, over 3,000 from memory, since we came to government - not in the last few months, but over the last two years. The unemployment rate now is lower than it was when we came to government. In fact, even the participation rate is slightly higher than, or about the same as, it was when we came to government. I think that is a pretty fair go, in fact a very impressive record. I was interested that Mr Berry said that we had done nothing to achieve these wonderful figures. I have to say that we have done a lot. A lot of those things have been based upon - - -

**Mr Berry:** You got rid of 1,600 public servants.

**MRS CARNELL:** Mr Berry earlier made the comment about sacking public servants. Not one public servant has been sacked. In fact, there are more jobs. These are not my figures but Bureau of Statistics figures. There are more people in work, predominantly full-time work, than when we came to government, and fewer people unemployed than when we came to government. You just cannot argue with that. It is just a reality. More jobs and fewer people unemployed - it is as simple as that.

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Mr Berry made some comments about how Newcastle is being treated significantly better than Canberra. I totally agree. I think that the Federal Government seems to believe that 3,000 or 2,000 jobs in Newcastle are significantly more important than the sorts of redundancies that they have put in place in Canberra. But we have managed to overcome those problems, at least to some extent. It is interesting to me that Mr Berry should say that, because the announcement made by the Federal Government this week with regard to aeroplane assembly is going to produce 150 jobs in Newcastle. Mr Berry has opposed a new private hospital for Canberra which will produce 200 jobs. For the life of me, I cannot understand his logic. If he thinks that aeroplane assembly in Newcastle is a really good deal for Newcastle - and I agree with him - why would he not think that 200 jobs in a new private hospital in Canberra was a good deal for Canberra? It shows the level of hypocrisy. Mr Berry also made the comment that we have not done anything with regard to increasing jobs. In one area and one area alone, our business incentive scheme - something that those opposite say they would not do - we have managed already to achieve \$37m of new investment over the next three years and over 700 new jobs. That strikes me as a little bit better than nothing.

I have to say that those opposite have been enormously hypocritical in the debate already today. They have said that we really have to address the operating loss that the Government has. Yes, we are addressing that, and I have already explained how. Over the last two years, as we heard in question time, they have opposed contracting out the swimming pools - something that has saved the Government \$800,000 over a full year and actually achieved more people using the pools at a cheaper cost. If more people are using the pools and it is costing us less, it would strike me as a very good deal, particularly if you are addressing an operating loss.

They opposed the Jindalee Nursing Home sale. Jindalee was costing the Government significant dollars. When we sold the Jindalee Nursing Home, two out of 31 Commonwealth Government standards were being achieved. It is now 29 out of 31. I would have thought that was a pretty good outcome. It is costing less and quality is better. Those opposite opposed that. They opposed agency-based bargaining. They opposed the efficiencies that we went ahead with in Health, efficiencies that will achieve some \$27m over the three years of this Government. They amended the debts tax legislation to ensure that it cost us more money. They amended the rates and land tax legislation in a way that cost us \$315,000 and has proven to be useful for nothing.

This does not show an opposition that is interested in addressing an operating loss. This side is addressing the operating loss. All those people opposite want to do is increase costs. They should tell us what taxes they would put up. That is what they have to do. They are telling us that they will not accept any of these savings, any of these efforts to bring our expenditure back under control. We are not allowed to address our wages bill. That is 70 per cent of our total expenditure in government, and probably more than that in lots of areas. We cannot go down the path of redundancies. That is simply unacceptable, so you rule that out. Health and education you rule out. That is more than half the budget. What they are basically saying is they do not want to address expenditure, but they will not tell us what taxes they would put up. Increasing taxes is the only option if they want to address the operating loss. They say they want to address the operating loss. They have said that all morning. They have said it over the last few months. But they have said that there will be no savings.

That means more taxes.

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All it can be is more taxes. Maybe they support Mr Moore on the bed tax. At least Mr Moore had the guts to come up with a tax that he would increase. I disagree with him totally. Maybe those opposite agree and maybe they might like to tell us.

**MR BERRY** (4.41): I would like to talk about a Chief Minister who is prepared to say anything that comes into her head, even if it has no relationship to the truth, to present an image out there in the community. She went through a few reminders for us about why we do not support the way her Government operates. She said that the new private hospital will create 200 jobs. I trust that she will listen to me now. Where do you think the 200 jobs are going to get their business from? They are going to get their business from the other hospitals and the public system.

**Mrs Carnell:** No, they are not. They will get it from the region.

**MR BERRY:** There are going to be sicker people here in the ACT - more business! There is going to be more throughput because we build a private hospital! Does it mean that our health costs are going to go up because we have a private hospital? This is a joke. The 200 jobs will take business from somewhere else. They will take it out of either the public system or the other two private hospitals. Do not try that one on us.

The ACT community is not going to become sicker overnight just to fill your private hospital. They are not going to break legs and wear out hips and knees just to fill your private hospital. There are not going to be hundreds of extra people for your cardio-thoracic unit. Only a small proportion of them can be looked after in your private hospital. That is if people are prepared to take out expensive private insurance or borrow or pay - - -

**Mrs Carnell:** Thirty-seven per cent have it now.

**MR BERRY:** Mrs Carnell interjects that 37 per cent have it now. By implication I think she is saying, "We will force them into the private hospital". That is what that means. Of course, once you force them in there, you force them out of the public system, which means that jobs there will go. Do not try on us that furphy that there will be 200 extra jobs in the private hospital. The 200 extra jobs in the private hospital will be taking business from the other hospitals. Let us not kid ourselves. Mrs Carnell went on to mention all of the things she is doing that Labor opposed. One of the glaring absences from the issues she raised was the \$3m extra that she paid to the doctors. We would have gladly supported her if she had not paid it. Mrs Carnell failed to mention that. Of course, she was censured for misleading us on that, and she would not want to remind the Assembly about that.

It is a pattern that Mrs Carnell seems to have developed. She raised the Jindalee Nursing Home issue. That nursing home was given away for the price of a decent three-bedroom house. Mrs Carnell brags that because we are out of nursing home care in the ACT things are on the improve, that standards have improved. What she really does is demean her own position by the admission that other people can run it better. "I could not run it, so I gave it to the private sector to run", says Mrs Carnell. Mrs Carnell makes the big admission, "I could not handle the thing. I had to flick  
pass  
it.



I just could not fix it up. I will get rid of it for the price of a three-bedroom house and somebody else can look after it". Mrs Carnell, you are a joke. You have demonstrated time and time again that you are not fearful of saying anything at all that is necessary to present a glitzy media image on any issue at all.

Let us go back to the Acton Peninsula site. You made great play about what benefit it is for the ACT. The plain fact of the matter is that that beautiful site, worth many times more than the industrial land at Kingston, was given away and you are going to spend \$6m so that you can make it more attractive for the Commonwealth. I heard Mrs Carnell the other day going through the motions of deriding the Federal Government, her preferred Federal Government, over the museum site at Yarramundi. What a joke! The Liberals lied to the people of the ACT in relation to the Yarramundi site - the lot of them, every one of them. There was never any intention to do anything on that site. There was always an intention to pull the wool over the people's eyes. Mr Humphries says, "You should have read the fine print". That is what we expect from Liberals and that is what we get, so we are not shocked.

Proposed expenditure agreed to.

## **Part 6 - Accommodation and Property Services**

Proposed expenditure - Accommodation and Property Services, \$5,429,000 (comprising net cost of outputs, \$1,879,000; and capital injection, \$3,550,000)

**MR MOORE** (4.47): I think this is an appropriate time to look at the path we are going down with accommodation and property. Apart from the sale and lease-back last year, we are going down this path where the Government sees it as appropriate to live in rented accommodation and to transfer our system from owned accommodation to rented accommodation. The theories behind this are always the very opposite to the theories that we use in our own domestic situation. Many of us aspire to own our own homes rather than rent them.

The Government has gone down this path in an attempt to avoid any further borrowing. From a long-term perspective, I have real doubts about whether this is the best way to go. I have certainly seen a number of papers that the Government has been kind enough to present over a number of years, suggesting that in the long term this is cheaper. Most of those papers are dependent on the Government assigning certain costs in the first place. If you assign certain costs in the first place, then you can come out with accounting advantages afterwards. Take this Assembly Building. If we were renting this space - I believe that in principle the Assembly ought not to be dependent upon another group, but that is a separate issue - there would be a constant outflow of money without any hope of this building being owned by us in the future. That is why in their domestic situation people tend to purchase their home when they have done their budgets. I must emphasise that the approach that has been followed by this Government does not hold any appeal for me.

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**MR WHITECROSS** (Leader of the Opposition) (4.49): I agree with some things that Mr Moore has said and perhaps disagree with others. I believe that the approach the Government has taken this year, of separating out accommodation and ensuring that a payment is made to a central pool for accommodation which is government owned, is an appropriate one. It makes explicit the cost of accommodation and assists in better managing our assets to ensure that we get the best value for money and also that individual line agencies know how much their accommodation is really costing. It is interesting that they have chosen to do this this year. For two years in the Estimates Committee I asked them whether they were going to do it, and for two years they said that they would not do it; that it was not necessary; that it was not part of Government policy and they were not going to do it. Fortunately, on this occasion their consistent denials that they agreed with that approach have turned out to be wrong and they have actually agreed with the approach that I have been advocating in relation to this.

I also believe that, as a general principle, it is in the interests of the Territory for the Government to own accommodation rather than to lease it. I do not believe that leasing accommodation is, as a general rule, the cheapest alternative, any more than renting a house is cheaper than owning a house. On certain occasions it may be cheaper and in certain circumstances there may be good reasons why the Government wants to operate a small amount of office accommodation which it would be a lot cheaper to lease than it would be to buy the building. There is a need to look at horses for courses. I should also say that there are some other considerations in relation to office accommodation, such as how our deployment of office accommodation meets our objectives under the Territory Plan in relation to the distribution of the employment opportunities in the city, and the impact of the ACT as a property owner on the property market in the ACT. These are considerations which ought to be taken into account as well.

One thing about the office accommodation strategy, as set out in the budget papers, which ought to give members some cause for concern is the Government's stated goal of reducing the amount of office accommodation by a substantial amount over the next five years, by 2002, releasing onto the market 38,000 square metres of office space in order to meet their benchmark of 15 square metres per employee. In the budget papers they boast long and loud about how much this is going to save the budget. They talk about the reduction in the cost of office accommodation for employees as a result of these changes. One thing they do not seem to talk about much is what the impact on the property market is going to be of the Government abandoning 38,000 square metres of office space in the current climate. When I queried officials of Treasury in the Public Accounts Committee about this issue, they ducked and weaved a fair amount about exactly what they planned to do on this. It was all a draft strategy and they had not made up their minds. Of course, in the budget papers, which have come out since that time, they make it clear that they have adopted this strategy. This is not a draft; it is an adopted strategy of the Government. I think we need to be very cautious about this.

As happens with redundancies and as happens with cuts in Commonwealth capital works funding, again we find with this matter that, while the ACT Liberals bleat about what the Federal Liberals are doing and the dangers entailed in releasing lots of office accommodation onto the ACT property market at a time when the property market is not performing too well, when it comes to their own actions it is a different story.

They are quite happy to release 38,000 square metres of office space onto the market in the current environment. I am quite concerned about what this will mean for the ACT property market. I am quite concerned about what this might mean for various regional centres in Canberra if the Government persists with trying to release, by 2002, 38,000 square metres of office space onto the property market.

It also interests me that, after releasing the draft asset management strategy, the Government still found it in their hearts to renew the lease on FAI House, which no doubt suited the Treasury officials because it is just across the road. It is interesting that, while the Treasury officials are happy to write a draft asset management strategy to reduce the amount of office accommodation that ACT government employees have to work in, they were very keen to renew the lease on their own building. While other people have to consolidate their office accommodation, move offices and all that sort of thing, the Treasury officials are not leading by example by vacating expensive office accommodation in the CBD. Perhaps there is a good explanation for that.

**MRS CARNELL** (Chief Minister and Treasurer) (4.55): Mr Speaker, Treasury officials, apart from those in the customer service area, actually are not in FAI House. Oops, Mr Whitecross! They have actually moved into the Canberra Nara Centre. They are leading by example and moving to the 15-square-metre situation. Other departments and areas are in the process of moving into FAI House, again on the basis of 15 square metres. Wrong again, Mr Whitecross!

Mr Whitecross has just managed to rule out both the No. 1 and No. 2 areas of saving. (*Quorum formed*) It seems that Mr Whitecross has ruled out our capacity to save money in the area of wages. They have said that that is simply not acceptable; it is not appropriate at all to go down the path of redundancies; we are very naughty in doing that. That is our biggest single expenditure. Our second biggest is more than likely, I suspect, accommodation. In most departments it would be accommodation. Mr Whitecross is now saying that the approach we have taken in accommodation to save \$8m per annum is also not such a great idea. We are getting a quite long way down the list of things that we are actually allowed to save money on, but remember that we are supposed to reduce the operating loss.

I come back to what I said before. If you cannot save money in the two major areas of expenditure, there is only one other approach, and that is to increase taxes. That must be what those opposite are planning to do. As I said before, at least Mr Moore had the guts to stand up and say that that is what he would do. He would introduce a bed tax; he would introduce some other taxes that New South Wales has introduced. At least he had the guts to say it. Those opposite will not say it. They will say that we are not allowed to save money anywhere, that that is simply not acceptable; but they do not have the guts to talk about increasing taxes.

Debate interrupted.

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## ADJOURNMENT

**MR TEMPORARY DEPUTY SPEAKER** (Mr Hird): Order! It being 5.00 pm, I propose the question:

That the Assembly do now adjourn.

**Mrs Carnell:** I require the question to be put forthwith without debate.

Question resolved in the negative.

## APPROPRIATION BILL 1997-98

[COGNATE PAPERS:

ESTIMATES 1997-98 - SELECT COMMITTEE -  
REPORT ON THE APPROPRIATION BILL 1997-98

ESTIMATES 1997-98 - SELECT COMMITTEE -  
REPORT ON THE APPROPRIATION BILL 1997-98 -  
GOVERNMENT RESPONSE]

### Detail Stage

Debate resumed.

**MRS CARNELL:** One, I think, half sensible question that Mr Whitecross asked was with regard to the disposal of government space. I would like to inform Mr Whitecross - I am sure he really knows - that the changes in our space requirements will happen predominantly over the years from 1999 to 2002-03. We do not believe that the property market then will be at the same sort of level as it is now. I think we all have to hope, for the ACT's sake, that it is not. I am sure that it will not be, Mr Temporary Deputy Speaker. We have put together a proposal that is very sensible for the ACT, I believe, and that does address some of our underlying operating loss. Eight million dollars a year is not an insignificant amount of money. In fact, it is slightly more than a bed tax would raise. I think that really shows just what an important saving it is, and it is a saving that occurs without affecting any service delivery.

**MR WHITECROSS** (Leader of the Opposition) (5.02): Mr Temporary Deputy Speaker, I note the Chief Minister's confidence that after Labor wins the next election the economy will come out of recession.

**MR MOORE** (5.02): The bed tax estimate is \$7m; but I would think, through your good work, Mr Temporary Deputy Speaker, as chair of the Economic Development and Tourism Committee, and the good work of others in that area, we would see increased tourism and increased revenue well beyond the \$7m that could be raised. Some of that revenue could be turned back into the tourism industry, particularly for advertising Canberra. I would not have a problem with that. I think the positive, proactive measures that I am presenting are important, side by side with the sorts of savings that the Chief Minister is intent on making. I do not mind giving credit where it is due when those savings are made.

Proposed expenditure agreed to.

### **Part 7 - ACT Superannuation Provision**

Proposed expenditure - ACT Superannuation Provision, \$16,544,000 (comprising payments on behalf of Territory, \$16,544,000)

**MR WHITECROSS** (Leader of the Opposition) (5.03): I look forward to hearing Mr Moore's contribution on this. Mr Temporary Deputy Speaker, I rise to speak in relation to the ACT superannuation provision appropriation unit to express some concerns about how this issue is being handled by the current Government. It is commonplace for people to express concern about the rate of growth of the unfunded liabilities for superannuation, standing at some \$730m in 1996-97 and rising, and to talk about the actuarial studies showing how it would be a major liability for the people of Canberra. We have heard, in particular, lots of scaremongering about this issue coming from the Government and lots of agitation on the issue, most recently in the Estimates Committee hearings. There was a very long and detailed presentation from Treasury officials about the growth of this unfunded liability, the financing costs, and the employer costs of the superannuation liability.

For all this agitation, the Government's record on this issue is far from a glorious one. The first thing that those opposite did when they got into government was to stop funding superannuation liabilities. Under Labor we were making provision in our budgets for part of the accruing cost of superannuation; admittedly, not the whole cost, but we were making provision for part of the cost. The first thing the Carnell Government did when they came in, the first thing the Liberals did, was to stop making any provision. Then they have the gall, over the subsequent three years, to agitate about how terrible the emerging unfunded liability is. It would not be emerging quite so fast if the Government had stuck with Labor's policy of making provision for it.

The Labor Party put \$71m into superannuation in 1991-92 and nearly \$91m in 1992-93 and 1993-94. By contrast, the current Government has put in only \$40m over three budgets. This is the gap between the rhetoric of the Liberal Government in relation to this issue and the reality. You have to ask, "Why?". If the Government is so concerned about this issue, why has it done nothing about making provision for the accruing cost of superannuation, whether partial or full, rather than just spouting lots of rhetoric about what a big problem it is?

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The answer to that question may lie in the presentation of the Treasury officials at the Estimates Committee hearing. The presentation of the Treasury officials at the Estimates Committee hearing talked about the employer cost associated with the CSS and the employer cost associated with the PSS, and then the impact on these costs of a so-called new superannuation scheme which would be based on the superannuation guarantee levy. So, instead of paying the provisions required under the current PSS scheme, we will have this new scheme based on the minimum that they could get away with under the superannuation guarantee levy.

**Mr Osborne:** Let us not do anything with superannuation. Let us keep on doing what you are doing.

**MR WHITECROSS:** Just listen.

**Mr Osborne:** Let us keep doing what the Labor Party has done, and when my children are old enough they are going to have a disgraceful problem because of you.

**MR WHITECROSS:** Just listen, Mr Osborne; you are going to learn something. Mr Temporary Deputy Speaker, are you going to - - -

**MR TEMPORARY DEPUTY SPEAKER:** I cannot hear a thing.

**Mr Osborne:** Scaremongering!

**MR TEMPORARY DEPUTY SPEAKER:** I am listening to your wise words, Mr Whitecross.

**Mr Osborne:** Excuse me, Andrew.

**MR TEMPORARY DEPUTY SPEAKER:** Mr Whitecross has the call.

**MR WHITECROSS:** Thank you, Mr Temporary Deputy Speaker. The Treasury officials presumably speak on behalf of the Government. After all, that is their job. They were talking about a so-called new superannuation scheme which is going to reduce superannuation benefits to the level of the superannuation guarantee levy - a dramatic cut in benefits to ACT government employees.

What do their own graphs show about the impact of this on the cost as a percentage of salaries costs for the employer? They show that it makes no difference to the peak in the cost as a percentage of salaries. In other words, this solution does not address the problem at all. It does not address the problem of the cost of superannuation as a percentage of salaries. Therefore, the benefits from doing this do not lie in reducing the cost to future governments in meeting superannuation provisions. Here we have the Treasury officials apparently advocating a reduction in superannuation entitlements for ACT government employees which will make no difference to the cost as a percentage of salaries in the 2020s. Of course, it will make a difference if you go far enough into the future.

But what is really going on here? In 1991 we changed the superannuation scheme. We introduced the public sector superannuation scheme. Why did we introduce the public sector superannuation scheme? We did it in order to reduce the cost of the scheme to the public sector in future years. It is having that effect. We did that in 1991 in consultation with the unions, at a Commonwealth level, and we inherited it in the ACT. That was done in consultation with the unions. It is going to reduce the long-term costs of superannuation.

How do we solve what appears to be the real problem, Mr Osborne? The real problem is not the benefits to employees, Mr Osborne. The problem is the accruing costs of the old scheme, the Commonwealth superannuation scheme. It is not the PSS which is causing the problem; it is the old scheme, the Commonwealth superannuation scheme, which is already closed. What can we do about that? The answer, Mr Temporary Deputy Speaker, is that we have to make some provision for the funding of accruing costs. When we were in government Labor was making provision for the accruing costs of superannuation.

**Mr Osborne:** That is obvious. It is \$700m.

**MR WHITECROSS:** Mr Osborne, if you were paying attention, you would have heard that the Government which you support stopped making provision for the accruing costs of superannuation when they came in.

**Mr Osborne:** I have raised it every year, Andrew. I have raised the superannuation issue in respect of every budget.

**MR WHITECROSS:** You, Mr Osborne, have supported a government which has compounded the problem. It has made the problem worse, Mr Osborne, so do not come in here and lecture me about it. You are supporting a government which has made the problem worse.

**MR TEMPORARY DEPUTY SPEAKER:** Order! Mr Whitecross, address your remarks to the Chair.

**MR WHITECROSS:** Mr Temporary Deputy Speaker, if Mr Osborne wants to mislead the house I have to set him straight. It is he who has supported a government which has made this problem worse. We were funding accruing costs; not fully, I admit, but we were making a contribution to the accruing costs. The Government that Mr Osborne supports, the Government presided over by the current Treasurer, is not making any provision for accruing costs, Mr Temporary Deputy Speaker. It is the provision for accruing costs which is the problem. The Treasury officials came into the Estimates Committee hearing and gave us all these graphs about their so-called new superannuation scheme to cut benefits to employees, but it will not address the problem of the peak in the cost as a percentage of salaries. That will be addressed only by making a provision up front for accruing costs of the CSS, the scheme which is closed but which represents the lion's share of the unfunded liability.

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The Treasurer, in her remarks on this item, should explain to this house whether or not the Government supports further reducing the benefits to ACT government employees. They were reduced in 1991 when the PSS was introduced in consultation with the unions. That was an appropriate process that was gone through. Agreement was reached. There were benefits to government employees from the PSS and there were benefits to the community as a whole through reduced costs of superannuation. That was an appropriate process. But we are still living with the emerging costs of the previous CSS which has now closed. We need to do something about how we fund those emerging costs, and that is where Mr Osborne can help. He ought to be putting pressure on the Government he supports to make some provision for those emerging costs rather than making no provision as they are doing at the moment.

**Mr Berry:** You have not done anything, Ossie.

**Mr Osborne:** You did nothing either.

**Mr Berry:** You have just copped it sweet.

**MR TEMPORARY DEPUTY SPEAKER:** Order, Mr Berry! Order, Mr Osborne!

**MR WHITECROSS:** The Treasurer should be ruling out further cuts to benefits for ACT government employees, and Mr Osborne should be saying to the Treasurer that further cuts to benefits for employees are not the issue and you should not do it. The real issue is what you are going to do to fund the emerging costs of the CSS, because that is where the costs are blowing out.

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

**MR OSBORNE (5.14):** It was very interesting to hear Mr Whitecross saying that there has been a hell of a lot of scaremongering going on about superannuation. Mr Whitecross, I am scared about the superannuation problem at the moment.

**MR TEMPORARY DEPUTY SPEAKER:** Mr Osborne, you will address your remarks to the Chair.

**MR OSBORNE:** Thank you. The unfunded superannuation liability is \$645m. Do not be scared. That is not a problem. There is no doubt that when Mr Whitecross stood up in this Assembly he was embarrassed.

**Mr Whitecross:** No, I am not.

**MR OSBORNE:** You are embarrassed about the previous Labor Government's rather poor contribution to the superannuation levy. You are embarrassed, Andrew, and I appreciate that. To stand up here and carry on - - -



**Mr Moore:** He was not Chief Minister.

**MR OSBORNE:** Mr Moore interjects that you were not Chief Minister. You were not even here then, Mr Whitecross. Let us be honest. When this Territory inherited self-government what was our superannuation liability, Mr Whitecross? Mrs Carnell says zero.

**Ms McRae:** And how much did Labor pay? How much did Labor contribute?

**Mrs Carnell:** Bugger all.

**MR OSBORNE:** How much did you pay? You did not pay enough, Ms McRae.

**Ms McRae:** There you go. Bugger all is better than none.

**MR OSBORNE:** To pay only the emerging costs each year is not the answer. I have raised this issue of superannuation in respect of every budget. It is a problem.

**Mr Berry:** You still vote for the budget, though.

**Mr Whitecross:** You still vote for them.

**MR OSBORNE:** I vote for them because I have a choice between this Government and you people over there. Let us get onto scaremongering. By the year 2026, which is 30 years away, the emerging costs will be \$125m. That is in today's financial terms. What is our total budget, Mr Whitecross? Do you want to answer that?

**Mrs Carnell:** It is \$1.3 billion.

**MR OSBORNE:** It is \$1.3 billion. If we were to continue along the path that you have taken, and even the path that this Government has taken, 10 per cent of our budget would be spent on superannuation. That is a disgrace. It is an absolute disgrace.

**Mr Whitecross:** It is not the path we took. It is the path this Government has taken.

**MR OSBORNE:** I keep harking back, Mr Whitecross, to when this Territory inherited self-government and there was absolutely no liability for superannuation. There is now \$645m. By the year 2015 it will be \$2 billion.

**Mr Berry:** That is because you voted for a Liberal government.

**MR OSBORNE:** What a load of garbage, Mr Berry! You were here. You were the Government that created this problem. Mr Whitecross went through these graphs that were provided by the Territory. It is quite obvious that the current way it is being handled, CSS or PSS, is not the answer.

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Unfortunately, it does not appear that the Labor Party wants to admit that this liability is an issue. I think it is. I think it is one of the greatest issues facing this Territory because, as it says here, by the year 2015, on today's terms, our liability will be \$2 billion. That is \$700m more than our current budget, Mr Whitecross. That is not something to be frightened about. Fortunately, Mr Speaker, I do not look at today or tomorrow; I think about the future, unlike the Labor Party. I would like to think that when my children grow up they are not going to be left with this disgrace. Mr Speaker, I have raised the issue of superannuation every year because I do think it is a problem.

**Mr Berry:** And then voted for them. You said, "No; your budget is fine. You do not have to put it in. I would like you to put it in and you have not, but it is all right".

**MR OSBORNE:** If I do not vote for it, Mr Berry, you come back and it gets worse and worse.

**Ms McRae:** You did not make it any better last year. You could have put a condition on the budget.

**MR OSBORNE:** I did so, Ms McRae. I did make an issue of it last year.

**Ms McRae:** You could have put a condition on the budget, but you did not put a condition on it.

**MR OSBORNE:** I did make an issue of it last year. I did raise the issue last year, Ms McRae - and do not point your finger at me as if I am a schoolchild.

**Ms McRae:** I will.

**MR OSBORNE:** You are not back at school teaching little children.

**Ms McRae:** It is all talk. You did not put a condition on their budget.

**MR OSBORNE:** It is all talk. Mr Speaker, unfortunately an issue like this needs some people to make some brave decisions. I am very disappointed that it appears that the Labor Party does not want to acknowledge the problem. They want to stand up and make excuses for their incompetence. I think this is an issue that needs to be addressed more seriously by this Assembly. It is an issue that has the potential to create terrible problems in the future for us all. Unfortunately, it appears that until the Labor Party accepts that it is just going to get worse and worse.

**MR BERRY (5.20):** I am delighted, Mr Speaker, to acknowledge that Mr Osborne would support, as an answer to this problem, a scheme which reduced the benefits for workers.

**Mr Osborne:** I take a point of order, Mr Speaker. I do not know that I said that at all when I spoke, Mr Berry.

**Mr Whitecross:** No; all you did was slag us off. You did not actually provide a solution.

**Mr Osborne:** I slagged you off, Mr Whitecross, because you stood up for 20 minutes and said absolute drivel.

**Mr Whitecross:** I did not.

**MR SPEAKER:** Come on, kiddies! Let us get out of this playpen.

**MR BERRY:** Mr Speaker, I resent that sort of implication. This is serious business and a serious debate is occurring. If you do not want to stay here, get somebody else to sit in the chair in your place.

**MR SPEAKER:** I suggest that you address yourself to the seriousness of the debate.

**MR BERRY:** Mr Speaker, the budget papers to which Mr Osborne has given his undying commitment say this:

The introduction of a scheme at the Superannuation Guarantee level, as in most states and the private sector, would be a means of containing the longer term annual costs and accruing liabilities.

That is a reduction of benefits for workers. There is no other way of describing it, Mr Osborne. You stand up there as a fount of all knowledge on superannuation and ignore the fact that you are a supporter of this Government. You have disqualified yourself from criticising it because of your undying commitment to and vote for this Government in two previous budgets where they did not fund the emergence of superannuation liability.

You cannot ignore the truth. The truth of the matter can be found in the Estimates Committee report on page 20, where you will find that, in its three budgets, this Government - I will accept your apology after this - - -

**Mr Osborne:** Do not hold your breath, Wayne.

**MR BERRY:** Admitting you are wrong is something that you might find difficult - - -

**Mr Osborne:** Will you admit that you are wrong?

**MR BERRY:** I know that I would find it difficult - - -

**MR SPEAKER:** Order! Just get on with the debate.

**MR BERRY:** I would find it difficult that Mr Osborne would admit that he was wrong, Mr Speaker, after his support for this Government for so long.

**MR SPEAKER:** Just get on with the debate and stop exchanging insults across the chamber.

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**MR BERRY:** Mr Speaker, no; I am speaking to the issues here. The fact of the matter is that this Government over here - the one that Mr Osborne, Mr Moore and the Greens support - in its three budgets has contributed \$40.159m, whereas \$71.045m was contributed in 1991-92. What sort of a government was that? It was a Labor government. And \$90.953m was paid between 1992-93 and 1994-95. So, Mr Speaker, this Government over here contributes 25 per cent of the amount contributed by Labor, and Mr Osborne endorses it as a success story every budget time. Let us face the truth here. This undying commitment to a government on this key issue demonstrates where the Independents are coming from. They do not care about the future. Short-term headlines are what they are interested in. Labor can be judged by its performance in its term of office. Its performance on this particular issue today, Mr Osborne, should earn some support because it was way in advance of this Government's performance.

I must refer at this point, Mr Speaker, to a comment that was made by Mrs Carnell, the leader of a government who will say anything that she can get into her head to present an image to the community. When asked on ABC radio whether she was funding the superannuation liability, she said, "Yes, we will fund it with real money". None. No real money. She did not have any real money that day. So what happened? The emerging costs were not funded at all, and they never have been since she took office.

**Mr Osborne:** Since self-government.

**MR BERRY:** Mr Osborne, when you came into this place you made certain promises in relation to who would get your support, for the frailest of reasons, but none of those reasons were about the future of the Territory. Mr Osborne, had you changed your mind on the basis of this Government's performance, I am sure there would be thousands upon thousands of people out there who would have forgiven you, but many will not now. Mr Speaker, we are talking about superannuation, and you make your judgments on the basis of performance.

**Mr Osborne:** That is right - \$645m.

**MR BERRY:** Labor in office made an effort of around four times as much as the Carnell Government has. You, Mr Osborne, having supported the Government in two previous budgets where they did not make a contribution to emerging costs, have disqualified yourself from criticising this Government. Your criticism is not worth 20c. You have shown your colours. You have supported a government - - -

**MR SPEAKER:** Mr Berry, what is reference to Mr Osborne's loyalty or otherwise to anybody to do with Part 7, the ACT Superannuation Provision?

**Mr Whitecross:** You seem very sensitive about this, Mr Speaker. Why do you not listen to the debate? That is what the debate is for.

**MR SPEAKER:** I have been listening, and that is why I asked the question.

**Mr Whitecross:** Mr Speaker, it is not your job to editorialise on the debate. It is your job to keep order.

**Mr Osborne:** I take a point of order, Mr Speaker. This is obviously a very embarrassing period for the Labor Party at the moment, so I am prepared to allow them to go on. It is very embarrassing. I appreciate that you are very embarrassed here, Mr Berry.

**MR SPEAKER:** There is no point of order.

**MR BERRY:** Embarrassment has never been a point of order in this place before, Mr Speaker; but in this case, even if it were, it would not apply to us because we are crowing. Our record is there, Mr Osborne. If you were picking a football team, Mr Osborne, you would pick it on performance, and here is your team.

**MRS CARNELL** (Chief Minister and Treasurer) (5.27): Mr Speaker, can we talk a little bit about the record?

**MR SPEAKER:** Would you mind doing that. I would take it as a singular compliment.

**MRS CARNELL:** Thank you very much, Mr Speaker. In 1991, if Mr Berry remembers when they came back to power, my understanding is that there was \$180m in the general cash reserves. That \$180m could have been paid off against unfunded superannuation liabilities, but it was not, Mr Speaker. By the time we got into power in February or March 1995 - - -

**Mr Osborne:** How much was left?

**MRS CARNELL:** Zero. They had spent the lot. There were no general cash reserves any longer, no capacity to play hollow logs; they had spent it all. They had not paid it off against their unfunded superannuation liability. They had spent it on programs. They had spent it on things they thought they would get re-elected on, Mr Speaker. They were not re-elected because the community knew better. They had managed to totally run down the Consolidated Fund. There were no general cash reserves by the time we came to government in 1995, and there was a significant unfunded superannuation liability. As Mr Osborne has said, it has been running up from zero in 1989. The Auditor-General, in his report, suggested that as of 30 June 1996 the unfunded superannuation liability was \$602m. Think back to that time. Think back to last year's Estimates Committee proceedings. Do you remember those opposite scaremongering about superannuation liability when it was raised by the Government? When we raised it as an issue, not this year but last year, that did need to be addressed. What did those opposite do? They scaremongered. They indicated shock, horror, just as Mr Berry did a minute ago, saying that employees' entitlements were to be eroded.

What are we seeing here? We are not seeing an opposition that is interested at all in addressing the problem, not even a little bit. In fact, quite the opposite. Mr Berry just said, "How could we have a new scheme that is not at least as good, from the perspective of all new employees, as the old schemes?". That is basically what he said. Mr Speaker, that does not give an awful lot of options, I have to tell you, for the Government.

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The Government has undertaken, along the lines of recommendation 4 by the Estimates Committee, to come back with an appropriate superannuation scheme for new entrants to the ACT Public Service, but Mr Berry is saying that that new scheme must be at least as good as the old schemes.

Mr Speaker, what are those opposite really about here? Mr Whitecross indicated that the emerging cost is for the old scheme, but actually it is for both the PSS and the CSS. The issue that we have to address is not just the emerging liabilities. As Mr Whitecross rightly said, it is also our base. We simply do have to get in there and address the base situation. We all know that. But have those opposite raised one capacity to do that? When they were in government last time they had \$180m in cash reserves to mess around with. They did not use it for unfunded superannuation liability, but they had that money. If by any horrible chance they get back into government next time, there is no money in cash reserves, Mr Speaker; so what are they going to use? They have already indicated to us that there are no areas in the budget where they actually plan to save any money. They are not going to save money in the wage bill and they are not going to save money in accommodation. That rules out the top two areas. They have not indicated that they are planning to increase taxes anywhere, but they must be going to, Mr Speaker.

How are they going to address this issue if, as Mr Berry says, any new scheme must be at least as generous as the two old schemes? Also, those opposite do not want to sell any assets. They have already indicated that. They want to maintain our asset base, they do not want to save any money, they have not told us about the new taxes they plan to put in place, and any new scheme must be at least as generous as the old schemes. Now, I have to tell you; there are rabbits and there are hats, but there is no rabbit that big.

**MR WHITECROSS** (Leader of the Opposition) (5.32): Mr Speaker, I will be brief. Labor's record is a simple one. In 1991 we negotiated with the unions a new superannuation scheme which reduced the emerging costs to 11 per cent of salaries. We did that in 1991. That was our first contribution to addressing this issue. Over the four years of Labor government we contributed \$160m to meeting the cost of superannuation. It was not the full cost, Mr Speaker, but it was a contribution - \$160m. In the three years of the Liberal Government it has contributed \$40m. Labor \$160m; Liberals \$40m. Labor negotiated a better scheme for government workers which reduced the costs as a percentage of salaries to 11 per cent. The problem we have is the problem of not funding accruing costs, of not paying our way on a year-by-year basis, Mr Speaker. This Government is not interested in addressing that problem. Their only solution is to come up with a new scheme which will reduce benefits for new employees to the superannuation guarantee level.

Mr Speaker, Labor's record is clear. We produced a good scheme in 1991 which reduced the emerging costs. It was done in consultation with the unions for the benefit of all - for the benefit of taxpayers and for the benefit of employees. Labor did that. Labor paid in \$160m in our time in government. This Government has paid in \$40m. I think the record is pretty clear as to who has been taking this issue seriously and who has not. For Mrs Carnell to lecture us, or for Mr Osborne to lecture us, flies in the face of the facts. The fact is, Mr Speaker, that the Labor Party understood this problem and sought to do something about it. The Liberals and Mr Osborne have been doing nothing about it.

**MRS CARNELL** (Chief Minister and Treasurer) (5.35): Mr Speaker, I think it is important to make some things clear. The Government has not put on the table a new scheme at this stage. We have put on the table a number of options.

**Mr Whitecross:** You weasel. Go on; weasel away.

**MRS CARNELL:** No. Mr Speaker, we know that we cannot afford a scheme that costs us 14 per cent - not 11 per cent, but 11 per cent plus the 3 per cent - of wages as our emerging costs. Those opposite could not afford it and we cannot afford it. This Assembly, this Government, cannot afford it. It is that simple. We need to look at a system that we can afford.

Mr Osborne has brought up some very important issues. Those opposite, though, are saying that the Government's record on this is not acceptable. We agree that we need to address this issue. We know that we need to address this issue, Mr Speaker. Those opposite did not. They spent all of the money in the Consolidated Fund but did not fully fund their superannuation scheme. They allowed the unfunded superannuation liability to increase the whole time they were there. Mr Speaker, those opposite cannot afford a scheme that costs 14 per cent of salaries. Nobody in this Government can anyway.

**MR BERRY** (5.36): Mr Speaker, \$170m was invested in superannuation by Labor. I will read to you a passage from Mrs Carnell's own budget paper which blows out of the water her proposition that the Government has not made up its mind on this issue. I quote:

The introduction of a scheme at the Superannuation Guarantee level, as in most states and the private sector, would be a means of containing the longer term annual costs and accruing liabilities.

That is the Government's intention, and our record is clear and clean.

**MR OSBORNE** (5.37): I did not stand up here earlier and say that Mrs Carnell's Government had been the saviour when it comes to superannuation. Mr Speaker, Mr Berry stood up earlier and said to me that because I supported the budget I agreed with everything they did. When I stood for election back in 1995 I said that I would support the budget of the party which got the most votes. Unfortunately for Mr Berry, that was not the Labor Party. You were smashed, Mr Berry.

**Mr Berry:** I was all right.

**MR OSBORNE:** You were all right; but your party, as a whole, was defeated quite convincingly. I make no apologies for supporting the budget of the Government because I believe in having some stability here in the Territory.

**Mr Berry:** At any cost.

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**MR OSBORNE:** I could be like you and the Greens and block supply every 12 months. I could block supply. The first year they blocked supply.

**Mr Berry:** No; they voted with the Government. They voted for Mrs Carnell as Chief Minister.

**Mrs Carnell:** No, they did not. They did not vote for the budget last year.

**MR OSBORNE:** They did not. The first year they did not, Mr Berry.

**MR SPEAKER:** Order! You will get back to Part 7, the ACT Superannuation Provision.

**MR OSBORNE:** Someone needs to give Mr Berry a history lesson.

**Mr Berry:** You are on the same side as the Greens, Paul. That must irk you a little bit.

**MR OSBORNE:** It is a scary thought.

**MR SPEAKER:** I am not interested in whose side people are on. I would ask members to restrict themselves to the matter under discussion.

**MR OSBORNE:** I make no apologies for allowing the budget to get through, Mr Speaker. There are a lot of things I do not like in it. This Government funds abortion clinics, Mr Speaker. Is Mr Berry going to stand up and say that I am then in favour of abortion?

**MR SPEAKER:** Relevance, Mr Osborne.

**MR OSBORNE:** There has been no relevance coming out of the Labor Party for the last 40 minutes, Mr Speaker.

**MR SPEAKER:** There certainly has not, and I intend to remind members that we do need to discuss this in more detail.

**Mr Whitecross:** Mr Speaker, I take a point of order. It is not your job to criticise members of this Assembly for their contributions to the debate. If you thought that any member was irrelevant you should have brought it to the attention of the house.

**MR SPEAKER:** I shall continue to do so, Mr Whitecross.

**MR OSBORNE:** Mr Speaker, it is okay. He is embarrassed, quite obviously. Mr Speaker, to pay only the emerging costs of our present scheme each year, as has been the practice so far, is eventually going to ruin the Territory. Nothing is clearer, in my opinion. The option may seem like the light at the end of the tunnel to some people. I do not think they fully understand the situation.



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I guess it is tempting for people to think that, because the payments we have to make do not peak for 30 years, the issue is not relevant to us now. Mr Speaker, I disagree. As I said earlier, the unfunded superannuation liability is, in my opinion, the biggest problem facing this Territory at the moment. Fortunately, I suppose, not many of us will be around in the Assembly in 30 years' time, so we will not have to face the problem. If we do not make an issue of it, if we do not talk about it and if we are not brave enough to address it, what on earth is going to happen? What liability are we going to leave our children and our grandchildren? You over there ought to be ashamed of yourselves for not at least acknowledging that. I know you are embarrassed.

**Mr Berry:** We put the money in, Paul.

**MR OSBORNE:** You say you put the money in, Mr Berry. You put the money in, but you did not put enough in.

**Mr Berry:** And we negotiated the new deal.

**MR OSBORNE:** Mr Berry, can you come with me to my bank manager the next time I go and see him? I want you to say to him, "It is okay. Paul owes you that much money, but we are going to put only a little bit in. We are not going to pay all of it". How ridiculous, Mr Speaker!

This paper regarding superannuation was very helpful because it does highlight the legacy that we potentially will leave our children. Mr Speaker, as far as I am concerned, that is not good enough. I will argue and I will kick and I will scream until we have a government brave enough to address the situation and to look at ways of reducing this liability of \$645m. It was zero in 1989. It is now 1997, eight years later, and we have a liability of \$645m. It is absolutely disgraceful.

Proposed expenditure agreed to.

## **Part 8 - Department of Health and Community Care**

Proposed expenditure - Department of Health and Community Care, \$301,894,500 (comprising net cost of outputs, \$288,107,500; capital injection, \$10,342,000; and payments on behalf of Territory, \$3,445,000)

**MR BERRY (5.43):** Mr Speaker, the first casualty of the Carnell Government was the promise to cut health costs. We all remember the three-year budget, which was going to lead the Australian Capital Territory to paradise. Of course, we now know that that did not happen. We heard about the 8 : 1 result that we were going to get from the Booz Allen and Hamilton report. That has not happened either. The Auditor-General revealed that the promised \$3m worth of savings on visiting medical officer fees had turned into a \$3m increase, and by February 1996 - less than six months after the first budget - the Assembly was asked to give the Health Minister another \$14m. (*Quorum formed*) Mr Speaker, I understand why Mr Moore would not want to hear about the failures of this Government, which he has supported with undying faith from the word go.

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Ultimately, this Chief Minister was found guilty of misleading the house over the management of the health budget. This whole fiasco has been a long, sad and sorry story. It is true that Mrs Carnell has reduced waiting lists.

**Mr Moore:** I do not think she was found guilty of misleading this house.

**MR BERRY:** Mr Speaker, Mr Speaker - - -

**MR SPEAKER:** I am listening, Mr Berry.

**MR BERRY:** Mr Moore, Mrs Carnell did mislead the house, and she was censured for it. There have been other opportunities that have been missed, I think, Mr Moore.

So, this was the beginning of the fiasco - \$14.2m grew into \$22.3m in the first year; another \$40m in the following year; and by the end of this year we will be at around \$80m extra spent in health and built into the health budget for future generations to pay for. Then we consider the promise by Mrs Carnell to cut \$30m from the health budget - to make \$30m worth of savings in the health budget - when she was approaching election to government. This was another one of those promises from Mrs Carnell, an "any old promise that you can possibly make, provided that you win" promise. It soon evaporated, and soon the health budget began to grow and grow.

Mrs Carnell has had the worst budget management record of any Health Minister. Mrs Carnell, despite her promises to save \$30m, has built another \$80m into health budgets. The credibility gap is now \$110m. Then Mrs Carnell comes into the Estimates Committee process and says that, by the end of this year, she will have saved \$27m.

**Mrs Carnell:** We will, and we showed you where.

**MR BERRY:** You had better pick up your budget papers and have another look. In the 1996-97 budget papers, at page 116, there is a \$38.6m gap - extra money built into the health budget. You are the one who said that you would take \$38m out, and it has just become more and more expensive all along the way. So, Mrs Carnell, your credibility on health management is zero. Mr Speaker, anybody can buy themselves out of trouble if they just keep throwing money at it, and that is what Mrs Carnell has done. This year's budget has been augmented again by, I think, \$14.6m.

The cardio-thoracic surgery issue has been raised in the Estimates Committee report. There were questions raised about the sharing of resources for cardio-thoracic patients with the coming new private hospital for the ACT. Mrs Carnell made an earlier faux pas by drawing attention to the 200 jobs in the private hospital. That drew attention to the fact that there is going to be business taken from the other hospitals to ensure employment for those 200 people, if and when that happens.

Mr Speaker, during the Estimates Committee process, we made a startling discovery about the intra-ocular lens implant equipment at the Canberra Hospital. Mrs Carnell has responded to that by saying, "We have fixed that by providing one for Calvary Hospital". That is to say that the major referral hospital in the ACT - our principal hospital - does not have one or has an unreliable one. It has an unreliable one that specialists do not want to use, according to Mrs Carnell's language in the Estimates Committee. So, Mr Speaker, Mrs Carnell has been caught out over and over again.

Let us have a look at hospital waiting list reporting. There has been a report by Walter and Turnbull, which Mrs Carnell has refused to give members in this place. She claims that it would burn public servants. All I want to see is the information about why there has been miscounting in waiting lists in our public hospital system. Mrs Carnell's numbers on waiting lists cannot be relied upon, because this inquiry and report have blown out of the water her credibility in relation to waiting lists as well.

Mr Speaker, health management in the ACT has had a long history of contest in relation to it; but nowhere in the history of health budgets and health management in the ACT has there been such a long list of broken promises - - -

**Mrs Carnell:** Oh, rubbish!

**MR BERRY:** Mrs Carnell interjects, "Oh, rubbish!". What about the health centres throughout the ACT? She was going to make sure that the health centres all worked. She promised the world to the community. She would say anything that came into her head to win. It did not matter whether it was never intended at all in the first place. The fact of the matter is that one health centre was bulldozed and attempts were made to sell two others. Both of them are still there because of action here in the ACT.

**MR SPEAKER:** Order! The member's first 10-minute period has expired. Do you want to use your second period?

**MR BERRY:** No. I just want an extension, Mr Speaker.

**MR SPEAKER:** You can use your second 10 minutes.

**MR BERRY:** Mr Speaker, I seek leave for an extension. (*Extension of time granted*) Mr Speaker, here we have a situation where, clearly, at election time, the people of the ACT were misled in relation to health centres.

They were similarly misled in relation to salaried medical officers. One would have expected that in those health centres, which were going to be actively protected by Mrs Carnell, salaried community medical practitioners, who all bulk-billed, would have been retained in place. But, no; the minute Mrs Carnell came to office she danced to the AMA's tune and unloaded all the salaried community medical practitioners. Of course, that was, in effect, an attack on the bulk-billing of patients throughout the ACT, and it encouraged other doctors to abandon it, because those doctors did set a standard in the Territory in relation to the delivery of health care - that is, bulk-billed, low-cost, high-quality health care delivered to the people of the Australian Capital Territory.

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Mr Speaker, the facts of the matter are that those areas which have been saved in the ACT have been saved because of actions which have been initiated by Labor. Health centres were under immediate threat from this Chief Minister. Health care in the future, in my view, is at risk as well, because Mrs Carnell has this infatuation with driving public health care into the private sector and she does not care about the outturn after she has finished with it. This is short-term gain stuff. Mr Speaker, Mrs Carnell has misled the community in relation to her three-year budget. She misled the community with her election promises before the last election. People are entitled to feel hurt by the approach that has been taken by this Health Minister. Mr Speaker, this budget is not worth supporting.

**MR MOORE** (5.56): It is interesting, is it not, Mr Speaker, that, three years later, Mr Berry still has so much angst left over losing his ministry that he keeps using the word “misleading”?

**Mr Berry**: No; I lost the ministry because I pinged you on tobacco use.

**MR SPEAKER**: Sit down, Mr Berry.

**MR MOORE**: You lost your ministry, Mr Berry, because you genuinely misled - - -

**Mr Berry**: No; because I pinged you on joining with the tobacco companies, Michael; that is why.

**MR MOORE**: You genuinely misled this Assembly. That is why you lost it. It had nothing to do with anything else. Mr Berry, if you looked at yourself and looked at the way you acted and then moved on, the rest of us would move on as well. But, instead, you wallow in hate and you wallow in trying to get even. While you continue with that approach you will never have a chance of looking forward. You will never have a chance of looking forward until you accept that that was the action and that it is time to move.

**Mr Berry**: What a self-righteous bunch of - - -

**MR MOORE**: You talk about our being self-righteous, when we have put up with this total rubbish from you for so long, with hardly a comment, Wayne Berry. The reality is that when you were in government you had exactly the same support on your budgets as this Government has received. They also used to say the same sorts of things to the crossbenchers: “It is your budget. You are as much to blame as the Government, because it is their budget”. That is the approach we take. You keep convincing yourself of that, if you want to; but the reality is that the community and anybody who watches this Assembly with any depth at all realise just how much you are burning up inside with that.

**Ms McRae:** Get away! I have never in my life met anybody less vindictive than Wayne Berry. Get on with you!

**MR MOORE:** I cannot let that go, Mr Speaker. “There is not anybody who is less vindictive than Wayne Berry” is the interjection from Roberta McRae. If ever there was misleading of the house, that would have to be misleading of the house. I can understand Ms McRae jumping to support - - -

**Ms McRae:** On a point of order, Mr Speaker: I have not misled the house. He must withdraw that. I expressed a personal opinion. If he chooses to cut in on my interjections, he must withdraw the statement that I misled the house.

**MR SPEAKER:** And if you choose to cut in on somebody speaking - - -

**Ms McRae:** Excuse me, Mr Speaker; no member is allowed to impute improper motives to another member. They are the standing orders.

**MR SPEAKER:** Even - - -

**Ms McRae:** Even under any conditions, Mr Speaker. They are the standing orders.

**MR SPEAKER:** I will deal with you in a moment. Mr Moore, if there is any matter that has been - - -

**MR MOORE:** Mr Speaker, I will withdraw any imputation.

**MR SPEAKER:** Thank you. I remind members not to interject. You might get more than you bargained for, it appears, in the exchanges.

**MR MOORE:** Mr Speaker, there are a number of things in the Territory health budget that I think it is particularly important to look at. I quite agree with some of the issues Mr Berry raises. The most important of them is that this health budget is not a budget that was cut, as was the indication of this Government when it came into the Assembly some years ago. On the contrary, it has been propped up by a substantial injection of funds. Mr Speaker, I think that, no matter who was running the system, with that kind of injection of funds, the budget would have been able to improve on its previous level.

Mr Speaker, it is also interesting that, when looking at the budget, one can see that there have been considerable savings made in one element of health. But they have been respent in the health area and have not come out of the general budget area, where we are still running a deficit. Mr Speaker, I think the issue of health and the Department of Health is always going to be one that is difficult for whoever is managing it. It seems to me that, wherever there is a possibility of getting more money, in an area like health, it can be spent. One of the ironies of health, as was explained in the Estimates Committee, is that, with advances in technology, in many other areas money can actually be saved; but in health, invariably when there are advances in technology, they cost more and require higher skills to ensure that the new technologies can reach the individuals who are needing assistance. Mr Speaker, that is one of the underlying issues.

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We must also recall that health, being the biggest item of the budget, carries with it those same problems about superannuation that were raised earlier. We note from the Auditor-General's report that, when the Auditor-General reassigned the costs of the superannuation expenses and the operating result back to the Department of Health, in terms of the Chief Minister's Department, he made a \$57m superannuation reallocation, with an adjusted surplus or loss of \$31.5m, when you take into account the operating result of \$88m. So, Mr Speaker, the same serious problems go through this department as go through every other department, in the way that Mr Osborne raised in his speech.

**MR BERRY** (6.03): Mr Speaker, as you allowed some debate about how one lost one's health ministry, I think the record needs to be set straight.

**Mr Moore:** Mr Speaker, I draw your attention to the state of the house.

*A quorum not being present, and the bells being rung -*

**MR SPEAKER:** Mr Berry, where are you going? Come back.

**MR BERRY:** I am not going anywhere.

**MR SPEAKER:** You are not allowed to, under standing orders, either. Standing order 33 states:

When the attention of the Speaker has been called to the fact that there is not a quorum present, no Member shall leave the area within the seats allotted to Members until a quorum is present or 4 minutes have elapsed ...

**MR BERRY:** I apologise. (*Quorum formed*) No matter how much Mr Moore will try, it is going to be difficult for him to re-create history in relation to that. People remember the circumstances. They remember Mr Moore being pinged for his association with the tobacco companies and the Australian Hotels Association.

**Mrs Carnell:** On a point of order, Mr Speaker: I do not actually remember Mr Moore ever being pinged.

**MR BERRY:** By me.

**Mr Moore:** On a point of order, Mr Speaker: The association with the tobacco companies is a line that Mr Berry raises constantly, and I consider it an imputation on my reputation. I seek a withdrawal.

**MR BERRY:** Pinged - I withdraw that.

**MR SPEAKER:** Could we get back to Part 8, which is Health and Community Care.

**MR BERRY:** Indeed, Mr Speaker, but it was debated when it was introduced by Mr Moore; so, I expected that I would be given the same tolerance. Mr Moore adopted the same view as the tobacco companies and the AHA in relation to tobacco consumption in the ACT. I think I embarrassed him on that score.

**Mr Moore:** On a point of order, Mr Speaker: I consider that that is an imputation as well. I certainly do not have the same attitude. I would ask Mr Berry to withdraw it.

**MR BERRY:** Mr Speaker, I - - -

**Mr Moore:** He continues to imply, quite deliberately, Mr Speaker, that I have some kind of financial association with the tobacco companies or the AHA, which I do not have.

**MR BERRY:** I will withdraw whatever is upsetting Mr Moore.

**MR SPEAKER:** Thank you. Can we get back to Part 8, Department of Health and Community Care? I do not mind you talking about tobacco - that is a health issue - but can we keep the personalities out of it?

**MR BERRY:** Tobacco consumption is a health issue, and I am glad that Mr Moore raised it, because my record on this issue is clean; I do not think his is. Mr Speaker, I think people - - -

**Mrs Carnell:** It is just a lie, Wayne.

**MR BERRY:** I do not think you can say that, either.

**Mr Moore:** You are a bloody liar, and you know it.

**MR BERRY:** Mr Moore!

**MR SPEAKER:** Order! Come on!

**MR BERRY:** My record on that is clean, and people will recall the period as a period of a test which proved only that in this Assembly nine beats eight. A subsequent inquiry into the entire matter which was at the centre of the debate proved that I had done nothing wrong, to the embarrassment of some - - -

**Mr Moore:** It had nothing to do with that debate. It was about VITAB, Wayne. That is why you lost your ministry.

**MR BERRY:** Mr Speaker, it proved that I had done nothing wrong. I think the editorial in the then *Canberra Weekly* made the correct point, namely, that all it had proved, Mr Moore, was that nine beats eight. That is about all it proved. So, Mr Speaker, now let us get back to the health budget - - -

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**MR SPEAKER:** Yes.

**MR BERRY:** And the way that this Government, in concert with the Independents and others, has dealt with tobacco. I think Mrs Carnell's and Mr Moore's record on this issue has been again soiled. I do not think their contribution to the debate has been that helpful in the scheme of things. I have been quite proud to draw attention to that in relation to the recent changes to the way that tobacco consumption in licensed premises will be dealt with. I think we have passed the time when changes can be made to take us back to the past.

**Mr Moore:** You just had your conflict of interest over the Labor Club all the way. That is why you did not include the clubs in it - because of your conflict of interest, Wayne Berry.

**MR SPEAKER:** Order!

**MR BERRY:** Mr Moore, I think, is stinging a little bit over the criticism that was levelled at him because of his support for this Government, the general dislike for this Government which is emerging in the community - - -

**Mr Moore:** And their great faith in the Labor Party!

**MR BERRY:** And the flow-on effect that that has in relation to his own chances later on. So, Mr Speaker - - -

**MR SPEAKER:** Relevance, Mr Berry.

**MR BERRY:** That vindictiveness and pettiness aside, I will say again and again that the blame for anything that goes wrong with health management in the ACT has to be shared by the people that put the Liberal Government and this Health Minister in place. Mr Speaker, that includes the Independents and the Greens. I will continue to draw attention to it until the end of this term. This budget repeats the lie of the earlier claims that there would be savings in the ACT health system. Mr Moore has drawn attention to that, correctly. It is a repeat performance of spending lots of money to save trouble - and you can do that in health; there is no question about that. Mr Speaker, the Government's management of the health budget is no better now than it was when it started, and the community has no real reason to have confidence in this Government's management of this particular portfolio, notwithstanding the claims that were made at the last election.

**MS REILLY (6.10):** Mr Speaker, I want to make some comments on the community care part of the budget. The first thing to point out when we look at community care and the other community programs contained in the budget is the lack of planning - the lack of coordination and consistency - that seems to be a highlight and a characteristic of the budget. There does not appear to be an integration through the whole of the budget process, particularly - - -



**Mrs Carnell:** We have three-year plans, we have 10-year plans, we have five-year plans, we have every bloody plan you can think of.

**MS REILLY:** We know what happened to people who had five-year plans. We would like some action. When you look at the social programs, it is difficult to see where these plans fit. Maybe that is the problem, Mrs Carnell. You are left to wonder whether some of the new mechanisms for work in community care actually run counter to getting a planned, integrated system. Through the purchaser-provider model, using competitive tendering, you wonder whether we can end up with a community sector that can work together well when they are in competition for the small dollars that are available.

Let me look at a couple of issues - for example, one in relation to the coordinated care trial. I note in Budget Paper No. 4, volume 1, on page 133, that the moneys for this were not included at the time because the trial was not sufficiently advanced. I look forward to hearing more about this trial. I understand that it is having great difficulty in getting clients who are interested in being part of it. It will also be interesting to see what happens with the HACC funds.

I love your editorial comments, Mr Speaker; they do help to keep one's thoughts flowing.

**MR SPEAKER:** That is good. I am pleased to hear that, Ms Reilly.

**MS REILLY:** I would be lost without them. At times, they have been quite stunning.

**MR SPEAKER:** Good.

**MS REILLY:** But let me go back to the coordinated care trial. It is going to be interesting to see how much of the HACC funds is sucked into this trial. We hope that it does not affect other parts of the HACC budget.

I also note that there is \$250,000 for community-based residential support for people with a mental disability. This is a very positive action. But it would be interesting to know the background to this and how it was decided that this was the amount of money that should be put into this program. Just taking account of some of the issues that have been raised with the Social Policy Committee of the Assembly, I have to ask: Is this going to be enough money? It is almost as though you say, "Pick a figure, and let us hope that we can make it work". I think it is sad to set up expectations in this area in particular, if they cannot be delivered. I look forward to this money being used, because it is important that we get a much better community-based system for people with mental disabilities in our community. The hospital focus, apart from being expensive, is found in a lot of other areas not to be as successful as community-based services.

Mrs Carnell must have breathed a sigh of relief on Federal budget night when the Commonwealth came to the party to match the funds for the HACC budget. Otherwise, we were going to see a loss of money in that community sector, which is always short of money. We should look at our priorities in the community. I heard yesterday of an 86-year-old woman who is still living in her own home,

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which is great; she is independent within the community, living alone; she does not need a lot of support. She used to get two hours a week to assist her with house cleaning, as she no longer finds it easy to bend. That two hours a week, which you would think would be important to a woman of her age to help with those matters, has now gone to two hours a month. For anybody to wait so long to have their house cleaned is quite difficult. For a woman of her age, I am sure that it is quite distressing at times. We need to look at the money that goes into these programs and at what priorities we give to our community, to our older people and to people with disabilities who need assistance, to ensure that they have some quality of life.

I would just make a comment on the COOOL project, which seems to have taken an awfully long time to get into action. We have reached the situation at the end of this financial year where only one house has been built. I thank the Minister - I think it was Mr Stefaniak - who arranged for me to go and visit the one at Macquarie. It looks great. The landscaping is excellent. I understand that a lot of money was spent on that, and that is good, because this is these people's home. They do not have the opportunity to go to other places as easily as you and I can. So, we have this great plan; but by this time - in fact, by about February this year - we were supposed to have two of these houses. There were considerable delays on the finalisation of the site at Fisher for the preschool - - -

**Mrs Carnell:** It was not because of that.

**MS REILLY:** I know that we have been given the excuse that the people involved could not agree. I was given that excuse for weeks and weeks, as well, Mrs Carnell. But I found out that, in fact, other parts of the Government were out negotiating, discussing and consulting with the people at the Fisher shops and with the people in the retirement village about having an alternative type of development there. It was apartments and offices. It was not disability housing.

**Mrs Carnell:** No. That is rubbish.

**MS REILLY:** Are you suggesting that residents in the retirement village did not know what they were being consulted about? Are you suggesting that the people in the shops at Fisher did not know what they were being consulted about? Are you calling those people liars, Mrs Carnell? I have spoken to them and they have said that there was no talk about housing for people with disabilities; it was to do with high-class apartments and offices. That might have been successful; but, at the same time, you were telling people that that site was going to be used for a house for people with disabilities. I think that is very unfortunate. But now that has delayed it. These people will not have the opportunity until next year to move into that house.

**Mrs Carnell:** Which people? There are two people.

**MS REILLY:** So, two people are not important? But can you imagine - if you were a younger person living in a nursing home, living with a whole lot of people who are considerably older and a number of whom have dementia and the other problems associated with that - having to wait to get this house that was promised to be set up a long time before?

That brings us to what is going to happen with the Jindalee Nursing Home. I notice that Mrs Carnell has put out a press release and she also had a dorothy dix question last week about how well Johnson Village Services were doing at Jindalee. They must have been laughing last year when they paid \$250,000 for that nursing home. If they had been in Sydney, buying an equivalent property, they would have had to pay at least \$1.6m. That is the going bed rate in that market. That is a fairly standard cost across Australia. But they got it for \$250,000.

Then there was the \$700,000 they were going to have to spend. I have not forgotten the \$700,000, Mrs Carnell. I did ask you in the Estimates Committee what that had been spent on. It was really interesting to find out what happened. All I got was one folksy little note from Johnson Village Services, which is the copy that you sent me, that talked about some of the things they were doing and offering their services to you to help with things such as employment and training. But, obviously, from looking at the standards report, they have not been spending that \$700,000 on bathrooms, because still the bathrooms are not up to scratch. This is nearly 12 months after they moved in, and they are still not meeting standards.

**Mrs Carnell:** Two.

**MS REILLY:** There are two standards that they did not meet. The Commonwealth Department had been extremely kind. When they made the visit in October, there were more than 10 standards that were not met. The Commonwealth decided not to publish at that time, which is usually an indication that they are not doing too well. I rang the Commonwealth and asked for a copy of the standards report, but I found that it was not being published - a good indication that things were not too hot. When you look at which standards they were not meeting, you find that they were not meeting health care standards - three out of nine standards were not met. They did not meet freedom of choice standards - one out of two was not met. They did not meet issues around privacy and dignity - three out of six were not met. That was six months after they moved in.

These are not issues that cost money. These are issues that say that there is a certain culture in the nursing home that means that people are looked after in terms of privacy, dignity and freedom of choice. But we still have the ones that are not being met at this time. I hope that they get to meet them very quickly. That \$700,000 has been described as for painting and curtains. A hell of a lot of painting has to be done and an awful lot of curtains have to be put up to make \$700,000. I would not have thought that was capital expenditure anyway. I would have thought that was recurrent - - -

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

**MS REILLY:** May I have an extension?

**MR SPEAKER:** You can have your other 10 minutes, if you wish. You are entitled to it.

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**MS REILLY:** I will have an extension, thank you, Mr Speaker. (*Extension of time granted*) They have not been spending the capital funds, and it would be really interesting to know what they have spent that \$700,000 on, because asking last year and this year has not elicited that information yet.

Let me now discuss the issues around disability services. It is important to note that last year there was a review of the Commonwealth-State Disability Agreement undertaken by the ACT Legislative Assembly's Social Policy Committee. It reported to the Assembly in February. It certainly put the spotlight on this program. Many people considered that it was the first time they had been really listened to. The positive response in this budget is an indication of that.

I think there are some very good things in this budget - for starters, the increase in the Health Complaints Commissioner's budget to enable him to employ another investigation officer. That will assist the whole of the health, disability and aged care area by providing the opportunity for complaints to be handled quickly. That is important for all concerned in that - those that are complaining and those that are complained against. That is a very positive move, as will be the changes to the Act to extend the jurisdiction of the Health Complaints Commissioner. There are other things that should be noted as well. We still need to look at issues around the residents' contracts and the lack of service agreements that the residents have so that they know what services they are going to get. We also need to note the failure of the employer to provide proper equipment such as gloves and other associated equipment. When you think about it, it is quite outrageous that the employer felt no need to take care of her employees in a proper manner.

One matter I must bring to the Assembly's attention, though, in relation to some of the changes in disability services, is the extraordinary papers that have been produced by the disability program. I am sure that you all have received copies of them by now. I asked a question - unfortunately, about only this one - in the Estimates Committee. It is very pretty. There are three colours; there is shading; there are changes of colour as you go through. It is very elaborate. I was told that this cost \$2 to produce. I assume that that is right. So, if they produce 1,000 a month, it costs \$2,000 a month for this. Does it need this amount of elaborate printing to get the message across? Are the balloons and whistles - because that is what this sort of printing is - going to change the lives of people who live in the disability services houses? I would have thought there should have been a concentration on getting services to those people. We hear that that program cannot be extended. There is no money. But \$24,000 might have helped a few more people and given some people more hours of care.

Unfortunately, I asked about only this one. Since then, a whole suite of papers have turned up. I think we all have copies of them. It would be interesting to know the printing costs for these. They are not simple, straight-out, black-and-white, up-and-down things. These are also shaded.

**MR SPEAKER:** They are green and yellow, yes.

**MS REILLY:** This one actually has orange and grey shading in it, Mr Speaker.

**Mr Kaine:** They do that so that you can read the pictures.

**MS REILLY:** Even the pictures are quite special, in the sense of the colouring. There is nothing wrong with the quality of the production; but you are left wondering why it needs such elaborate printing to get across a message that is important for those that are living there, important for the carers and important for the staff. It would be interesting to know the printing costs. I understand that the Department of Health has some other pretty documents as well; but they are yellow and blue. I have seen only one of those. I am not sure how many of those extend there, but they are also of that same very elaborate, very colourful production on quite heavy, shiny paper. It is a lot of paper for getting a message across to people that live and work in the disability services houses.

One further matter is to bring attention to the lack of a youth health service in the ACT. You will note in the budget that the money from the Commonwealth - the \$52,000 - will stop this year. But we have never had a separate youth service in the ACT. It would be good if we could look at that and look at the whole range of youth services in the ACT, and not have them scattered across a number of areas. There has been the positive move of the adolescent ward. You also have to look at issues around how people that may go to the adolescent ward can access mental - - -

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

**Ms Reilly:** May I have a short extension, Mr Speaker?

**MR SPEAKER:** You have already had one.

**Ms McRae:** You can have your second 10 minutes now.

**Ms Reilly:** May I have my second 10 minutes, Mr Speaker?

**MR SPEAKER:** That is right. Go ahead.

**Ms McRae:** And you can have an extension.

**Ms Reilly:** I have only a couple of bits.

**MR SPEAKER:** Do not keep having a little private conversation over there. Get on with it.

**MS REILLY (6.26):** I was talking about youth health services and getting an integrated youth health service, which has been set up in other States. Over the years there was money available. For some reason, the ACT missed out, as we quite often do, being small. This is something that we need to give attention to. It is a service that we need to look at setting up in the ACT.

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**MS TUCKER** (6.26): I will be reasonably brief, Mr Speaker, and just make some general comments. I have to say that, over the 2½ years that we have been here, I have not seen a huge improvement in the health situation and the management of health. We have had a lot of fanfare around the purchaser-provider model; but at this stage we still seem to be in a stage of transition, if you like. I am not sure that it is leading to better outcomes at this point or to improved transparency. Again, there has been very little change in terms of refocusing the health system away from a sickness system and towards a health promotion system and a holistic approach to health. I do not think this Government has sufficiently made the links between, say, health and the environment, health and unemployment, the implications of heavy dependence on the road system and health, environmental degradation and health, and so on. That is probably going to be a long time coming; but it is one of the things the Greens will continue to push for.

In mental health services, we have seen a small increase in community-based care; but, again, I am concerned that this is not adequate. The percentage in the budget that is spent in the community sector compared to the hospital sector is still quite small. I hope to see an increase in that. Obviously, deinstitutionalisation needs to be accompanied by appropriate resourcing of the community sector if there are going to be appropriate services and support for people with a mental illness.

In disability services, I would commend the Government on its plans. We are seeing plans and strategies. I believe that they have come out of the work of the Social Policy Committee, to some degree, and the health care complaints report as well. Both of these reports are basically saying the same thing. I am seeing the comments from these reports acknowledged by the Government in its current strategic plan for disability services. We will be watching with interest to see how this actually transpires in terms of services for people with a disability. I think they have taken on a challenge. The rhetoric is good, the plans are good, and in them is acknowledgment of the issues that have come up in every inquiry that has looked at these issues. So, I really hope that it will lead to changes in the reality for those people who have a disability.

For services for children and adolescents with a disability, we were pleased to see \$50,000 extra, although I see that this money has basically come from within the home and community care budget, so it is not new money. I am glad to see that the Government, after pressure from the Greens and other members here, maintained the programs for adolescents with a disability, which seemed to be in doubt at one point.

In relation to maternity services, it is interesting to see the increase. Mrs Carnell claims an increase of about 37 per cent. But we have to acknowledge the fact that the majority of women still do not have access to the community midwife program in the ACT, despite the fact that it is very good value for money. So, we hope that we will see this increase continue, and at a greater rate. We have not yet seen the maternity information and resource centre, which was due in 1995, although Mrs Carnell assures us that it is on the way - belatedly, on the way. We are glad to see the money for the Volunteer Centre to support the work of volunteers in the ACT.

We were concerned to see what is happening in dental services, although we acknowledge that the Commonwealth cuts have made it difficult for the local government. It is, I suppose, a question of priorities. I would rather see the ACT Government spend money on the essential welfare and preventive health services than, say, spend \$12m on upgrading Bruce Stadium at Belconnen. I think it is short-sighted. I think that, particularly in the area of dental hygiene, not ensuring that there is access to preventive dental care for all members of the community will cost more in the long term. Not only will it cost more in terms of the oral health of members of the community; but also, basically, it will cost more financially in the long run. In the discussion paper, I noticed that the Government admitted that people from disadvantaged backgrounds have significantly poorer oral health. I am not quite sure whether, by introducing user charges for adults, regardless of income, they would not just deepen this problem.

We are also concerned about the crisis and support services in the ACT. We are pursuing this at the moment, or we will be, in the Social Policy Committee, in our inquiry into services for children at risk. It is coming up quite often. I would like to see greater acknowledgment from the Government of this particular area of need, because it is quite clearly there. Hopefully, in the course of the inquiry, we will see action on this issue coming from the Government anyway.

**MRS CARNELL** (Chief Minister, Treasurer and Minister for Health and Community Care) (6.32): Mr Speaker, I am very proud of the approach that we have taken in health. I was very interested particularly in Mr Berry's comments. (*Quorum formed*) Mr Berry could not accept that there was anything good at all in this health budget. I was very pleased that the Greens and Mr Moore did accept that there were quite a number of very good initiatives. But, I suppose, for a Health Minister who managed to increase waiting lists from, I think, 1,647 in mid-1991 to 4,569 by early 1995 - I should say that it was early 1995 when we came to power, and I think Mr Connolly probably had a tiny bit to do with that as well - and a Health Minister who managed to blow out four out of four budgets, to suggest for a moment that we were not performing in health was a tiny bit rich, Mr Speaker. But some people, shall I say, have no pride. I have to say that Mr Berry could not have any, because he could not have stood up and said the things that he did if he had either any memory or any understanding of what he did to health. We understand now that my record will be one out of two budgets on track. That is not a bad effort, in ACT politics terms, Mr Speaker.

Mr Speaker, in health, I believe that there have been a number of very important initiatives, which really have made a quite significant difference to people. We heard Ms Reilly talking about Jindalee Nursing Home, seeming to suggest that two of the 31 standards still not having been reached in 12 months was simply unacceptable, even though in my statement I indicated that Johnson Village Services believed that all 31 would be met in the very near future. Ms Reilly is part of a party that was in power for some five years and managed to get Jindalee to a stage of meeting only two out of 31 standards - not missing two, but meeting only two. It was also a nursing home that was, at one stage anyway, costing the ACT Government some \$3m a year and was still not meeting required standards.

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We have now moved to a situation where, obviously, Jindalee does not cost us any money, because it has been sold, and it is meeting, at this stage, 29 out of 31 standards. I would have thought that was a win for everyone - a reduction in costs to the ACT Government to zero and an improved outcome for the people who live there. I am amazed that those opposite believe that that is not a good outcome for the Government, the people of Canberra or the residents of Jindalee Nursing Home. I cannot, for the life of me, work out what they think would be a good outcome. I am sure that they actually do not have any idea at all of what they think would be a good outcome.

Mr Speaker, in this budget we have a situation where record numbers will be treated in our public hospitals this year, with both Canberra and Calvary hospitals to increase throughput. Patient throughput is expected to exceed 52,000 cost-weighted separations in 1997-98 - a growth of 2.6 per cent, Mr Speaker. We are going to have a doubling of the amount of money we have in the waiting list incentives pools, going from \$1.5m in 1996-97 to \$3m in 1997-98. That money we will use to have a particular focus on unacceptably long waiting lists in such areas as orthopaedics, urology, paediatrics, general surgery and gynaecology and some areas of day surgery as well.

Ms Reilly indicated - maybe Ms Tucker did as well - that she did not believe that we were doing enough to have a holistic approach or a community-based approach to health. I would just like to run through a couple of the initiatives that are in this budget to further the approach that we have already taken in that area. Incentives will be provided to enhance care in the community for hospital patients, with at least half a million dollars of waiting list incentives pools money to be spent on joint community-based early discharge programs from the Canberra Hospital and ACT Community Care. We also have a redirection of funding to the hospital in the home project, which will increase capacity from 400 to 600 patients. That has been a very successful program this year, Mr Speaker, and something that I think everybody is very proud of.

There will also be the establishment of a nursing convalescent unit at the Canberra Hospital, to have better coordination and quality of care as people move from critical care back to home-based care. We have an expansion of what has been a very successful community midwife program from 175 to 240 patients. Ms Tucker, I think, said that this was a very cost-effective program. We are certainly very pleased with the outcomes from a quality perspective; but the actual costs of it, certainly on my advice, are exactly the same as what it would cost for a hospital-based birth. But we are interested in giving people a choice; so, we think it is a worthwhile program to extend. There is also our commitment to the ACT coordinated care trial. I believe that, again, will be a very important project.

Some members have spoken about the situation in the mental health and disability areas - both areas that have achieved a significant improvement over the last 12 months. It was interesting for me to see, in a customer satisfaction focus group held recently in the disability area, that 82 per cent of participants reported that they were satisfied with the service they were receiving from the disability program's accommodation support service.



In addition, 94 per cent rated the program as being highly valuable and 88 per cent noted that improvements had taken place over recent times. Over 70 per cent of participants confirmed that the disability program delivers a quality accommodation service. I think that is an outcome that those people in our disability program, who are running our disability program and working in it, should be very proud of.

Ms Reilly indicated that she felt that the brochures we were currently using were somehow unnecessary. I would have to say that I disagree with her very strongly. I think those results of the customer satisfaction focus group show that very well. We believed that there was a huge need, in the disability area, to have significantly better communication between the department, disability services, the carers, the guardians, the people who work in the service and the people who live in our accommodation. Mr Speaker, to have better communication, you have to have better vehicles for communication. Part of that has been the new approach we have taken with newsletters, with policy documents, with an approach, I think, that shows the people who work in and use our service how important we perceive that service to be. Similarly with mental health, we are spending record amounts of money, Mr Speaker, and, I think, getting significantly better outcomes already. But those outcomes, I believe, will improve significantly over the years to come, based upon the plans and the reforms put in place over the last 12 months.

This coming year we will see the first cardio-thoracic surgery in the ACT - something that has been promised since self-government, Mr Speaker, but never produced by those opposite. This last year saw the establishment of an adolescent unit - something promised by the previous Government year after year and never delivered, but delivered by us this year. We have seen the expansion of our postnatal care services. We will see the opening of the new QEII family centre next month - something we promised last time.

We have seen a huge increase in Healthpact funding. One of those things that the Estimates Committee has recommended over a number of years is that Healthpact, or the Health Promotion Fund, should have its funding increased, I think, to 5 per cent - a recommendation ignored every year by the previous Government but taken up by this Government. I think Healthpact is operating very efficiently, Mr Speaker. In the last year we have seen extra money spent in such areas as hepatitis C management - something, again, that I am sure people in this house would support. In other words, Mr Speaker, in ACT Health at the moment we are treating more patients and the cost of treating a patient is coming down. That is in line with the promises we made in terms of reducing the cost of treating a patient.

Those reductions in costs will amount to about \$27m over the three years of this Government. But, most importantly, Mr Speaker, we have managed to reduce waiting lists quite significantly. In fact, waiting lists have now been reduced by some 760, or 17 per cent, since we came to government. Mr Speaker, I think that compares very favourably with the situation under the previous Government, where waiting lists more than doubled. They blew out every health budget. We have managed to achieve at least one out of two health budgets; to reduce waiting lists - up to now anyway - by some 17 per cent and to increase the number of patients that we treat in our hospital system;

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to improve the links with community care; to achieve some of the long-needed reforms in mental health and disability services; to increase the amount of money we spend in disability services and mental health; to increase the amount of money we spend in home-based care programs such as HACC, and to increase them quite significantly at a time when the ACT is under significant financial pressure. I do not think that is a bad record; but I have to say that we can improve, and we have the plans in place to achieve that over coming years.

Proposed expenditure agreed to.

## **Part 9 - Department of Business, the Arts, Sport and Tourism**

Proposed expenditure - Business and Employment, \$9,311,000 (comprising net cost of outputs, \$9,311,000)

**MR CORBELL** (6.46): Mr Speaker, in addressing the business area of the budget this evening, I want to make a few very important points. The Labor Party's disagreement with the Government on this issue is a philosophical one. It is about how best to go about encouraging businesses in our city to grow and how to go about encouraging businesses in our city to develop.

**Mrs Carnell:** You said before that you would not have any business incentive programs.

**MR CORBELL:** The Chief Minister makes the point that we would not have any business incentive programs. I want to put the Chief Minister straight on that issue. What the Labor Party has always said on business incentive schemes is that we do not believe that providing financial incentives to any business that wants to come to Canberra in a haphazard and unplanned manner is the best way to develop the economic base of our city. That is one of the fundamental criticisms we have of this Government's continuing development of the business incentive scheme as it stands.

I would like to draw to the Chief Minister's attention, indeed to the Assembly's attention, a comment that was made by the director of Access Economics on radio 2CN on 17 June this year. He was asked by the morning show compere on 2CN what he thought about the ALP's plan to concentrate on building local business here first. He was asked whether the business base here was diverse enough to build upon or whether we needed to chase business outside of the Territory. His response is very interesting reading. I would like to read it out to you. I will quote it in full. It says:

It is not as diverse as I would like to see it but equally I take Andrew Whitecross's point that there are sometimes dangers in chasing business from outside too hard. If we get them here solely by, for example, offering them payroll tax holidays or cheap land and the like, then maybe we're doing it in ways that we shouldn't and the ACT wouldn't actually benefit that much. If we do it by saying, "Look, we have a young, educated, highly skilled work force, excellent transportation and communication links", if we win them on our strengths, then that's great but I don't think we should chase them with taxpayers' dollars.

That sums up in a nutshell the Labor Party's approach.

**Mrs Carnell:** He is wrong.

**MR CORBELL:** The Chief Minister says that Access Economics is wrong. I am glad she has put that on the record. I know that this comment embarrasses the Government. It comes from a quite reputable firm - a firm, I agree, that the Labor Party has not always agreed with in the past but on this point does agree with. We do so quite strongly. What it indicates is that the business incentive scheme is not providing us with the sort of economic development base that this city needs.

As has been only recently highlighted in a report that was brought down by Mr Hird from the Standing Committee on Economic Development and Tourism on that committee's investigation of the situation in Christchurch, international experience has demonstrated that providing financial incentives, free grants of land and other services such as that actually creates bidding wars and results in attracting businesses that may not have the long-term interests of the area at heart and may not complement the local business and industry in an appropriate way.

They are two very clear indications of the fundamental difference between this party and the Liberal Party. We accept that Canberra has a great future because of the assets we already have here - our people, our skilled work force, our residential environment, our natural environment and all the cultural, economic and social opportunities bequeathed to us by the people who built this city. The point we want to make in this debate is that the business incentive scheme is not operating in the appropriate manner.

I would like to emphasise that a bit more by looking at the way in which the Government has been running the business incentive scheme. The first point I would make is that the Government has been very reluctant in providing information on what sort of assistance it is giving to businesses coming to the ACT. Indeed, requests by the Opposition for information on grants and other assistance provided to businesses applying for assistance under the business incentive scheme have met with the blank wall of commercial-in-confidence. That is not much of a surprise at all from this Government, because this Government seems to be willing to use the term "commercial-in-confidence" for a broad range of things.

I think it is unreasonable that this Assembly cannot scrutinise the expenditure of Territory funds because it is hidden behind the veil of commercial-in-confidence. That, I believe, is completely inappropriate. There are, of course, some grounds for the use of commercial-in-confidence, but not once an agreement has been made with the Government, the funds have been provided and it is an ongoing arrangement. That is a completely inappropriate use of the commercial-in-confidence process. Therefore, I think this is another very legitimate concern and criticism we have of the operation of the business incentive scheme.

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Another concern is the process by which the department oversees the operation of the scheme and how they monitor the performance of businesses. In responses the Labor Opposition received from the Government on how they monitor the operation of the business incentive scheme, we found that they did not have in place a formalised process of checking on the progress of businesses receiving assistance under the scheme once they had received the assistance. I do not have the exact dates with me, unfortunately, but it would seem that about six months after the implementation of the business incentive scheme the Government suddenly realised that perhaps they needed a more formalised monitoring process to check up on the businesses receiving assistance.

This shows how dangerous going into business incentive schemes and providing financial assistance and land grants to businesses can be. You provide businesses with taxpayers' dollars, you attract them here with offers of grants of land and payroll tax concessions, holidays, or whatever the case may be; but then you do not monitor their performance. You have no formal process for monitoring their performance. There was no requirement for formal report back from the businesses. There was none of that. There was just meant to be an ongoing phone call arrangement. I think it is inadequate to provide tens of thousands of taxpayers' dollars and tens of thousands of dollars worth of land owned by the Territory to businesses without having any monitoring process. Again, that is a very legitimate criticism we have of the operation of the business incentive scheme in the ACT.

I move to some other areas of the business portfolio. The first is the very high speed train project. We were advised in the Estimates Committee that the ACT Government had actually checked with the people who prepared the KPMG report on the very fast train in 1991 to make sure that the advice provided in that report was still relevant. What was interesting about that request was that it came about two months after the Labor Opposition had moved for, and gained the support of this Assembly to have, an inquiry into what the economic impact of a very high speed train would be on the ACT economy.

Only two months later - they were not slow off the mark, were they? - they decided, "Oh gee, we had better check to make sure that the report we are relying on is still accurate". Of course, the answer they got back from the consultants was, "Yeah, we think the parameters are still okay". But I think that only endorses the approach that Labor has taken on this issue by being proactive and recognising that we need to investigate what the economic impact will be for the ACT and how we can best capitalise on it, how we can best maximise benefits for all in our community and how we can make sure we avoid any of the pitfalls that that development may bring about.

I was pleased to hear recently that the ACT Government is now preparing a response and will actually be making a submission to the Standing Committee on Economic Development and Tourism inquiry into the very high speed train. That is to be welcomed, but again it demonstrates that the Government has not really been thinking through these issues. At first they said, "No, we will not respond. No, we refuse to do that. It is inappropriate. We would be disclosing commercial-in-confidence information". I heard only this week that now they are quite willing to make a submission. That only vindicates Labor's approach.

The other important economic asset being debated at the moment is Canberra Airport. There are proposals to move it to international status. (*Extension of time granted*) This development is important to the economic development of our city and our region. The Government is supporting the study into what can be done to upgrade Canberra Airport to international status, but it has indicated some unwillingness to commit to maintaining an ACT Government strategic stake in the ownership and future development of that airport. This is a very short-sighted move. We have found in other cities in Australia, for instance, Cairns, and cities overseas - for instance, a city very comparable to ours, namely, Christchurch - city councils have taken a strategic stake in the ownership of important assets such as airports. It actually enables the city to control its economic development and to control the development of the airport for the benefit of the community. The Labor Party has said quite clearly that we believe there is a role for government in taking a strategic stake in the development of the airport. We would like to see the Government do this. Unfortunately, we have not seen that to date.

The final point I want to make is in relation to the Business Services Centre and the new scheme called Business Link which the Government runs. In 1996 the Liberal Government closed down the Business Services Centre that operated in Civic. It closed down a centre which had taken 1,157 contacts with business between January and June last year and had taken a similar number for the rest of that year. In all, it had taken about 2,250 inquiries from business. The helpShop program took 3,500 inquiries for assistance from local shopping centres. The Business Services Centre had a total of 10,000 over-the-phone and counter inquiries last year.

The Government replaced this very successful and well-utilised program with a scheme called Business Link. It contracted it out to the ACT Chamber of Commerce and Industry. So far this year Business Link has had a measly 82 face-to-face meetings and taken only 486 business-related phone and counter inquiries. Granted, that has been between only the beginning of this year and April; but, compared with the volume of inquiries that the Business Services Centre took last year and in preceding years, ACT Business Link is going to have to do a lot of work to get up to speed if it is to match the level of inquiries that the Business Services Centre took. I think one of the main reasons for this is that the Government blindly went ahead with a virtual privatisation of this scheme without actually considering how many people utilised it.

Compare 10,000 face-to-face, over-the-phone and other inquiries to the Business Services Centre, located centrally in a visible office shopfront here in Civic, with 482 inquiries to Business Link. That is nowhere near 10,000 and will not be, even if Business Link has an incredible increase between now and the end of the year. Business Link is located in a very inaccessible business zone in Deakin, not in the city, which is central to people, or even in one of the town centres. It is tucked away in a little office in Thesiger Court in Deakin, which is not a particularly easy place to find. This demonstrates that the Government has really failed in providing assistance to businesses. It stopped the very successful and well-used service of the Business Services Centre and replaced it with a service which is not servicing a very high number of people, which has a much lower profile - - -

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**Mrs Carnell:** Have you had any complaints?

**MR CORBELL:** The numbers speak for themselves, Chief Minister - 10,000 versus 400.

**MR SPEAKER:** Order! Stop responding to interjections, Mr Corbell.

**MR CORBELL:** I think that is a pretty clear argument. If they were just getting up to speed, you would think that was okay; but it is halfway through the year and their contract finishes in January next year. I do not know what is going on here, but it seems to me that the Government's blind pursuit of contracting out this service has actually denied a very large number of people use of the service. The figures speak for themselves. These points demonstrate that this Government is not really serious about business. It likes to have a lot of hype and it likes to have a lot of photo opportunities, but it is not addressing the fundamental concerns of businesses in the Territory. It is not dealing with those concerns. Instead, it is locked into a blind ideological approach on this issue and it is just not delivering results.

Proposed expenditure agreed to.

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

**ECONOMIC DEVELOPMENT AND TOURISM - STANDING COMMITTEE -  
NEW ZEALAND VISIT  
Paper**

**MR HIRD:** Mr Speaker, with the indulgence of colleagues, I seek leave to have incorporated in *Hansard* the itinerary for the visit to Christchurch, New Zealand, by the Standing Committee on Economic Development and Tourism. I made a statement on that visit earlier this day.

Leave granted.

*Document incorporated at Appendix 2.*

**ADJOURNMENT**

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

That the Assembly do now adjourn.

**Assembly adjourned at 7.02 pm**