



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

27 May 1998

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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.

LIQUOR (AMENDMENT) BILL 1998

MR OSBORNE (10.31): I present the Liquor (Amendment) Bill 1998, together with its explanatory memorandum.

Title read by Clerk.

MR OSBORNE: I move:

That this Bill be agreed to in principle.

This Bill is a simple one which seeks to remove the ability of a liquor licensee to apply a defence of due diligence to a prosecution for the sale of liquor to minors. The Bill comes about as a result of a recent decision by the ACT Supreme Court in an appeal from a decision by the Liquor Licensing Board against Woolworths. The board held that Woolworths sold liquor to a minor from its Dickson store. Woolworths argued, unsuccessfully, that, while they did not dispute the facts of the case, they had established reasonable precautions and exercised due diligence to avoid the act taking place. Nevertheless, the act took place.

Mr Speaker, the effect of the Supreme Court upholding the appeal by Woolworths is that the due diligence test is now so broadly defined that as long as a licensee can argue that he had procedures in place to require staff, for example, to seek identification from purchasers, despite their neglect to do so, it would constitute a rock-solid defence to a prosecution for the sale of liquor to a minor. I quote His Honour Justice Gallop in his finding in the case:

Mere error of judgement by an employee cannot construe a lack of diligence on the part of an employer if it is reasonable for the employer to establish a compliance system that relies on the employee making that judgement.

In practical terms, the outcome of the Supreme Court's ruling is that, if a licensee has established a system that includes instructions in elements relevant to the offence which is sought to be avoided - in this case, sale of liquor to an under-age person - then the licensee will be entitled to the "reasonable precautions and due diligence" defence.

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Mr Speaker, I am advised - and perhaps the Attorney-General can deal with this in his response - that the Liquor Licensing Board has several prosecutions before it for sale of liquor to under-age people which will now almost certainly have to be dismissed because the Supreme Court has provided defendants with an easy defence. This Bill would make it an offence for a licensee to sell alcohol to an under-age person. It will still be necessary, as with any offence, to prove to the satisfaction of the board or the court that there was an element of intent - the mens rea of the offence - and that the offence actually took place - the actus reus part of the offence. But what this Bill will not do is allow the defendant simply to assert that he or she is not liable for the neglect of his or her employees in such a serious case.

Mr Speaker, I believe that selling alcohol to under-age people is something that we as an Assembly need to cover all bases on, to make sure that there are no loopholes for people to slip through. I commend the Bill to the Assembly.

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

BUILDING (AMENDMENT) BILL 1998

MS TUCKER (10.35): I present the Building (Amendment) Bill 1998, together with its explanatory memorandum.

Title read by Clerk.

MS TUCKER: I move:

That this Bill be agreed to in principle.

Mr Speaker, it is with pleasure that I present the Building (Amendment) Bill and accompanying explanatory memorandum. I will briefly run through the features of the legislation, before talking about some of the benefits of introducing waste management plans for construction and demolition work. The legislation, if passed, will require applications for approval of a waste management plan to be included as part of the approval process for any building work involving the demolition of a building. I want to point out that this legislation is not just about waste from major demolition projects. A waste management plan will be necessary for the demolition of any building, except the demolition of a residential building that does not involve an extension of the building, as that could be impractical and difficult to enforce and it is likely that only small amounts of material would be involved.

A waste management plan must include information about the extent of demolition work to be undertaken, the nature and amount of waste that will be generated by the demolition and the location to which each type of waste will be taken by the builder for reuse, recycling or disposal. In assessing whether or not a waste management plan is adequate, the Building Controller must be satisfied that when a recycling facility exists in the ACT for the type of materials that are being disposed of the materials are being disposed of, as far as practicable, at that facility. Other requirements may be prescribed by regulation.

While I acknowledge that the amount of construction waste being dumped in the ACT is falling, we still have around 60,000 tonnes that must be recycled if we are to achieve no waste by 2010 in this area of activity. This obviously also excludes any illegal or legal dumping that is occurring outside the ACT's borders. Getting waste management plans into place is, therefore, very significant. It was in fact my colleague in the last Assembly, Ms Horodny, who began work on this legislation. She initiated this legislation after discovering a number of illegal rubbish dumps in New South Wales. At the time, Ms Horodny estimated that up to 10,000 tonnes of ACT building waste was being dumped outside the ACT each year. While this might help us meet no waste by the year 2010 in the ACT, it most certainly runs counter to the overall principle of that strategy of reducing the amount of waste generated by the ACT.

As a society, we simply cannot continue to think that resources are infinite. We have to become creative about how we use and reuse resources. This legislation is an important part of that process. Mr Speaker, one of the key objectives of the legislation is to provide a stimulus to the recycling industry in the ACT. The ACT has a real opportunity to become a centre of excellence in waste management, and this is now well recognised from many quarters. This legislation, if passed, will have significant flowthrough effects throughout the construction and waste management industries. It is also important to back it up with other strategies to boost recycling industries and encourage the use of recycled material for construction activity. There are already recycling activities that operate in Canberra on a commercial scale for materials such as concrete, timber and roof tiles. Revolve also sell a lot of recycled building materials, and their supplies often fall short of demand. Despite these activities, the infrastructure for large-scale recycling of construction and demolition material is still limited. For example, metal and glass are stockpiled and transported to Sydney.

It is very pleasing to see that there is growing interest from the building industry in recycling building waste, and hopefully the long-awaited resource recovery and recycling estate at Mitchell will be up and running in the near future. I look forward to hearing about progress on that. The Master Builders Association recently released a report titled "Recycling Buildings in Canberra: a draft recycling strategy for construction & demolition material". The strategy has many objectives, including minimising waste, creating new employment opportunities in the recycling industry, maximising opportunities for the recycling of construction and demolition material, generating viable markets for the use of recycled products within the region, promoting the practice and use of recycled products, reducing demand on landfill sites and reducing pressure on the use of new natural resources, and so on. Interestingly, as well as the obvious environmental benefits from recycling material and waste from building demolition, benefits cited in the MBA report include job generation, the lower production cost of recycled products compared with products from raw material and the potential to decrease disposal costs for demolition contractors.

Mr Speaker, this legislation is a very good example of an initiative that has a win-win outcome for the environment and for industry through creation of new jobs and cost savings. An example of cost savings that is cited in the MBA report is the redevelopment of Holsworthy Hospital project. During the project 80 per cent of waste material was reused or recycled, with an associated reduction in disposal cost from \$23,000 to \$13,000.

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In order to reap the numerous benefits to the ACT economy from large-scale recycling, a number of strategies are needed. Many of them are outlined in the MBA strategy - the provision of recycling facilities, services and infrastructure, education and training of industry and consumers, economic incentives, regulation, and ongoing research and new product development. I would definitely like to see the Government take a much more proactive approach in this area. Regulatory incentives are an important first step of an overall strategy in this area, and this is recognised by the MBA in their report when they say:

The use of Waste Management Plans in the development approval process is one method of encouraging the industry to consider the disposal/recycling of its waste in the early stages of the development planning process. This in turn will increase the supply of suitable material for recycling by encouraging better on-site sorting practices.

The report also says:

In addition to helping local authorities gain a better understanding of the waste generated by a given area, the adoption of the waste management plan approach encourages increased awareness by the community of waste generation and recycling issues.

The report also comments that waste management plans are a useful deterrent to illegal dumping. I want to point out that the approach we are taking is not radical. In New South Wales, as part of the "Waste Not ..." development control plan and local approvals policy there is a requirement for waste management plans to be submitted by applicants for development and building approval. Other features of the policy are the provision of advice on waste minimisation and recycling issues.

Mr Speaker, I would like to stress again that government obviously has to take a very proactive role, particularly over the next couple of years, if we are to meet the no waste by 2010 target. There are many other things the ACT Government could be doing. The Greens have been putting pressure on government for some time to make more proactive use of purchasing policies to encourage environmentally sustainable business practices. There are no real systems in place to actively encourage the use of recycled products by the ACT Government. In fact, while other States, including New South Wales and Victoria, are starting to take a more proactive approach to the use of recycled materials, according to the MBA report, in the ACT virgin materials are still mostly used in preference to locally produced recycled materials. The MBA report, as well as recommending the introduction of waste management plans as part of the development approval process, recommended that all government or government-sponsored construction tenders for the purchase of materials be required to specify the use of the maximum level of recycled materials possible. This is a very good suggestion indeed, and I hope to see the Government respond positively.

I would like to conclude by saying that this legislation is also very timely. It is very important that we get procedures in place to ensure that building materials are recycled, because, as the MBA report says, it is anticipated that there will be a substantial increase in construction and demolition material resulting from the refurbishment and/or demolition of a number of substantial buildings in the ACT over the next decade, due to the life cycle of those structures. I look forward to a positive response from all members in this place and ongoing debate about how we can get in place policies and practices that will ensure we meet the no waste to landfill by 2010. I commend the Bill to the Assembly.

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

**DEPARTMENT OF EDUCATION AND COMMUNITY SERVICES -
FEES FOR POLICE CHECKS**

MR BERRY (10.45): Mr Speaker, I move:

That this Assembly:

- (1) condemns the \$25 fee levied by the Department of Education and Community Services for police checks as an outrageous imposition on those least able to afford such a fee and that it acts as a barrier to employment;
- (2) calls on the Carnell Government to abolish the fee.

This motion is about addressing an issue of considerable import which, if this motion is not carried, will set an unfortunate precedent for employers - government employers in particular - in the Australian Capital Territory. This \$25 fee was secretly levied by the Department of Education and Community Services as what is described as an administrative charge; but it is, I am told, for police checks. Let me talk about how this first came to my notice. I first discovered this when it was drawn to my attention that the ACT Government, or the Department of Education and Community Services, had advertised a range of positions which included administrative service officers classes 2, 3 and 4 - base grade clerks, in effect, poorly paid workers - for part-time work in the Department of Education, but stating that before applicants would be offered work they would have to pay a \$25 administrative charge.

When I checked this issue out, it was explained that the department was charged an administrative fee of \$25 by the Australian Federal Police which was being passed on to the prospective employee. That came as something of a shock to me. It also applies, I am told, to part-time teachers and to janitors, whether or not they work in schools. These are generally poorly paid workers who do not have full-time jobs in a market where job seeking is sometimes a desperate undertaking for the unemployed. To discover that the employer is passing on the administrative charges for employing a worker, I must say, I found to be something shocking.

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Let us talk about the people who are not affected by this. Just about everyone else is not affected. Other departments are not affected. Departmental heads are not affected. Interestingly enough, I note from the *Australian Capital Territory Gazette* of 29 April 1998 that the Canberra Institute of Technology does not do it either. In fact, they have a contract with the Australian Federal Police for \$4,000. They pay for the character checks. They do not pass the cost on to their prospective employees. Police do not have to pay for their own character checks. Nobody else pays for them. This payment is imposed on potential workers, but not all workers, only the most vulnerable - casual and relief workers.

It is quite normal that employers pay the costs of employment. I heard it said somewhere that the employers have a duty of care. All employers have a duty of care for their employees, but it is not the norm to pass on the administrative charges for employing somebody.

Mr Humphries: It is in Education.

MR BERRY: Mr Humphries interjects, "It is in Education". I said that it is not the norm for an administrative fee to be passed on to prospective employees, and that is the case, Mr Humphries. If you think it is the norm, that might suit your Vanstone-trained ideology, but it does not suit mine.

This is a charge which is not socially just and which impacts on the poorest in the community, but the Liberals would not understand that. The emotive argument that is whipped up each time is that these people are dealing with children; therefore, they should pay their own administrative charges and for their own police check. For heaven's sake, how many other workers in the community deal with children? Should they be paying for their own police checks? For example, should doctors and nurses in our hospitals be paying for their own police checks? Should community service workers be paying for their own police checks? Should policemen be paying for their own police checks? This is a joke. If this so-called administrative charge gathers momentum, it will apply to everybody in respect of all administrative costs. It is an unfair charge which impacts on the people who can least afford it. The Liberals opposite would not care about that. These are not employed people who are organised in unions and can defend themselves. These are people who are out of work.

Mr Humphries: Not necessarily, Wayne.

MR BERRY: These are people who are out of work and looking for temporary positions, in the main. Mr Humphries interjects again, "Not necessarily". Administrative service officers class 2, administrative service officers class 3 and administrative service officers class 4 in temporary positions cannot be described as well-off people in the community, and he knows it. For him to say or imply otherwise just shows how class structured his position is.

The fact of the matter is that the Government spends hundreds of thousands of dollars recruiting senior executives and senior staff throughout its area of employment. It might spend as much as \$30,000 recruiting one senior executive. Does it ask the senior executive to pay the \$30,000? No. It asks the ordinary taxpayers to pay that,

including the people it is now charging \$25 for their own job. That is the hypocrisy of the whole arrangement. Let us consider one instance when Mr Knop was called in to give telephone advice on Executive restructuring and he earned \$30,000 for his trouble. That was over the phone, although he did come in a couple of times. The Government's position on this is clear hypocrisy.

I heard Mr Stefaniak on the radio say, "Well, \$60,000 will have to be cut from somewhere". Is Mr Stefaniak arguing that, unless we charge every worker in the ACT \$25 for their police check when they go into government employment, we will have to cut services somewhere? You can use that argument for a whole range of services, Mr Stefaniak, but you cannot use it for the employment of workers in the government service. If you attempt to argue it, it shows the blind spot you have in relation to social justice. I have said before that senior executives do not have to pay the administrative costs of their employment, so it is absolutely wrong for you to charge \$25 for people who in many cases cannot afford it.

I was out last Friday night socialising and I bumped into one of my constituents, who raised this very issue with me. She mentioned that she had seen that I had had something to say about the matter and she informed me of her position. She was a battler, a single mother who had applied for one of these positions. She was complaining that the \$25 was hard to come by. These people over here would not understand that \$25 is hard to come by. They would spill more than that on a Friday night booze-up. They would spill more in Grange Hermitage than these people could afford to spend in a week.

Mr Humphries: Mr Speaker, I do not mind engaging in a rational debate about these matters. We can do that. If Mr Berry would resume his seat, I would be happy to finish my point of order. That is the usual courtesy. To talk about Government members engaged in booze-ups is somewhat unparliamentary and not really in keeping with the tone of this debate. I would ask Mr Berry to withdraw those sorts of allegations.

MR SPEAKER: I do not think it is adding anything to this debate, Mr Berry. Please withdraw it.

MR BERRY: I do not think it is unparliamentary. I am pleased to think that our Minister for Justice does not get involved in booze-ups.

MR SPEAKER: Would you withdraw the comment.

MR BERRY: What for? Heavens above, it does not cast any imputations. Okay, Mr Speaker. They would drop more caviar on the floor than these workers could afford to eat in a month of Sundays. Let us not forget where these people are coming from. This woman, a single mother, approaches the department for a job and has to pay \$25 - not after she gets a pay packet, but before she gets on the list of people who might get a job at some time. This is the nastiness of this particular approach. It is user pays gone mad, absolutely.

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In May I announced that I was going to have some legislation drafted to make it illegal for employment agents to charge potential employees for their services. It is prohibited in New South Wales; it is against the law. Employment agencies cannot charge employees for getting them a job. They can charge employers for the administrative costs of getting employees a job, but they cannot charge employees. That general standard applies in other States - Western Australia and Victoria. Employing agencies cannot charge employees to get them a job. The Government, acting as its own employment agency, is charging people to give them a job, is charging them for the administrative fee. It came as some surprise to me shortly afterwards to discover in the *Canberra Times* that a government department was doing exactly what I had set out to prohibit in the private sector. That is why I have moved this motion. I want to see the same rules apply in both the private sector and the public sector. Why should there be any difference? In fact, the public sector has a responsibility in the public interest to provide employment for some people - for example, people who might be long-term unemployed, people who might have some disabilities, people who would find it difficult in the normal circumstances to find a job. They might be an applicant for one of these jobs and have to come up with the \$25 as well.

Mr Speaker, this is an unfair, unconscionable charge. It sets a standard which, if applied generally, will impact heavily on potential employees, people who are out of work, people who are poor and people who cannot afford to come up with \$25 to pay for their job. If it starts at \$25, it will go up. One administrative charge is for the police checks. The next thing that we will see is that the departments will be charging more and more for the effort that they put into employing people. The ridiculous position is that only the well-off unemployed will be able to afford a job if this principle is adopted.

I never imagined that I would have to consider applying to the Government the legislation that I am having drafted. It merely requires carriage of a motion to hear the voices of this Assembly to ensure that the Government does not support the continuance of this levy. It is an unfair levy on people who should not be paying for it. Part-time teachers are charged for it, as are more lowly paid workers, including janitors and base-grade clerks. This is a government that will not enforce its own Occupational Health and Safety Act in relation to bank employees and customers. It is a government that threatened to lock out its own workers in a dispute that lasted for months and cost the taxpayers millions of dollars.

The motion is a straightforward, commonsense motion which seeks to protect unemployed people looking for a job. It is an attempt to stop a fee for employment which is being levied not on high-flyers, not on the people who have \$200,000 packages, but on people who are seeking to join a register to fill temporary vacancies. These are definitely not the high-flyers in this world, but people who are attempting to join a register to fill temporary vacancies on regular short-term or long-term contracts. In my view and in my submission to the Assembly, this is shameful, and it should be put to rest immediately. It is an embarrassment to this Assembly if we do not stop this fee.

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

MR STEFANIAK (Minister for Education) (11.01): Mr Speaker, I often thought that Wayne was in a bit of a 1950s time warp. I think from what he was saying today, though, that he probably goes back to 1917. Mr Berry again has completely got the wrong end of the stick on this issue. This is in fact a fee the department has to pay to the police for a police character check. I will just tell Mr Berry a few of the facts. He might listen and learn something.

Firstly, the Department of Education and Community Services is not at all interested in imposing onerous fees upon prospective staff; nor does it seek to create barriers to much-needed employment.

Mr Berry: Why does it charge \$25?

MR STEFANIAK: I listened to you in silence, Mr Berry. I would appreciate the same courtesy. To the contrary, what we are on about is putting appropriately qualified people in a position to get the jobs they want; that is, only people who are approved for work and are likely to earn an income are asked to pay the fee. Non-teaching staff have to pay the fee only when they are offered a position. That is right, Mr Speaker - only when they are getting a job.

For teachers, the situation is slightly different, but not so different that they are disadvantaged. Teachers pay the fee when they apply for registration as a teacher in the ACT. This is the first step in seeking employment as a teacher. When a teacher is registered, following the police check, he or she has approval to work as a teacher in the ACT and is given a registration card. That card, Mr Speaker, can then be used by teachers as evidence of their eligibility for employment in the ACT. It is evidence that they have undergone a police check, which is what this is all about. This is of considerable benefit to teachers who might consider applying for employment in another State, as indeed many do. As well, Mr Speaker, competent persons on the relief register obtain regular work at times which suit their own needs and their own lifestyle. Many of them choose to work a lot; many of them choose to work a little. This form of employment does suit the personal requirements of many people on our register.

I want to make it clear, Mr Speaker, that the practice the local Department of Education and Community Services is following is in line with that of nearly every other government education authority in Australia. When a fee is charged for a police check, every State except one passes it on to the applicant.

Mr Berry: Is that for teachers or administrative officers?

MR STEFANIAK: It is exactly the same thing as we are doing. In Victoria it is \$24 for a police character check. In Western Australia it is \$25 for a police character check. In South Australia \$38 applies to applicants for teacher registration and child-care centre licensees. In Tasmania, the Northern Territory and New South Wales there is no charge by police, so there is no fee. If there was no charge by police here, Mr Berry, there would be no fee. The department is just recouping what they have to pay the police. In the Northern Territory there is a \$30 fee for a fingerprint check if an applicant is known to the police. In only one State, Queensland, is the fee borne by the department.

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ACT education and training agencies are consistent in their approach to this. I am also advised that the CIT does charge students who are undertaking training in child care a police check fee before they begin practical experience there. In the ACT there are several other employment agencies that require character checks and they charge their applicants a similar fee. They include Aerial Taxis and the Real Estate Agents Board. Mr Berry, you might like to take note of that. There is nothing out of the ordinary in the department passing on these costs. In fact, for education departments, with the exception of the Queensland department, it is standard practice.

Despite his rhetoric, Mr Berry knows that the bottom line of this issue is plainly and clearly about the protection and safety of some of the most vulnerable members of our society, our young people. In an attempt to eliminate any inappropriate behaviour towards young people in its care, the department has required all those successful in gaining employment to undergo a character reference check carried out by the police. That has been so since July 1995. That is an important point. Mr Berry is bringing up this motion now, in May 1998, nearly three years after this was introduced. If it was such a huge issue and such a great concern to people, it should have been brought up within months of it occurring. The fact is that it is not.

Mr Berry: It has been kept pretty quiet, Bill - for me, anyway.

MR STEFANIAK: You cannot keep anything quiet in this place, Mr Berry. You should know that for sure. I will get to that, Mr Berry. There is no great concern in the community about this. This is hardly a secretly levied fee. There is nothing secret about it. You saw it in an ad in the paper. I am not really amazed that you have not seen it before. Quite frankly, there has been very little complaint about this. I will come to that later.

The department's insistence on character references for its staff is consistent with what applies in other States and Territories. This was agreed, Mr Speaker, by the MCEETYA meetings as one of a range of child protection measures adopted nationally. The department is unique amongst ACT Public Service agencies in that the vast majority of its staff - janitors included - work closely with children. That makes education departments different from other government departments, and that is a very relevant factor not only here but also throughout the rest of Australia. I ask members to bear that in mind. Only Queensland does not pass this on. Everyone else, where there is a fee, passes it on.

Teachers, janitors, child protection workers and preschool assistants all have daily contact with children, whose safety is of prime importance to parents and carers, government and the community. It is clear that we have a vital duty of care and the prime responsibility to try to ensure that all prospective staff are fit and proper people to work in positions with children and young people. Most other agencies, Mr Speaker, just do not have the special duty of care to their clients, and they do not require or insist on police checks for casual or temporary staff.

Mr Berry: But they all have police checks.

Mr Humphries: Not necessarily.

MR STEFANIAK: Not necessarily; that is right. As for Mr Berry's claim that this \$25 fee is an imposition upon people unable to afford it, I would like to point out that since its introduction nearly three years ago there has been, I am advised, only one complaint from a prospective employee claiming disadvantage in relation to the fee. In these circumstances the levying of such a small fee could hardly be construed by any reasonable person as a deterrent to employment.

I do not think Mr Berry is seeing reason in raising this motion. What he is doing is manipulating an extremely sensitive area for his own political advantage. I think you really should direct your energies somewhere else, Mr Berry. Mr Berry, I remain confident in the knowledge that the department is doing its utmost to protect our young people from possible menace. I can assure other members of this place that our schools and services for young people are as safe and as nurturing as we can possibly make them.

I reiterate and reinforce what occurs in other States, Mr Berry. Only one State does not pass it on. Where there is a fee, all the others pass it on.

Mr Berry: For administrative assistants? No.

MR STEFANIAK: They pass it on, Mr Berry. I am quite happy to table the document which I have just read from in relation to these fees. This is a fee which is charged to the department. It is being passed on. It is not an impost. It is something the department would pay itself otherwise. It is money that, if the department had to pay it, would not be available for better projects and assistance to young people where it is most needed. It is not an insubstantial amount. It is up to about \$50,000 in any one year. It is not an insignificant amount. It is not as if the department were making a profit. The department is charged the fee. It is merely passed on. That is a consistent practice right across the country, with the exception of Queensland.

MR RUGENDYKE (11.09): Mr Speaker, I have listened to both sides of the argument about the \$25 fee, and I must say that it is a particularly challenging question for me. My office conducted investigations into the matter to ascertain what is happening in other parts of Australia in relation to this fee. In some States and Territories - namely, Queensland, New South Wales, Tasmania and the Northern Territory - the police do not charge for this service, so education and community services departments are not required to pay the administration fees for new employees.

It is true that a user-pays system applies in the other States. My information is that teaching and non-teaching staff in the education departments of Victoria and Western Australia are required to obtain and pay for their own police checks. In South Australia teaching staff and not ancillary staff are required to obtain and pay for police checks. However, there is another inconsistency in Victoria, Western Australia and South Australia. There is no levy for employees in areas equivalent to Community Services. In Victoria the police checks are classified as a standard recruitment overhead in the Department of Human Services, and the new employee

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is not levied. In Western Australia the Department of Health and Family Services classifies police checks as a standard recruitment overhead, and the new employee is not levied. In South Australia the Department of Community Services classifies police checks as a standard recruitment overhead, and a new employee is not levied.

In the ACT, however, we are in a unique position compared to other governments. Education and community services are under the one umbrella. My concern is that there is a grey area and that we risk the levy creeping into community service organisations. On that basis I think it would be unfair for employees in our Community Services to be slugged the \$25 when the levy is not applicable to people working in this area elsewhere in the country.

Mr Speaker, I do understand that education departments in New South Wales, Queensland, Tasmania and the Northern Territory would reconsider their position on levies for new employees if the police began charging for criminal record checks. This is what has happened in Victoria, South Australia and Western Australia, and it is fair and reasonable that this is what happened in the ACT. However, Victoria, South Australia and Western Australia have displayed a sign of good faith to employees in the important but often unheralded community services area by absorbing the cost of police checks. I believe that we have to encourage and not discourage people from entering the community service fields. Mr Speaker, I would seek an undertaking from the Minister that the levy will be excluded from the community service areas of employment.

MR HIRD (11.13): Mr Speaker, I have listened to all sides of the argument, and I have to say that I agree with my colleague Mr Stefaniak that the \$25 really is a cost which is borne by the Education Department. The police do the character checks of applicants for a job at a cost of \$25 to the education authorities. However, in this debate on police checks three vital groups have not been addressed. The first group, the students, should have at their disposal at all times the best possible teachers the Government can provide. They should have confidence in the qualifications and the bona fides of their teachers. In the second group are parents. In recent times the Australian Government has gone to great lengths to bring someone back to Australia because of alleged paedophilia activities, which are yet to be proven in court. There are also a number of other actions before the courts throughout Australia involving teachers. It is reasonable to assume that students, parents and the third group - teachers - should have full confidence in those people who undertake the profession of teaching. If that means that a fee of \$25 should be paid - I understand from what the Minister said that the fee is payable only when a job is obtained - then that, to me, is worthwhile insurance on behalf of those three groups.

I cannot see why Mr Berry has taken issue with this, as he puts it, meagre charge. I think the silent majority - students, parents and teachers - have a right to know that those teaching or working in that industry have the highest bona fides and indeed that they have the respect of the community. I think the \$25 fee is \$25 well spent as insurance that persons who undertake teaching as a profession are honourable and above reproach, in light of what has happened in recent years within the teaching profession, in particular with children.

I think that Mr Stefaniak has put a very strong case for retaining the \$25 fee. It costs the department \$25 for the police to do the checks. At the end of the day someone has to pay. Whether it is the applicant or society, someone has to pick up the tab. In this instance it is someone who gets a job. I would dare say that as that \$25 would be a cost to the person receiving the position there would be a tax benefit. Unless I miss my guess, I would think that if a person needed to have a character check and had to pay the \$25 they could claim it as part of their employment expenses. I think it is not unreasonable for them to have that character check, and they could claim that \$25.

I cannot agree with the argument that says that we as a community should pick up the \$25. This is not the first time that Mr Berry has put this argument. Whether it is a piddling amount of \$25, half a billion dollars for VITAB or whatever, Mr Berry seems to have in his mind that someone else should pay. Someone else in this instance is the community. From my understanding, the silent majority would welcome the \$25 for police checks so that we make certain we have the best teachers, and we do not fall into the trap, as previous governments around Australia have, of not having the right professional people teaching our children. I will not be supporting the motion.

MR HARGREAVES (11.20): Mr Speaker, there seems to be a bit of a sidetrack here. Nobody in their right mind would advocate not doing police checks for people who are providing services around our children. The issue really comes down to how much people have to pay for them and whether they should have to pay for the checks themselves. It is acknowledged very seriously that people in schools other than teachers also have dealings with kids - janitors, for example. It has been practice for many years that janitors have had police checks done on them to make sure that they are fit people to provide services for our kids. But it has also been known for many years that a janitor gets paid a GSO3 salary approximating \$23,000 a year, and it is just not on that someone has to pay \$25 to contribute to the possibility of them getting that job. It is all well and good if you are talking about people who are earning \$40,000 a year plus. Then we can start talking about the immateriality of a \$25 fee. But we are not talking about that as an immateriality. It is very material.

For a job paying \$23,000 a year, you have to pay \$25 for the police check so that you can go on the list and perhaps get called. It is true that this police check is to be paid for only when you are offered a position. But it does not necessarily mean that the position you are going to be offered will actually bring work to you. There is a list of school assistants and janitors. The placement of your name upon that list constitutes an engagement, but that does not mean that you are going to be called in to work. It does not mean that you are going to be paid a brass razoo for many months to come. It is an impost on these people to charge them \$25 for the privilege of applying for their jobs. Mr Speaker, this is the price of a job. How much is the price of a job these days? If you are a janitor in a school, the price is 25 bucks. That is morally wrong. I am not convinced that it is the janitor's responsibility to prove his good character through a means that we impose and at a charge that we impose. I do not think that is very fair at all.

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It is true that we need to have these checks to make sure that these people look after our kids in the proper manner. It is also our responsibility as a community to make sure that the people we put into these positions are people of good character. It is part of the selection process. If the cost of that selection process is the cost of the interviewers, the cost of the report writing and the cost of the advertisement, it ought to include the cost of a police check. This is an additional cost to a person asking for a job. It is our responsibility to recruit these people. It is our responsibility to cough up the \$25.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (11.23): Mr Speaker, I want to contribute a little bit to this debate. I think it has been unfortunate that we have the context of the debate being set by Mr Berry talking about people stopping caviar from their tables and making references to class warfare and so on. It is an unfortunate kind of reference. It is indicative, I suppose, of a desire to chase the pettier elements of the ACT's political debate and ignore bigger issues.

I notice on the notice paper, for example, that the next item for discussion is the Territory's operating loss, a \$150m problem this community faces which will very much determine the kind of lifestyle that our children will live and how far we are able to improve the future economic and social - and I emphasise "social" - outlook of the ACT. This is the sort of issue on which we will take decisions today. There are huge issues involved in that. There are issues about what we do to discharge our duty as members of this place, as representatives of the people of the ACT, to deliver better lifestyles for our community. Dealing with that operating loss is a critical issue in that respect. But what are we debating at the moment? We are debating a \$25 fee for people to obtain - - -

Mr Berry: I raise a point of order, Mr Speaker. I think Mr Humphries is reflecting on the ordering of the notice paper by the Administration and Procedure Committee.

MR SPEAKER: No, I cannot uphold that.

MR HUMPHRIES: No, I am not reflecting on that at all, Mr Speaker. You can do a lot better than that on a point of order, Mr Berry. I am reflecting on the fact that the Labor Party seems to be focused on the small picture when in fact there are much bigger issues in the Assembly today.

Mr Berry: Small issues for small people.

MR HUMPHRIES: It is a small-minded view about those matters, Mr Speaker. We have other issues. The issue here is what the department does to recoup the costs of a fairly expensive process of obtaining police checks on the people concerned.

I do not think it is questioned in this debate that those checks need to be conducted. Teachers and anybody else working in a school - janitors, administrative staff or whoever - come into contact with children as a matter of course, and it is appropriate that those people be scrutinised, as far as their criminal records are concerned, to make sure that they are appropriate people to be working in that environment. It is important to note, however, that the onus that falls on the Department of Education in this respect is a much heavier onus than that which falls on any other area of government.

Obviously, workers in other areas of government also have cause to deal with children, or otherwise from time to time need to have their criminal status ascertained in order for them to do their work - that is granted - but not to the same degree as workers within the Department of Education, particularly workers in schools. There is a very significant onus on the department that needs to be discharged.

We could pass the motion today and we could strongly urge the Government to go away and find the \$50,000 that the Minister referred to and free the people who are making these applications from the cost of having police checks done. Let us be realistic about this, Mr Speaker. That \$50,000 is going to have to come from somewhere else in Education. It is \$50,000 which would otherwise be used to employ probably two or three part-time teachers or to deliver some education services to our community. It is easy for us to be generous in this place and not ask somebody to pay a \$25 fee. Incidentally, this fee is almost certainly going to be tax deductible, so the actual cost is going to be lower than \$25. It is a cost the department has to incur, so it is going to have to find that money from somewhere. It is easy for the Assembly to say, "Do not ask the employee to meet the \$25 fee. Get the department to dip into their big pit of money and just draw it out". But that source of money pays for teachers. It pays for education services in our community. It pays for things that are important. I, for one, would rather see that money spent on things which deliver to our community, not on the incidental process of delivering services. That is what I would rather see the \$50,000 spent on. I would hope that members in this place would also take that view.

It is not unreasonable, with such a large volume of people passing through the hands of the department, for it to defray that cost by asking the people concerned, who almost always go on to be employed and meet the cost of that \$25 from the payments that they receive as teachers or as other workers within the school system, to bear that cost. In many other areas of employment you are asked to bear costs associated with taking up employment. Many people in other areas of work have to meet costs associated with clothing and uniforms, transport costs and all sorts of other costs associated with their obtaining or taking up employment. I do not believe that in this case it is unreasonable to associate some costs with that matter, particularly as the alternative is taking the money out of the provision of education services to people.

Members should also be aware that the AFP does not have a great deal of flexibility about the charging in this matter. The AFP, through this fee, is gaining access to the police national names index and the fingerprint system, which is a national responsibility under the national exchange of police information, or NEPI, system. That means that when you check somebody's fingerprints or their name in the ACT you can ascertain what record they might have in another place in Australia - in Queensland, Western Australia or wherever. It is important to have that comprehensive information. Access to that by the Australian Federal Police is on a user-pays basis. They cannot avoid that cost. Therefore, if the AFP do not charge for it, it is a cost to them, a cost which will come out of policing in the Territory. Alternatively, if the AFP charge but we do not have Education recouping the cost from temporary teachers, the department in turn will have to meet that cost from its own resources.

Mr Speaker, I do not believe that there is a justification for this motion. I think it is important to allow us to be able to reasonably meet costs as they are incurred. It is not as if we are charging people who are in the category that Mr Berry has placed them in. I want to emphasise that. Mr Berry used highly emotive language in his support for this motion. He talked about people who are unemployed and about people who are desperately poor. I accept that there are some people for whom this sort of employment is absolutely critical as a means of staying off the breadline. But very often part-time employment is a choice made by people to suit their particular requirements or their particular lifestyles.

Sometimes the people concerned are employed elsewhere and require part-time employment to supplement their income. Sometimes the people concerned do not require full-time employment or would prefer not to have full-time employment because, for example, they might be raising children. They might not wish to work a nine-to-five day. Sometimes they are people who rely on this sort of employment. But it is wrong to do as Mr Berry did and portray all of the people as being in that category - I emphasise, Ms Tucker, all of the people in that category - as being people who are absolutely destitute, who desperately need that money and who otherwise would be out of pocket by that amount. Mr Speaker, it is a question of balancing from which pots we draw particular funding. In this case I would rather leave that money in the education pot, to spend on education services and the employment of teachers, than in some other pot.

MR MOORE (Minister for Health and Community Care) (11.32): Mr Speaker, I have a keen interest in this issue. Having recently gone through a ministerial code of conduct, I think it is appropriate for me, although maybe technically not critical, to step aside from this debate, and certainly from a vote on this issue. However, I think some general principles ought to be taken into account. The questions that I think need to be asked in this debate are: To what extent should an employer pass administrative costs on to an employee and in whose best interests is it to get an outcome in passing those administrative costs on? In this particular case, because I am quite close to the issue, I think it appropriate that I stand aside.

MS TUCKER (11.33): Mr Speaker, I totally agree with Mr Moore's point - he did make one point - that this is about an administrative fee. My real concern, after having listened to Mr Stefaniak speak on this issue, is that what you cannot see is any clear overall consistent approach from government on this. We know that they have applied the purchaser-provider model. We know that government departments now have to show quite clearly where they are spending money. They cannot subsidise each other in any way, so we know what we are getting and what the outputs are. That is fine. That is about transparency so that we understand what we are getting for our money. My concern, now that we are able to see that we spend this much money on this particular administrative function, is that in light of the ideological approach of the Liberals, who like the concept of user pays, they will suddenly decide that this particular administrative function will be paid for by the citizen. Of course, the question is: Why this particular administrative function? There are a number of administrative processes that occur when someone applies for employment.

Mr Stefaniak accused Mr Berry of politicising this sensitive issue. I think if anyone has done that it is the Government, by choosing that administrative process to charge the citizen for. Obviously, they can then come out with rhetoric such as that we have just heard: "This is about protecting our children. We should charge for this. The welfare of our children is at stake. These are the services that you want delivered to your children. The services will not be delivered if we do not charge the citizen who wants to apply for the job. We will have a loss of services". There were similar arguments with the SACS award as well. It is quite unacceptable to tie conditions of workers to service delivery. Mrs Carnell said to me on several occasions, "If we do give workers good conditions, which disability home do you not want to exist, Ms Tucker?". It is a very poor argument. It is very emotive and political, and it is not acceptable.

If we are going to decide to charge for administrative processes, I would like to see a much better thought out argument about which ones and why. I reject the whole proposal, because I do not think government can come up with an argument. This is an opportunistic way of reducing some of the cost imposts of that particular department. I do not know whether this is a Government decision or something that came out of the bureaucracy, who are feeling very pressured to make their budget look good; but it appears to be quite ad hoc, because I also do not accept the arguments coming from the Government that teachers are the only ones or the main ones who have a huge responsibility with children. Obviously, we have public servants working in nursing, as doctors and in Family Services as well. They are public servants who have huge responsibilities for the care of children.

It does not appear to be consistent at all. When I first saw it, I was wondering what the rationale for it was. Is it for all people who work with children? No, it does not apply to all people who work with children. Is it for people just looking for casual work? Obviously not. Does everyone who applies for the Public Service have to pay for their own police check where it is necessary? It appears not. I am really disappointed and concerned at the application of this principle, particularly in this area. As I said, I think the Government is taking advantage of people's concern about children, paedophilia and the whole lot. That is high in the consciousness of our community. They are using that as an excuse to levy this particular charge.

I notice that Mr Humphries was offended by Mr Berry's statements about the economic situation of people who would be applying for these positions. He wanted me to understand that he was acknowledging that some people will be disadvantaged and quite financially desperate. That, I thought, was the point that Mr Berry was making. Of course there will be people who do not choose part-time work just to supplement their income. In some way Mr Humphries was almost implying that it was a bit of a luxury for many people. That is not my personal experience of people seeking part-time work, particularly women, who, with the current child-care charges and so on, find it very difficult to make it legitimate to work full time. Nevertheless, they are in need of supplementing their income, and it is far from a luxury that they are applying for part-time employment.

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They are the main points I wanted to make. I will be supporting this motion of Mr Berry's. I think that the Government needs to go and do its homework and show that it has a more consistent approach if it is going to start charging people in the community for their administrative processes. This is moving the business of government once more into the user-pays realm without a thorough and logical rationale behind it. It is ad hoc, and it is of concern to me and people in the community.

MR STANHOPE (Leader of the Opposition) (11.40): I will speak only briefly on the motion. I really just reiterate the points made by Mr Berry and just now by Ms Tucker. I agree entirely with everything that Ms Tucker said. To some extent, she has said the sorts of things that I would like to say. There is an issue of significant principle here. Even if we look at the matter apart from the specifics of the incident that brought this matter to our attention in this case and look at it as a matter of principle and process, it raises very serious concerns. They are the sorts of concerns that Ms Tucker has just raised.

This is adhocery. This is ad hoc administration. Whenever we have an ad hoc process, it raises questions about the extent to which it acts as a precedent for a continuation of the practice. We stick a practice up in a particular instance, we justify it in terms of that particular occurrence or that particular circumstance - namely, schoolteachers and janitors - and we raise emotive arguments. We do not then look at it in the context of an overall policy position on requiring unemployed people to pay for applying for a job. It is a really significant change in the way in which we have regarded employment or employment-related issues. We are saying to people, "You may be unemployed and we really are serious about seeing you rejoin the work force, but you have to find 25 bucks from somewhere".

We all know whom this sort of policy impacts on most - those who cannot afford it. There is a significant question of policy here. There is the fact that it is not thought through. There is the problem that we do not know how it might just as well apply to other areas of government or other areas of employment. We do not know when some other employing organisation will jump up and say, "We will recoup our costs in the same way". It is a bad policy. It is a not-thought-through policy, it is adhocery and it impacts adversely on those within our community who at the moment perhaps are struggling most for their place within society and within our community. It should be rethought, it should be turned back, we should start again on it and the practice should cease.

MR OSBORNE (11.42): I will be brief as well. There is one point that I would like to raise before I speak to this motion, and that is in response to something the Minister said. I think he claimed in his speech that only Queensland does not charge. Perhaps he inadvertently misled the Assembly, but I am sure he would like to clarify it. We have some documents here. New South Wales, it appears, does not charge the Department of Education or the Department of Family Services for this. Queensland obviously does not charge, as he said. Victoria does not charge the Human Services Department. South Australia makes no charge for ancillary staff and no charge for Community Services. In Tasmania there is no charge for the Department of Education, and in the Northern Territory there is no charge. Obviously, you have not done your homework, Minister.

I will table the document and then you can read it. I seek leave to table it, Mr Speaker.

Leave granted.

MR OSBORNE: Mr Speaker, as I said, I will be brief. I will be supporting this motion of Mr Berry's. I think it is an unfair cost. I think it is a very sensible motion. I do agree, as Mr Stanhope, Ms Tucker and Mr Berry said, that it is an ad hoc approach. I would like to know how or why it is that, all of a sudden, you are charging for this one particular administration fee when I can think of many more within the Public Service that you could follow up on. I agree with Mr Stanhope that \$25, although it may not seem a lot to us, certainly to the people who would be applying for these positions would be a hell of a big cost. As Mr Berry says, \$25 would be enough to pay for a school excursion for a child, bus fares to work or lunches. I think that it is unnecessary. As I said, I will be supporting Mr Berry. I think that it is quite mean of the Government, in particular the Minister, to be slapping this on that element of the work force who can ill afford it.

Mr Stefaniak: Mr Speaker, perhaps I can just interrupt before Mr Berry closes the debate. In relation to the points raised by Mr Osborne, I table, as I indicated I would, the fee charges for other State education agencies, which is what I was referring to. I do not think that is at all inconsistent with what you are saying, Mr Osborne. Might I also indicate to Mr Rugendyke that the Government, of course, charges only its own employees. We have no intention of charging non-government agencies, and I give that undertaking.

MR BERRY (11.46), in reply: Mr Speaker, the Government seems to rely on its claim that this is fair and reasonable. If that were the case, by implication it is unfair and unreasonable for nurses not to be charged the fee, it is unfair and unreasonable for doctors not to be charged the fee, it is unfair and unreasonable for community service workers not to be charged the fee, and it is unfair and unreasonable for food service workers not to be charged the fee, because they all come into contact with children. The basis of the argument from the Government was the emotional issue of police checks for people who come into contact with children. That is not a good argument. If you apply the fair and reasonable test to that argument, you have to apply it right across the broader range of employment in the ACT.

Mr Speaker, the Government has made a point that the charge is applied in other places and that that is a good reason for it to apply here. We do not know about the reasons for its application in other places, but if you merely attach yourself to those ideas I think the point has been fairly made by Ms Tucker that this is a poorly thought out proposal. It has also been pointed out by my colleague the Leader of the Opposition, Jon Stanhope, that this is adhocery.

In the normal course of events, when one applies for a job and one presents oneself, one is given an application form. It is a long time since I applied for a job, but my experience from assisting people who were applying for a Public Service job is that there is always a little box somewhere that says, "Have you got a criminal record?" and invites a yes or

no answer, and there is another box somewhere else which says, "Do you mind us doing a police check on you?". Most employees, when they present themselves, I think would say, "That is fair enough. If I have claimed that I do not have a police record, I should be able to allow the employer to check that, if that is what they want to do".

This gets to the duty of care issue which Mr Stefaniak raised. Yes, employers do have a duty of care, but the duty of care is not borne by the employees. The duty of care is borne by the employers, and it is up to the employers to ensure that the employees are fit to carry out their duties responsibly. That is why employees should not be forced to pay for these charges, these administrative costs. A logical extension might involve a whole range of other administrative costs to employees in other areas if it is allowed to stand at this point.

For the poorest of employees, what potential employee would go to the boss when applying for a part-time job and, when faced with the prospect of having the job or not having the job on the basis of \$25, say, "I am not paying you the \$25."? Mr Stefaniak used as one of the elements of his argument that there have been no complaints. Part-time workers are not going to say to the boss, "I am not going to give you the \$25". If they do, they will not get a job. That is a fallacious argument to put in the context of this issue.

The Department of Education and Community Services is trying to transfer some of the cost of education to potential workers. You say so yourself. Fifty thousand dollars or \$60,000 is loaded onto workers from out of the community services and health budgets. Potential workers - part-time workers, low-paid workers - are asked to pay a percentage of the education bill that nobody else is asked to pay. That is true, is it not? Of course it is true.

The fact of the matter is that workers should not be forced to pay for the administrative costs of their job, their normal recruitment costs. Evidence was introduced by Mr Rugendyke which I found quite convincing. He made the point that in other places, particularly in areas of community services employment - and they are people who deal with people who are vulnerable and with children - and in areas where they have to be of good character, it is treated as a normal recruitment cost. It is a normal recruitment cost. The ACT is the first place not to treat it as a normal recruitment cost in all areas, including the Department of Education and Community Services, and then only since 1995 and then only by a Liberal government. It never happened before. Here we have a situation on the - - -

Mr Stefaniak: The police have been charging only fairly recently, Wayne.

MR BERRY: Mr Stefaniak says that that is an argument against change. What he is doing is shifting the onus onto potential part-time workers - and poorly paid ones at that, in many cases. This is not a fair and reasonable cost to load onto potential workers. It is unfair. It is grossly unfair for the department to adopt this line. Not one jot of an argument has been put forward by the Minister or any of the other speakers to make out the case for workers in education to be charged this fee and not workers in another place.

Basically, the only argument that has been put forward is user pays; that is, if you use a service such as a police check, you should pay for it yourself. You are sadly mistaken, Minister. The employee does not use the service. He gives permission to the employer to carry out the police check. The employer carries out the police check.

It is, as Mr Rugendyke properly says, a normal recruitment cost that ought to be borne by the employer in all cases. It is not sufficient justification to say that an unfair and unreasonable cost imposed in another State is one that we should adopt here. It is demonstrably unfair and unreasonable. I go back to my earlier comments. If you say that this is fair and reasonable, then you are saying by implication that it is unfair and unreasonable for other people to escape this cost. That is the message you are sending to all of your other departments. That is the message you are sending to the private sector - that it is fair and reasonable to transmit to your employees an administrative cost of this order, or larger in the case of a recruitment process.

Another matter that I raise is something that I raised earlier on when I introduced this motion. You do not charge high-flying executives the \$20,000 or \$30,000 that it costs you to recruit them. You do not even try. It costs tens of thousands of dollars. I am not suggesting that you should. That is an administrative cost. It is an administrative cost that many of them could afford, but I can tell you now that a lot of working people who apply for these jobs cannot afford the \$25. I met one last Friday night. I will bet that if I have met one there are dozens of others in the same sort of position. I am not prepared to sit idly by and see these sorts of unfair and unreasonable imposts being put on the most disadvantaged people in the community, the least advantaged and the people least able to pay. I urge my colleagues in this place to ensure that they do not support this position that is adopted by the Government, and I urge them to support my motion.

Question put:

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

The Assembly voted -

AYES, 7

Mr Berry
Mr Hargreaves
Mr Osborne
Mr Quinlan
Mr Stanhope
Ms Tucker
Mr Wood

NOES, 7

Mr Cornwell
Mr Hird
Mr Humphries
Mr Kaine
Mr Rugendyke
Mr Smyth
Mr Stefaniak

Question so resolved in the negative, in accordance with standing order 162.

TERRITORY OPERATING LOSS

MR OSBORNE (11.59): I move:

That this Assembly:

- (1) acknowledges the need for the Government to take urgent action to address the operating loss of the Territory which is still at unacceptably high levels; and
- (2) urges the Government, in its forthcoming budget, to lay out a clear strategy to address the operating loss.

You will be pleased to know that today I will not be speaking about India, and neither will Mr Rugendyke. Mr Speaker, it may not be immediately apparent, but there are similarities between the birth of ACT finances and the Immaculate Conception. The Immaculate Conception is the Catholic Church doctrine which says that Mary, the mother of Jesus, was conceived without original sin. In 1989 the ACT Government was conceived without debt. Mr Speaker, when the ACT was given self-government the Commonwealth did not do us a lot of favours, but the debt-free birth was a big one. Debt is the great sin of many of the States to our south. In 1995, for example, servicing debt chewed up 32c in every locally generated dollar in Victoria. After years of enormous pain, Victoria is only slowly clawing its way back from a debt burden that all but crippled that State, but debt is still running at about 18 per cent of Victoria's gross state product.

The debt-free birth of the ACT, more than the virtue of local governments since 1989, is the key reason that the Territory enjoys its AAA credit rating. I should say, Mr Speaker, that, despite what governments would have us believe, the credit rating is not a measure of government performance beyond saying that successive ACT governments have not been reckless borrowers. The rating simply tells private investors what chance they have of recouping cash invested in a particular State or Territory. Their chances in the ACT are considered good because the Territory has a comparatively low level of debt and the credit assessors still believe the Territory has the implied backing of the Commonwealth, whether or not that is actually true. A better measure of government performance since 1989 is that successive governments have been able to hold the financial line in the face of rapidly reducing Commonwealth assistance. Since self-government the drop in Commonwealth financial assistance has been almost evenly matched by the rise in locally generated taxes and cuts in the cost of government. But, Mr Speaker, that is about it for the good news.

Commonwealth revenue is now about half what it was at self-government and our ability to continue to jack up charges is limited, lest we begin to drive residents and businesses across the border. No matter what the Government says about our economy, it is still almost entirely reliant on the Commonwealth, and what growth there is in the private sector is minor and is attached at the hip to government work. To put it in perspective, the Commonwealth makes up 40 per cent of the ACT's economy and is its engine room. By comparison, the ACT Government makes up about 10 per cent of the local economy. Unfortunately, if the Commonwealth decides to sneeze again in the near future the ACT will certainly catch a cold.

There is still room to move in cutting expenditure, but we have used up almost all of the easy options. Our areas of overspending are well documented and all are protected by the high walls and razor wire of lobby groups and certain members. Education has been quarantined from any real cuts for the past three years. According to the Commonwealth Grants Commission, the ACT was almost \$36m above the Australian average level of spending in 1995-96. Mr Speaker, as I said during the election campaign, I have no problem with this community deciding that it wants to spend more money than other States on education, as long as that money is spent in the classroom. However, what figures we have tend to suggest that too much is spent on an overblown head office. The 1997 review of Commonwealth-State service provision shows that our "out of school" costs for education per student are higher than those of any other jurisdiction save the Northern Territory and that they have been steadily growing. I repeat, Mr Speaker, that I am happy for us to continue spending more money on education, as long as it is spent in the classroom and on the kids.

The Grants Commission also continues to point out overspending in hospital services and welfare. We might also want to have a look at why 10 per cent of the ACT's total housing stock is Housing Trust homes. Mr Speaker, some of these things are linked to the way the ACT developed, such as the overreliance on government housing. Some, like the cost of delivering health services, reflect the easy options taken by past health administrators when they had Commonwealth millions to throw at problems like doctors' contracts. But addressing them now will not be easy for anyone, as they are all areas of high sensitivity and any move to address overspending will be portrayed in the media as an attack on the weak rather than what it really is, namely, an attack on an inefficient administration and middle-class welfare.

So, as I said, Mr Speaker, all the easy options for savings have gone and now we face the hard yards. In amongst the hard yards is a real stinker, something which has been lurking under the rug for years - our unfunded superannuation debt. Mr Speaker, it is not as if we have not been aware of this problem for some time. In 1994 the Auditor-General signalled his alarm at the size of our superannuation debt when it was a mere \$316m, or, as the Auditor put it, \$1,053 of superannuation debt for each person in the ACT. By 1995 the debt had grown to \$578m. It now stands at just under \$700m. Over the next 15 years it will grow to \$1.7 billion. Let me say it again, Mr Speaker - \$1.7 billion. Last year, paying the emerging costs of superannuation set us back about \$16.5m. In 15 years' time it is estimated that the ACT will have to find \$125m a year in today's costs to meet the emerging costs. To put all those big numbers into perspective, Mr Speaker, the total ACT revenue this financial year is about \$1.4 billion. The most expensive department is Health, which chews up about \$302m a year. The third largest department, Urban Services, costs about \$156m.

I understand that there are different approaches to superannuation liabilities, but the Auditor-General left us in no doubt about how he viewed it when he said:

It is sometimes argued that the level of unfunded superannuation liabilities is irrelevant and that only the level of actual payments which need to be funded during the current year is of relevance. Such a viewpoint is considered to be imprudent.

I would probably have said something a little bit harsher, Mr Speaker, but I will not. He went on to say that due to an ageing population the actual level of superannuation payments was likely to be higher than predicted and, unless the superannuation liabilities are funded as they are incurred, the burden will be passed on to future generations - something that I have been arguing for a number of years, Mr Speaker. Beyond the effect a \$1.7 billion liability would have on the Territory's credit rating - and it would have an effect - the emerging costs pose an enormous problem.

The Chief Minister is inclined to say, "Doing nothing is not an option" and, on this occasion, I am inclined to agree with her. Members who have been here for some years will remember that, as I said, I have been carrying on about the unfunded superannuation debt for years. I know that it is not a particular sexy issue, but I firmly believe that we have to do something to fund our superannuation liability. The report tabled by the Government on Tuesday is a start and it lays out our options. The Government has also responded sensibly by moving to reduce the future costs of superannuation by changing superannuation plans, but that is not enough. It does not address our existing problem and it will not stop us from reaching the \$1.7 billion in superannuation liability over the next 15 years. We have to find a way to fund the debt. We need to do something now, to map out a plan now, to respond and respond with more than, "Do not worry about it; it is not a problem". Other States and Territories clearly seem to think it is a problem. The Auditor-General clearly sees it as one, Mr Speaker.

Queensland has a fully-funded system and New South Wales and other States are headed in that direction. All we need to do now is map out a plan to fund our debt and to ensure that our children do not end up inheriting our problems because we prefer to stick our heads in the sand and avoid hard decisions on things such as the superannuation liability and the operating loss. That is why, Mr Speaker, I have moved this motion today. I want to see what ideas there are for meeting this challenge and I want to get a clear idea from the Government on what it intends to do about the operating loss and also the superannuation liability.

I especially look forward to some positive contribution from the alternative government. We heard in their maiden speeches that they were not going to oppose for the sake of opposing; they were going to put up ideas. I certainly hope that they will take part in today's debate, be very positive and, without laying their plans on the table, at least offer some alternatives. This is an issue, Mr Speaker, that I believe is crucial not only to us but also to our children. I look forward to some input from other members.

MR SMYTH (Minister for Urban Services) (12.09): I thank Mr Osborne for moving this motion because I think that the release yesterday of the report on the unfunded superannuation liability for the ACT clearly shows that, unless we take in hand the debt that this Territory is incurring, we will end up leaving a very sad legacy for those that follow us.

Mr Speaker, the first step towards addressing the Territory's operating loss, I think, is the clear identification of that loss. It is worth reminding this Assembly that it was this Government - the first Carnell Liberal Government - through their financial reforms, that revealed the true state of the ACT finances. And it is only when you know exactly what you owe that you can reasonably start working towards addressing those problems.

The shift to accrual accounting and output-based budgeting two years ago has now clearly laid out for the Canberra community the true cost of government, of their activities, and the magnitude of the budget task that falls upon this Assembly, and in particular this Government.

It is also worth remembering, Mr Speaker, that much of the recent election campaign centred upon the issue of responsible financial management. I think that the voters of Canberra were offered a very clear choice. The Labor Party promised that they would spend - they would spend money they did not have - and they would put off debt repayments, and they pretended there was this mythical \$112m cash reserve that we all know does not exist. This \$112m was squirreled away somewhere within the budget. The Labor Party promised to increase, not to decrease, the operating loss. I note Mr Osborne's point that, on the day we were all sworn in in this place, they promised not to be an opposition for opposition's sake. I quite look forward to seeing how they believe we should address the operating loss.

By contrast, Mr Speaker, we Canberra Liberals limited our election promises to just over \$6m. They were not just promises; they were fully-funded promises. We Canberra Liberals promised to reduce the Government's operating loss. We will continue to work towards a reduction in that loss throughout this term and any other terms that the people of Canberra seek to give us. The people of Canberra voted for responsible financial management. What they voted for was a reduction in the operating loss. What they voted for was the continued repayment of debt. What they did not vote for was Labor's "Let us put it off to the future" ideas.

Mr Speaker, this Government acknowledges that the current budgeted operating loss, if it continues in the longer term, will inhibit the future financial wellbeing of the Canberra community. That is not something that we will do. However, finding the means to reduce the Territory's operating loss is a major challenge for this Government. The solutions adopted could have significant implications for the physical form, the shape and the future development and redevelopment of Canberra.

These are very serious issues, Mr Speaker. We all know the history, but it is worth restating it. The large reductions in funding from the Commonwealth over recent years have certainly made the task of decreasing our Territory's operating loss more difficult. Yet this Government is committed to ensuring that real reductions are found and are factored into the Territory's budget. If you go back to the 1995-96 consolidated operating statement for the Territory, Mr Speaker, you will find there an operating loss of \$344m. In 1996-97 the loss has been reduced to \$153m. The latest estimates show that a similar outcome is predicted for the 1997-98 budget. The Government's initiatives to date have already provided for a positive impact on the budgeted operating position and we will continue to do that. To date there has been a concerted effort to reduce administrative overheads and realise other operational efficiency gains, which will have a significant and sustainable impact on the bottom line, whilst ensuring that the level of service delivery is maintained.

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Some of the achievements so far include: The continued reduction in workers compensation premiums which reflect the decreasing risk rating of the ACT for workers compensation as a result of improved OH and S policies and management - the Government is certainly to be congratulated on the way that it has improved workers' safety and indeed has then been rewarded with reduced premiums; an improved government accommodation strategy that has led to ongoing savings; the transfer of works and commercial services to a corporation which has fundamentally reduced the cost of providing these services; strategic partnership arrangements with InTACT; reductions in the size of the Senior Executive Service; and the establishment of externally chaired audit committees in our departments, which has brought greater rigour and scrutiny to financial controls and financial decision-making processes within agencies.

As an operating principle, Mr Speaker, the Government has moved to greater use of cost recovery as an option through the recognition of a range of services costed as recoverable service delivery costs rather than as overheads. This has encouraged a more critical review in each instance of the level of these costs. If you do not know what your costs are it is very hard to reduce the debt. There is provision in the 1997-98 budget for catastrophe insurance coverage and the development of options for a self-insurance fund to provide suitable coverage and management of insurable risks to minimise the annual impact of claims against the Territory.

Mr Speaker, all of these initiatives have reaped substantial benefits to the Territory in an environment where the economy was sluggish and funding was being substantially reduced. In fact, the operating loss has decreased from over \$340m to less than \$160m and continues to show signs of reductions. Any suggestion that this Government is not committed to reducing the operating loss is sadly mistaken. We will continue to pursue objectives in the best financial interests of the Territory in order to achieve the ongoing results we have witnessed to date. We will not be transferring debt to future generations, Mr Speaker. We will not be expecting those that come after us to pay for our mismanagement.

It is extremely important that all other members of this Assembly also understand the imperative of ultimately eliminating the operating loss. Living beyond our means, like we are doing now, is socially destructive and totally irresponsible to future generations. Whenever, as a young boy many years ago, we went to dad to get extra pocket money he always said, "If you cannot afford to pay, you do not go". As we travel through the budget process and the length of this Assembly, I think one of the things that we have to work out is: How do we afford to pay and where do we take the ACT? A critical part of that is how we manage our debt problems. In this Assembly we all - not just members of the Government - are bound by our responsibility to today's community and the community of tomorrow to live within our means. This Government is committed to this and I urge all other members to be so committed.

MR QUINLAN (12.17): The ALP shares the anxiety that is reflected in this motion. We have been concerned to observe over the last few years, contrary to some of the elements of Mr Smyth's reading exercise, that budgets have been balanced in this city by bodgie borrowing; the so-called sale-lease, which was exposed by the Auditor-General, involving a process of transferring debt to the future, which you have just denied in your exercise; the spending of \$100m worth of reserves of ACTEW last year, which is

reducing the wealth carried forward to future generations, contrary to your reading exercise; the planned contrivance of selling streetlighting systems to ACTEW, which is something they do not need and obviously would not want; and the reductions over the last few years of actual provisions for superannuation.

We talk about superannuation as being the major problem in the ACT finances. The ALP provided substantially more to offset that growing liability than has been provided in the last few years. We have seen budgets balanced on a spurious basis in the pursuit of popularity through ad hoc approaches. We read in the last couple of budgets and in regular reports from the Office of Financial Management of the cargo cult mentality that, when our very fast train comes in, everything will be okay. In the meantime, we can flog off our future heritage and we can dip into reserves that ought, responsibly, be used over a much longer period.

We see the commonsense in squarely facing the superannuation problem. We do not for a moment accept that the answer lies in immediately reducing the Public Service packages of lower- and middle-income earners within the public sector. That is childish logic and is typical, really, of the simplistic solutions that have been applied over the last few years. So there is no silver bullet to solving the superannuation problem. It is the biggie in our finances. I am certain that the solution lies in a reasonably sophisticated analysis of the level of unfunded superannuation liability that we can carry, because there is never going to be a point in time when all of those superannuation funds are demanded. There must be a considerable level that never needs to be funded in the foreseeable future, so we can actually start to dilute the scare figure of \$1.7 billion.

We can also hope to see a return to a sensible level of cash provision out of revenues, which is something that the ALP demonstrated a commitment to when it was in government but which has been abrogated since by the Liberals. And we can sensibly use borrowing and our credit rating to smooth out the fluctuations which are inevitable with the passing through of that rump of baby boomers in the Public Service followed by the Odearth in recruitment within the public sector. We are very concerned that these problems mean an immediate flight to the solution of asset sales which economically can be as bad as, if not worse than, the taking on of debt. Everybody in this place, I am sure, knows that we are vehemently opposed to the sale of public assets, particularly to balance budgets, as we have seen before under some quite bodgie arrangements.

Having said that, I want to address the question of asset sales a little further. The conspiracy theorist in me becomes alarmed when I see a succession of very dubious figures promulgated as to the performance of ACTTAB - figures quite obviously designed to mislead us and the community on the actual economic performance of ACTTAB. Then we receive in succession the Fay Richwhite report on ACTEW followed by the Towers Perrin report on superannuation. Are you starting to get a progression out of this? And this is in the lead-up to the 1998-99 budget. I suppose now we wait for a further report from Huey, Dewey and Louie or Proposition Laundering Pty Ltd, or whatever, as to the future of ACTEW which will say, "Sell it". It seems to me to be a progression in a very simplistic softening up process. I am confident that Mr Osborne's motion is quite independent of this progression and born of his concern; but, before any

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community asset is sold, the community has a right to know what the long-term costs and benefits will be and that the long-term impact will take precedence over short-term expediency exemplified in the budgets of the last two or three years brought down by this Government.

Objective evaluation for the sale of ACTEW must include the full value of benefits forgone if the asset is lost. That is income in perpetuity. If you believe in Costello's world of low interest rates and low CPI increases, the future value of an income stream is much higher than it would otherwise be if you do your present value sums - if you know what that means. We must also factor into the evaluation of sale of assets the indirect benefits, the employment that we may well be exporting if an organisation like ACTEW is absorbed into a larger organisation across Australia and the jobs are exported to the head office of that organisation, and the economic activity, or inactivity, that flows from that loss of wages within our community.

We also need to look at the additional costs to the community, the increase in the cost of energy. Let us presume that ACTEW is sold. It has the cheapest tariffs in Australia. Inevitably, domestic tariffs will increase. So what are we doing? We are going to charge the people of Canberra, through their electricity bill, a de facto tax. What have we gained? Nothing. We have just passed it on. We have laundered it. There is the potential as well for increases in the price of milk, in public transport or whatever items we are looking at and considering for public sale.

I repeat the mantra on ACTEW that that part of ACTEW that is at risk, identified by Fay Richwhite, is virtually no longer ours to sell and that part that is ours to sell is not at risk. For the purposes of where we go from here, let us ignore Fay Richwhite and wait for Huey, Dewey and Louie. We cannot justify the sale of any part of that without an objective and comprehensive evaluation that is laid open to scrutiny. The ALP recognises that the financial position of the ACT borders on the chronic. We are concerned that that problem has been ducked in budgets of the past few years, while there have been expenditures of dubious value such as the Bruce Stadium, massive amounts on "Feel the power", oral consultation services and other consultative reports of doubtful value.

We are concerned that the strategies that are to come out of this will, in fact, be long-term strategies and not expedient short-term strategies that will have inevitable long-term costs and virtually represent the economic vandalism that has been exhibited in budgets of the past. I support the motion and look forward to the involvement of the total Assembly in the evaluation of alternative arrangements. I return the challenge to Mr Osborne to contribute to that debate and to outline the strategies that we might undertake.

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

Sitting suspended from 12.28 to 2.30 pm

QUESTIONS WITHOUT NOTICE

Visiting Medical Officers - Contracts

MR STANHOPE: My question is to the Minister for Health. The Opposition shares the Government's concern at the exorbitant contracts held by VMOs to Canberra's public hospitals, and broadly supports the Minister's efforts to achieve budget savings in renegotiating those contracts. However, will the Minister give an undertaking that he will not support any backdown in negotiations with VMOs that would see compromise to three vital aims: An improvement to the ratio between salaried medical officers and VMOs; a move towards fee for service over sessional fees; and a reduction in rates paid - - -

Ms Carnell: No; it is the other way round. It is movement to sessional over fee for service.

MR STANHOPE: You are quite right. Thank you, Chief Minister.

Mr Moore: Would you mind just going through those again for me.

MR STANHOPE: Will you give a commitment to an improvement to the ratio between salaried medical officers and VMOs; a move towards sessional fees over fee for service - thank you, Chief Minister; and a reduction in rates paid to VMOs, at least to levels paid in New South Wales?

MR MOORE: I thank Mr Stanhope for the question. Indeed, the instruction given by the Government, before I was a member of the Government, to the negotiating team was that we would seek to align both VMOs and salaried medical officers with New South Wales. I think members ought to understand that that will give the VMOs a significant benefit over almost anywhere else in Australia. In fact, New South Wales levels are 70 per cent higher than the Australian average.

One of the questions that were put to me - not by Mr Stanhope, but by others - was, "Are you not worried about doctors flocking out of Canberra in order to do better elsewhere?". I am not the slightest bit worried, because there is no better elsewhere. We have been paying the highest amount. The instruction that has been given to the negotiating team is to align with New South Wales. That would mean an improved ratio between salaried medical doctors and VMOs. The instruction is to move from fee for service to sessional. However, it is also important to understand that the negotiators must have maximum flexibility to negotiate individual contracts with individual doctors, and that flexibility will remain.

Additionally, we have advertised in the national press for salaried medical doctors in some of the areas. In those areas, we have had a number of quite positive responses. So, if it is the case that some of the VMOs feel that they do not want to sign the contract that has been offered to them, we do have other options. In making the decision as to

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whether or not we will employ a salaried medical specialist over a VMO, we will take into account, first and foremost, what is in the best interests of the patient and, secondly, what is in the best interests of the hospital as a whole. In most cases, that will be to take a salaried medical specialist.

MR STANHOPE: I have a supplementary question. Minister, can you tell us whether you have a savings target in mind in relation to the renegotiation of the VMO contracts? How much money do you expect to save in this year?

MR MOORE: Certainly, Mr Stanhope, we are seeking to save money this year. There was approximately \$11m budgeted for VMOs. The figure that we are expecting to be spent is closer to \$12m. So, even on VMOs so far, we expect there to be a blow-out in that part of the hospital budget. It is a difficult thing to handle. We are seeking to make significant savings; but, at this stage, I cannot put an exact figure on those savings, other than to say that we are hoping that it will be at least \$1m.

ACT Housing Properties - Causeway

MR QUINLAN: Mr Speaker, my question is to the Minister for Urban Services in his capacity as the Minister responsible for housing. Members may be aware that, during the last election campaign, I attended - in fact, I sponsored - a public meeting of the residents of the Causeway. These residents expressed a deep concern regarding the future of their houses in that small community, a concern generated out of fear of the impact on their properties of the nearby Kingston foreshore development. Can the Minister advise the Assembly whether ACT Housing has any forward plans in relation to the Causeway itself?

MR SMYTH: Mr Speaker, I thank the member for his question. To the best of my knowledge, no, they do not; but I would be more than happy to consult the department and find out specifically the number of houses in the Causeway and what our long-term intentions for them are. I am aware that the Kingston foreshore development is in close proximity to the people of the Causeway, and I am sure that they will be part of the consultation process when that development goes ahead. As to specific management plans for our properties there, I am not aware of anything particular in the future; but I will certainly find out and get back to you as quickly as I can.

MR QUINLAN: I have a supplementary question. On 29 April, ACT Housing actually wrote to at least some of the residents of the Causeway and said:

... ACT Housing presently has no immediate plans to redevelop or dispose of these properties. However ACT Housing is withholding Causeway properties from sale to tenants for the time being.

Can the Minister say why - or discover why - ACT Housing is withholding these properties from sale if there are no plans to redevelop or dispose of them? Will the Minister give his guarantee to the residents of the Causeway that their properties will not be disposed of? In fact, if you are talking to them, I might actually recommend that their fears as to the impact on the Causeway of the proximity of the foreshore development be taken into account as well.

MR SMYTH: Mr Speaker, we would certainly take into account their concerns about the proximity of that development. I will find out whether there is any deliberate reason for the withholding of those properties. Obviously, as we manage a large portfolio of houses - ACT Housing controls about 11 per cent of the housing stock in the ACT - there are times when we do hold some houses and times when we release some. But I will find out whether there is a specific reason for this and get back to you as quickly as I can.

Community Service Work Programs

MR WOOD: My question is to the Minister for Justice and Community Safety. It relates to the community work undertaken by offenders under community service orders or periodic detention orders. In letters to community groups and in response to a question last week from Mr Rugendyke, you have spelt out the changes that have been made, and my question seeks some more detail. You have indicated that offenders who were previously managed in gangs are now being placed directly with community agencies, which, as you say, will allow for support for a much larger number of organisations at a higher level. Minister, what will be the nature of that support? With CSO equipment - or most of it - such as tools and mowers, sold off, what range of work can be performed? If, as it appears, government trucks are no longer available for cartage, how will rubbish or other materials be moved?

MR HUMPHRIES: Mr Speaker, I will need to take on notice much of what Mr Wood has asked. I think the question assumes that the nature of the work to be performed will be the same as the work that was done in gangs previously.

Mr Wood: No, it does not.

MR HUMPHRIES: It does to some extent, because if, for example, you are not involved in clearing out vegetation, you do not need trucks and lawnmowers. If the job is of a different nature, then presumably there would be a different set of tools involved.

Mr Wood: The first part of the question was: What is the nature of the work that is to be performed?

MR HUMPHRIES: I may need to take on notice the second part of the question, and I will do so. The support to people on community service order programs is obviously support provided both by the organisation to whom the person has been assigned and by the Office of Corrective Services, in that they ensure that there is a level of supervision of the person concerned that enables them to constructively provide their work within that context. In other words, they are doing their job; they are meeting the expectations of the community organisation concerned; and they are not, in turn, engaging in some activity which is inappropriate, which was, in some cases at least anecdotally, the case with the gangs.

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Mr Speaker, that entails some direct or indirect supervision by officers of the Office of Corrective Services. Those people will from time to time go out and inspect the particular work being done in situ and on other occasions they will rely on reports from the community organisation concerned. In future, that support is going to be directed much more towards areas of problem rather than equally to every offender. Some offenders on these programs will demonstrate at an early stage that they are capable of a fair degree of trust and do not require as intensive supervision as others who might be on these programs. Therefore, there will be a question of targeting resources to where they are most needed in that exercise.

If Mr Wood would like detail beyond that, for example, in terms of the number of officers involved in this exercise and what average hours of supervision might be entailed, he might let me know privately, and I will organise either to put that in my answer or to give him a private briefing on that subject.

MR WOOD: I have a supplementary question. I thank the Minister for indicating that he will come back with some more elaboration. He will understand that, with a lot of community groups - and there is a promise that a lot more groups will be involved - there is a wish to see what is on offer and just where this is going. I do not think that has been spelt out entirely yet, and we wait for that further response. Thank you, Minister.

Marketing and Promotion Campaign Contract

MR KAINED: Mr Speaker, through you, I put a question to the Chief Minister. Chief Minister, last week, in response to a question that I asked about the \$100,000 split contract to J. Walter Thompson for the slogan "Feel the Power of Canberra", you said that you would ask CanTrade for the details of the process that they used. Have you done so? If so, can you provide the details now? If you have not yet done so, could you include in your answer, when you provide it, details of those people who negotiated on the Government's behalf, including the detail of any payment that was made to anybody other than J. Walter Thompson for their involvement in those negotiations?

MS CARNELL: Yes, Mr Speaker, I have actually asked CanTrade to come forward with some of that information. I thought that I gave some of that information in the house last week, when I spoke about how much both contracts - the two \$50,000 contracts - were worth. I certainly have asked CanTrade to tell us what the process was for putting on J. Walter Thompson. I think I actually did spell it out in the Assembly that J. Walter Thompson got the initial contract because of their experience in Atlanta with the work they had done for the Olympics.

Mr Kaine: On a point of order, Mr Speaker: I did not ask why they were given the contract. I asked for the process by which they were given the \$100,000 split contract.

MS CARNELL: As I said, I have asked CanTrade for that information, and I am sure that it will be forthcoming.

MR KAINE: I have a supplementary question, Mr Speaker. Chief Minister, I understand that the contract with J. Walter Thompson actually leaves ownership of that slogan with that company and that some considerable sum of money is being provided in the budget to cover the royalties associated with using the slogan. Chief Minister, can you tell us how much has actually been paid to J. Walter Thompson up until now for the use of this slogan, other than the original \$100,000 cost of the contract, and by whom those payments have been made?

MS CARNELL: I can certainly give some of that information now, Mr Speaker. There is not an initial \$100,000 contract. There is an initial contract, I think, for \$50,000, and then a second contract for another \$50,000 over two years. Mr Speaker, the \$500,000 that is in the budget this year and hopefully some money that will be in the budget next year, which we certainly promised in the election campaign, is not going to J. Walter Thompson. It has gone to two local companies, who received the contracts as a result of an open tender process to actually put in place the Feel the Power campaign. I think MA&D Communication is one of them, and in a minute I will think of what the other one is. But there are two local companies that are involved in spending by far the largest percentage of that money in terms of the implementation.

J. Walter Thompson did the conceptual work with regard to Feel the Power, and they have an ongoing role. I have to say that I do not believe that the amount of money being paid to J. Walter Thompson is much, if any, more than the \$50,000 in the first year and \$50,000 in the second year. But, as I think I made clear in the Assembly right at the beginning of this whole campaign, they do retain ownership of the actual slogan and they do receive a royalty when, say, a private business uses Feel the Power on their particular brochure. A number of businesses have done that. There is a royalty paid to J. Walter Thompson; but certainly not from the Government. I will certainly make any of that information available. Some of it, of course, will not be available to the Government; but, if there is any that is available, I will let Mr Kaine know.

ACTTAB - Proposed Sale

MR RUGENDYKE: Mr Speaker, my question is to the Chief Minister, Mrs Carnell. Chief Minister, in a recent article in the Sydney press, the ACT Racing Club flagged its position on the review of ACTTAB. The article suggests that the ACT Racing Club is lobbying for the sale of ACTTAB to an independent group of private investors, which concerns me greatly in the wake of the VITAB disaster. The article also says that "the ACT Racing Club will call on the ACT Government to protect its interests and guarantee special funding arrangements in the event of an ACTTAB sell-off". Has the ACT Racing Club made any approaches to the Government seeking this guarantee, and what is the Government's position?

MS CARNELL: Mr Speaker, we have now reached a stage where I think almost all the TABs in Australia either are on the market or have been sold. I understand that South Australia has indicated that it is now in the final stages; Queensland and the Northern Territory have announced their sales; as we know, the New South Wales Labor Government has floated or sold its TAB; and Victoria's is already sold. In all of

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those circumstances, what has happened is that the racing industry - which includes the gallops, the trots and the greyhounds - has ended up with some assurances for ongoing funding that is at the same sorts of levels as the current Racecourse Development Fund money. So, the racing industry has been protected, as have the licence fees, which come back to governments. So, that is basically how sales have occurred in other States.

As we know, there has been no decision at all to sell in the ACT. We are in the process of a scoping study. I understand that there have been seven responses to the scoping study - a huge public interest in this. I have not seen those submissions, and I would not. So, I am not sure whether there is one from the racing industry. The racing industry has indicated that, if there is any sell-off, it would like the ACT to handle it in the same way as other States have done. I think one of the things we have to remember about the racing industry is that it employs a lot of people - in fact, a few hundred people in the ACT. So, it is an important industry. It does bring quite a lot of tourism into the ACT. So, the future of the racing industry in the ACT is something that will be very important to us in any decision that is made with regard to ACTTAB in the future.

MR RUGENDYKE: I have a quick supplementary question, Mr Speaker. Has the Government been involved in any discussions at any level with an independent group of private investors planning a bid for ACTTAB?

MS CARNELL: I cannot make a comment about whether the Government has been involved at any level. I can certainly speak about my level. A number of people have spoken to me about being interested in the potential sale of ACTTAB, and that is exactly what I would expect. In fact, a lot of people speak to me about the potential sale of lots of things, really, and ACTTAB is one of them. But there has been no particular independent group. A lot of people have indicated that they would be interested. I suppose that you have only to look at the success of the New South Wales Labor Government's float of their TAB to see that there are a lot of investors interested in these sorts of assets.

Release of Prisoner

MR OSBORNE: My question is to the Minister for Justice, Mr Humphries. I indicated to Mr Humphries that I would be asking this question. I draw your attention, Minister, to an article that appeared in the *Daily Telegraph*, I think, last Friday. According to this article, an ACT man with a lengthy criminal record strolled out of Cooma Gaol before his parole was approved, after what the paper says was a bureaucratic bungle. The article goes on to say that the man was mistakenly let loose after a telephone conversation between New South Wales and ACT Corrective Services officers. Minister, my question is this: Was it your fault? Is it common for ACT Corrective Services officers to phone up their counterparts in New South Wales and say, "Hey, let him go. He has done enough time", irrespective of what the judge says? What is the history behind this issue, Mr Humphries?

MR HUMPHRIES: Mr Speaker, I thank Mr Osborne for this question. I am not sure how many people in the ACT read the *Daily Telegraph*. I hope there are very few - not because I am embarrassed by anything that is in there, but because they are not likely to be particularly well-informed people if they rely on the words that appear in this publication.

Mr Speaker, just to fill in the details that Mr Osborne has alluded to, Mr Emmanuel Viglatgis was sentenced by the ACT Magistrates Court to 15 months' imprisonment for theft, assault and some related offences. His sentence was due to expire on 19 August 1998. The court set an eight-month non-parole period, which was due to expire on 19 January 1998. I can confirm that the prisoner was released from Cooma Gaol on 20 January this year. I can also confirm that he was released without any lawful authority; that is, there was no parole order. In fact, the parole board did not even consider the prisoner's request for parole until after the prisoner was apprehended in the ACT on an outstanding warrant. Even then, they declined his parole, and the prisoner was returned to gaol on 5 February and subsequently released - legitimately on parole this time - on 26 February of this year.

Mr Speaker, that much is fact. Much of what else appears in the *Daily Telegraph* article is not. The most worrying part of the article is the bit Mr Osborne has referred to:

The mistake stemmed from a phone conversation between ACT and New South Wales Corrective Services officers.

Mr Speaker, let me, first of all, put on the record that, as far as I can ascertain, there was no such telephone call. Nobody in my department has any record of any such telephone call; no-one in my office has any recollection of any such telephone call; none to me were misdirected while I was in here, I hope. It is the time for true confessions, Mr Speaker. The article actually says that they released this person because they made the telephone call and "were not told release was not approved". They were not told that the release was approved; but they were not told that the release was not approved. So, Mr Speaker, let us assume for argument's sake that this phone call was made and that they are having a conversation about a particular prisoner and then they hang up and they say, "Hey, they did not mention that he could not be released. We will release him. Hey, why not?".

MR SPEAKER: Are we running a contract in or contract out, Mr Minister?

MR HUMPHRIES: Mr Speaker, mainly contract out in this particular case.

Mr Kaine: Truth is stranger than fiction sometimes, Mr Humphries.

MR HUMPHRIES: It is indeed, Mr Kaine. Mr Speaker, let us assume for one moment that New South Wales Corrective Services actually did make such a telephone call. As I say, I have not had any evidence that that was the case. I think what is more likely is that somebody in New South Wales Corrective Services was covering their backside by claiming that they had had such a telephone conversation. But let us assume that it was made. What sort of corrective services system lets people out on the basis of a telephone call, in any case?

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Mr Osborne: The one we pay \$12m to.

MR HUMPHRIES: The one we pay \$12m to. Indeed, Mr Speaker, Mr Osborne has hit the nail on the head. I simply hope that Mr Eastman does not have any friends in the ACT who can ring up and say, "It is about Mr Eastman. You can let him go now. He has done his time". So, we can only hope, Mr Speaker, that this is not the case.

On a serious note, Mr Speaker, I am concerned about the sorts of excuses we get occasionally from the New South Wales Government. This is not the only occasion, unfortunately, I have to say, when we have had some fairly bizarre comments coming from Sydney about the reason why something has or has not happened. We were told a couple of months ago - in fact, the New South Wales Health Minister actually told the media - that the contracts for the rescue helicopter service had been signed. We have actually had meetings with the officials from New South Wales in the last two weeks, and they do not know anything about any contracts being signed. So, all I would say to Mr Osborne is: Take what you read in the *Daily Telegraph*, in particular, with a grain of salt.

MR OSBORNE: I have a supplementary question. Mr Humphries, will you undertake to write to the New South Wales Corrective Services Minister indicating your disappointment with this matter?

MR HUMPHRIES: Mr Speaker, I will undertake to write. I have actually already been in touch, through my officers, with New South Wales Corrective Services and I have asked them, if they released a prisoner on the say-so of a telephone call, whether they can tell us the name of the officer who authorised the release, and they cannot. So, they released a prisoner, supposedly on the basis of a telephone call, but they cannot say who this person was that happened to be on the other end of the telephone, which is a most bizarre situation. I will follow that up with my counterpart in New South Wales, and I hope that procedures will change in New South Wales.

Belconnen Aquatic Centre

MR BERRY: My question is to the Chief Minister. Chief Minister, following a review by the Competitive Neutrality Complaints Unit, the Government announced that it will commit \$200,000 to a feasibility study of the proposed Belconnen pool. Can the Chief Minister tell the Assembly whether terms of reference have been established for that feasibility study?

MS CARNELL: Mr Speaker, as the money is in the budget that has not been brought down or passed at this stage, it would be an extremely brave government that put something out for tender before we actually had the budget. But certainly it is the plan of the Government that a detailed feasibility study will be undertaken. That feasibility study will include references to all factors involved in making a capital works decision, including both competitive neutrality impacts on the marketplace and the financial returns that might be expected from an investment of this scale.

Mr Speaker, to try to make it simple for Mr Berry, maybe the thing that we have to do in this case is to find out, first and foremost, what it would cost to operate a Belconnen pool without a government subsidy. Once we have determined what it would cost without a government subsidy, then we have to determine what would be the CSO to bring down the costs to be competitive with other pools and to ensure that people who need access to the pool can get it.

Mr Humphries: It varies with the size of the pool.

MS CARNELL: It does vary with the size of the pool and the sorts of services that will be available. Once we have determined what will be the cost to the whole of the Canberra community to provide this service, the next step is to determine whether there is then a community benefit to the whole of the community. That is the basis of the process. Obviously, any full or detailed financial study will be based upon such things as the cost of building on the site - I do not think it has actually been completed yet - the overall cost of management, ongoing costs, and all those sorts of things; in other words, what it will cost the taxpayer, not just to build the facility, but to run a facility of this type. Then a decision can be made on whether there is a community benefit.

MR BERRY: I have a supplementary question. I understand all parts of "no". I take it that the Chief Minister has said no. Will the Chief Minister give an undertaking - an unequivocal undertaking this time, if we can get one - that the terms of reference for the study will be made public before the contract for the feasibility study is put out to tender; that they will include a reference to re-examine the issue of public benefit; that the tender will indeed be put out publicly; and that a process of public consultation will be put into place?

MS CARNELL: Yes.

Competition Policy

MS TUCKER: Mr Speaker, my question is to Mrs Carnell. Yesterday, when I asked Mrs Carnell a question about the processes the Government undertook before applying competitive neutrality principles to government business activities, Mrs Carnell initially said that Cabinet had not made that decision, and so there could not have been any processes. After question time, she acknowledged that, indeed, the ACT Government does have a policy of applying the competitive neutrality principles to all government activities. My question today is: If Cabinet did not make the decision to extend the application of the competition principles agreement, can you please tell us, Chief Minister, who did make this decision to apply competitive neutrality principles to all government business activities; what processes were followed; when this decision was made; and whether the Competition Policy Forum was advised of this decision?

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MS CARNELL: Mr Speaker, Cabinet did make the decision - and I thought I had made that clear yesterday - in 1996. The competitive neutrality in the ACT is set out in this document. I know that you have it, because you had it with you yesterday. This document was printed in 1996. It does set out which businesses would be affected, what competitive neutrality is - all of those sorts of things. Mr Speaker, with regard to competition principles, they are set down in the agreement that was signed by Rosemary Follett. There was an agreement. Part of that agreement was having to come up with this document. Mr Speaker, part of that agreement was having a complaints mechanism, which I understand is subclause 3(8). There is also a requirement for regular reports on allegations of non-compliance. I think that all of the information that Ms Tucker needs is already in the document.

MS TUCKER: I have a supplementary question. You did state quite clearly yesterday that Cabinet did not have anything to do with that decision. You can check *Hansard* if you do not remember it that way. It is not in that document at all. My question still is: Why did you make the decision to apply competitive neutrality to all government businesses, not just significant ones as stated in the competition principles agreement? What assessment of public interest did you carry out before you made that decision to apply it to all businesses, not just significant ones? I would like to see tabled today, by the end of business, any documentation you have to show how you did assess the public interest issue before you made this decision in Cabinet.

MS CARNELL: Mr Speaker, the basis for making a decision I think you will find in this document. It is somewhat confusing, I have to say, because in some parts of the document it talks about major government businesses and in others it just says "all businesses". So, I think there is some need for having the document a little bit clearer in the way that it talks about it. But I think that it is actually impossible, or very difficult, to determine what is a major business and what is not. I think the view of Cabinet would be that the competitive neutrality principles should be taken into account right across the board in all of the businesses that we look at. It is very hard to decide what is major and what is minor; but I can tell you that the Belconnen pool is major.

Visiting Medical Officers - Private Hospital Work

MR HARGREAVES: Mr Speaker, my question is to the Minister for Health. As the Minister is no doubt aware, the Government approved the establishment of a new private hospital adjacent to the Canberra Hospital. Can the Minister tell the Assembly whether his attempt to enlist new salaried specialists to the public health system is adversely affected by the position of the new private hospital? Will the Minister inform the Assembly whether or not VMOs will be permitted to do private work in the public hospital where they have refused to sign the agreements currently under negotiation?

MR MOORE: To answer the first part of the question, about the National Capital Private Hospital and advertising for salaried specialists, I would say that we are very pleased with the results that we have from advertising around Australia. It should not come as a surprise, because I imagine that other VMOs in the rest of Australia look at Canberra and say, "I wonder why those guys are getting paid so much over there."

I would like to be in on that as well". However, with regard to salaried specialists - and they are the ones we are advertising for - I must say that we need to be quite specific that we are advertising for those salaried medical specialists at basically New South Wales levels as well. So, in our negotiations, we are looking to have New South Wales levels for both the salaried specialists and the VMOs.

I am very pleased with the results of our call for expressions of interest. We have not said, "There are positions available. Please come along", because that would be inappropriate. We have called for expressions of interest. In some of the areas in which we thought positions would be difficult to fill - and certainly one area that I am aware of - we have been able to gain some expressions of interest. So, that has been a quite fruitful exercise. But let me say that, not only does a decision as to whether we employ somebody in that sort of field depend on the negotiations, but we have to take into account morale in the hospital and issues like that.

With regard to the National Capital Private Hospital, I do not believe that that has increased our difficulties at all. The second part of the question on the National Capital Private Hospital, I believe, was: Will VMOs be able to work in both - - -

Mr Hargreaves: No; will they be able to work in the Canberra Hospital in a private capacity, which they can do now?

MR MOORE: Will VMOs be able to work in the Canberra Hospital in their private capacity? That is really how they work at the moment. The VMOs are employed on a contract basis with the Canberra Hospital. To the best of my knowledge - and I am so informed - we do not have a contract that says, "If you work in another hospital, you will not be able to work at the Canberra Hospital". Nor should we, because they are visiting - - -

Mr Berry: Will they be able to do private work in the public hospital - - -

Mr Stanhope: If they do not sign their contracts?

MR MOORE: I believe that I have answered your question; but, if you need clarification, perhaps you could put it in a supplementary question.

MR HARGREAVES: I will ask a supplementary question, Mr Speaker. I think the answer to the second half of that one is, "I do not know". But that is all right. My supplementary question is: How important a part of the Government's strategy to overcome the problems caused by the failure to resolve the negotiations with the VMOs will enrolling salaried specialists play, and will the Minister give a commitment to increase the number of salaried specialists?

Ms Carnell: You have already asked that question.

MR HARGREAVES: No, I have not.

MR MOORE: It is similar to the question that Mr Stanhope asked. But let me say that the most important thing to us is good morale and working with the people. I answered a question yesterday about Dr Bates. I think it is important to say that there are many really good VMOs, who do great work in our hospitals and who really care for their patients. I hope that people do not draw any conclusions otherwise.

I will use this opportunity, if I may, Mr Speaker, to correct a slight error that I made in the Assembly yesterday. I said that Dr Bates earned \$230,000 in the previous year. In fact, it was \$245,000. I double-checked the figure. I did want to take that opportunity to correct the figure, and I apologise to members for that slight miscalculation. Members probably wonder what is the difference between \$230,000 and \$245,000. My guess is that none of us will ever actually know what that feels like, and not many people in Canberra would know what the difference is in terms of earning ability either.

I have been distracted. I had better come back to your question. I am not prepared to give any guarantees about how we are going to do our employing, other than to say that VMOs fulfil an important role in certain areas of the hospital. Salaried specialists provide an important role as well. Our decisions will be made taking account of what is in the best interests of the patients as we perceive it and how best we can work within the hospital budget.

Residential Development - Tuggeranong

MR HIRD: Mr Speaker, my question is to the Minister for Urban Services, Mr Smyth. Is the Minister aware of the comments made by the member for Brindabella, Mr Hargreaves, suggesting that there should be no more residential development in Tuggeranong, and can the Minister inform the parliament what effect this would have on the economy of Tuggeranong and, indeed, of Canberra in general?

MR SMYTH: Mr Speaker, I thank the member for his question, which is a very important question for the people of Tuggeranong and, indeed, of all of Canberra. I am aware of Mr Hargreaves's call for no further development in Tuggeranong. I must say that I am somewhat surprised. To say "That is it; no more" would have a very serious impact on both the valley and Canberra itself. What would it mean to Canberra, Mr Speaker? To start with, if we ceased development in Tuggeranong, everybody's rates would go up. They would have to go up. Why, Mr Speaker? Because, when Tuggeranong was planned, infrastructure such as roads, schools, land for shops and so on was built, based on a certain population usage. What happens if we do not meet that population? Mr Speaker, the infrastructure would be underutilised; schools would not be viable; local shopping centres may no longer be viable; and roads and schools would have to be built somewhere else, at an unnecessary cost to the community. These people, who could not then buy the house of their dreams in Tuggeranong, would have to go somewhere else, Mr Speaker.

Mr Hargreaves: To Dream Street.

MR SMYTH: It is full of dream houses, is it not, John? Mr Speaker, we will then have to find more money to build more roads, more schools, more services, despite having underutilised roads and services in Tuggeranong. Mr Speaker, not only is it in defiance of sensible town planning; it is a simple waste of taxpayers' money. In respect of the impact on Canberra as a whole, there would be significant detriment to the community of Tuggeranong. Without constant renewal, without an employment base of its own, Tuggeranong will wither.

Mr Kaine: Mr Hargreaves, why are you trying to destroy the fabric of society?

MR SMYTH: Yes, he is a philistine. Trevor has got it right. Mr Speaker, I am not prepared to see that happen. Without a significant population base, there is no way that the Tuggeranong Town Centre would attract further significant employers. In addition, Mr Speaker, many local town centres and shopping centres in the outer areas that are dependent on the growth of Tuggeranong would not reach their potential. To say, "That is it; no more", would simply mean that these local centres would be doomed. Mr Speaker, whom would that impact on? It would impact on the people in Conder and Banks and those who depend on their local centres. Driving these people out of business would not harm just the businesses, Mr Speaker; it would also harm those that depend on their local shops. Who depends most on local shops, Mr Speaker? The answer to that one is fairly simple: It is those that cannot afford transport of their own. Often, Mr Speaker, that is the elderly, the young and the unemployed. Let us face it: Once we have stopped all development in Tuggeranong, not having let it develop to its full potential, there will be an increase in the number of unemployed in Tuggeranong.

It would also mean that there would be few options for a variety of housing in Tuggeranong. As Tuggeranong as a community ages, many who currently live in Tuggeranong and who would choose to stay in Tuggeranong would be denied these opportunities, if Mr Hargreaves's call for no further development went ahead. Mr Speaker, this Government has committed itself to building 200 aged persons units in Canberra over the next three years. I, and I would have thought Mr Hargreaves, would have liked to see some of these APUs built in Tuggeranong, to make sure that the valley has that diverse and full community that it deserves. To cease all development in Tuggeranong would mean forcing older Canberrans out of their neighbourhoods, out of their communities, and denying them access to living near their family doctors, their favourite chemists and their friends. It would also bring an end to one of the values that many residents of the valley hold dear - living in that wonderful community that they have bought into, the Tuggeranong Valley.

Mr Speaker, in summary, I do not support the end of residential development in Tuggeranong. I support the full development of Tuggeranong over time to the extent set out in the Territory Plan, and I do so because I want my family to have jobs and local shops and because I want other Canberrans to have the same opportunities that I have had in what I consider to be this city's friendliest town.

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

MR HIRD: Yes, I do, Mr Speaker. I must say that the Minister has painted a rosy picture of Tuggeranong, but it is not quite up to Belconnen.

MR SPEAKER: Order! Mr Hird, no preamble, and stop misleading the house!

MR HIRD: It is a fact, sir. There are five members here that would agree with me, I am sure - even the ones over the other side. The lovely Belconnen! Is the Minister aware of the call from Mr Hargreaves for the Government to come clean on residential development in Tuggeranong and his claim that "if the Minister has nothing to hide ... he should be happy to list these sites."?

MR SMYTH: I must say that Mr Hargreaves's request for the Government to come clean over residential development in Tuggeranong really is fair enough. I guess what he is asking is that the Government explain its secret agenda. There is no secret plan for residential development in Tuggeranong; in fact, there are two secret plans for residential development in Tuggeranong, and these plans must be secret, Mr Speaker, because Mr Hargreaves seems to be unaware of them. So, I have come here today to explain our secret plans.

The first of our secret plans is the Territory Plan, and here we have it in full technicolour for all members of the Assembly to see. This secret document was, in fact, released by the Labor Government in the early 1990s and it determines the land use policies for the future of the ACT. That is the bit that means what goes where for the entire Territory, including the residential areas in Tuggeranong. I confess that there are some here - Mr Humphries and Mr Wood - who have been Planning Minister for longer than I. Perhaps they would like to take this opportunity to explain to Mr Hargreaves what the Territory Plan actually is. I think Mr Wood was actually the Planning Minister who released the plan. Is that right, Mr Wood?

Mr Wood: Yes.

MR SMYTH: Yes, Bill Wood. For Mr Hargreaves's information, the residential areas - the orange bits - actually show where people can go and live. Those of you that have been here a bit longer than I have might remember the controversy over the pink bits in the original draft Territory Plan.

Mr Stanhope: That was on John Howard's native title matter.

MR SMYTH: No, these are your pink bits, these investigation areas; but I think it is much nicer to call them pink bits. The pink bits in the draft released by Mr Wood basically said that anything can go anywhere. The orange bits, on the other hand, are clearly residential. These residential areas, or orange bits, are clearly marked on this top secret document which is, in fact, so secret that it is available from PALM's shopfront. You can see it at your local library and you can see it at the Assembly library. In fact, it is even on the Internet now, Mr Stanhope.

Mr Speaker, anybody who wants to look at the orange bits can do so; they can see these locations on the secret Territory Plan and how it will affect them; and the funny thing about it is that you do not need a password, you do not need a decoder ring and you do not even need a funny handshake.

Mr Humphries: A secret handshake?

MR SMYTH: No, no secret handshakes. Seriously, Mr Speaker, there is a problem with people who do not look at the plan before they buy their houses. Indeed, I am aware of a number of cases where, perhaps, people have not been informed by real estate agents about the planning in their area. That is clearly a problem, and I have asked my department to look at a range of options to ensure that people are aware of the planning regime that affects the blocks that surround where they have purchased.

The Government's other secret plan, of course, is the land release program. Mr Hargreaves's comments about that are interesting in terms of Labor's record for land release. This Government assesses the need for land release according to two broad criteria. First, there is the planning consideration, which includes demand for land. The second criterion is about recognising the value of land as an important community asset. We take this very seriously, Mr Speaker. When the Carnell Government came to office in 1995 the housing market in the wake of Labor was a disaster. The former Labor Government appeared to have only one criterion: "How much land can we flog to fund our budget deficits?". The result was the dramatic oversupply of land that sent house prices plummeting and left an oversupply of blocks and houses for this Government to clear up.

The example that raises all this, Mr Speaker, is what we call Gordon 9. Mr Hargreaves has called for the stopping of all development in Tuggeranong. Let us look at who signed the joint venture to develop Gordon 9. The answer is that Labor signed that, Mr Speaker. Gordon 9 demonstrates the scope of the problem left by Labor. If they released the land in 1994-95 - and that is when it was released - why is it, Mr Speaker, that this land is only being developed four years later?

Ms Carnell: Because there is so little need.

MR SMYTH: That is right. It is because there was no market for that land. It was released much too early, in the face of an already flooded market. Mr Speaker, this Government has had a series of the tightest land release programs since self-government simply because we had no choice. The Carnell Government inherited a flooded market, and we have still literally thousands of Labor released blocks on the market, including Labor's release of Gordon 9. Mr Speaker, in calling for no more development in Tuggeranong all Mr Hargreaves has done has been to admit Labor's shocking record in the past, and we should congratulate him for his honesty.

Visiting Medical Officers - Contracts

MR CORBELL: Mr Speaker, my question is to the Minister for Health and Community Care. The Minister, in acknowledging that almost no VMOs have signed new contracts, has made public statements in the past few days about how he intends to keep Canberra's public hospital system running in the event that negotiations over new contracts with VMOs are not successfully concluded when they expire at the end of this week. Can the Minister assure the Assembly that those strategies apply to both hospitals and all medical specialties?

MR MOORE: I do not think I said that almost no VMOs had signed contracts; in fact, to the contrary. As of this morning my advice is - and I have my brief in front of me - that at the Canberra Hospital interviews have been held with quite a range of VMOs, of whom approximately 30 of the 109 have indicated a willingness to sign and 12 have already signed. At Calvary there are 12 who have signed as well, that is, two VMOs and 10 consultants. Remember that the Calvary Hospital negotiations are likely to be done in a month.

Mr Corbell: That is less than 10 per cent.

MR MOORE: Yes, it is less than 10 per cent. Of course, if you were given a contract to sign and a certain time to do it, you would not necessarily grab it and say, "Yes, that is six minutes gone; I will tick it off". You would look very carefully at that contract and weigh up exactly how you were going to sign it. If you had some assistance - in fact, the assistance that is available is from the Australian Medical Association, which provided a legal opinion on how VMOs ought to deal with contracts - you would look at it very carefully before you made your decision.

Mr Stanhope: They have known for three years that it was coming up this week, Minister.

MR MOORE: I will take the interjection. The interjection is, "They have known for three years that it was coming up". The VMOs knew for three years that it was coming up. Not only did they know, but they were reminded again and again. In fact, in May 1997 all VMOs were advised that, possibly, they would not be offered a new contract at the termination of their contract in a year's time; in other words, what is now a couple of days' time. On 24 May 1997 the then Minister for Health and Community Care agreed to a position paper with the objective of continuing "the process of moving towards bringing VMO costs for the Canberra Hospital into line with the national average". On 26 November 1997 all VMOs were advised by the chief executive officer of the Canberra Hospital that the new contracts negotiated would be guided by the overall principle of the provision of quality health services in a cost-effective and efficient manner for the people of Canberra and its region.

Mr Corbell: I take a point of order. Mr Speaker, my question was not about the status of VMO contracts; it was about the processes the Government has in place to keep hospitals running if the contracts are not completed and signed by the conclusion of this week. I just ask the Minister to redirect his answer to deal with that question.

MR SPEAKER: I am sure the Minister is coming to it.

MR MOORE: Indeed, Mr Speaker. I must admit that I did digress a little because of Mr Stanhope's interjection. I will come back specifically to the question, which I was not trying to avoid. We were not expecting to see the contracts all signed off immediately. I do know that in a couple of specialties we are not going to have any problem. But the critical specialties are anaesthetics and trauma, of course, because in both of these areas the hospital simply will not run if we do not have anaesthetists.

We do have some salaried anaesthetists and we have some backup there. But the reality is that if we do not have VMOs signing this contract we may go back into a position that we were in when Mr Berry was Health Minister, where the doctors decided they were prepared to close down the hospital, they were prepared to allow people's lives to be put at risk, for their own salaries. I hope that we will not get into that situation. I have suggested in one case, in the case of the trauma doctors, a lateral solution; but, generally, I am looking at process rather than interfering with the individual contracts. We have to be very careful because the Trade Practices Act puts an obligation on us to ensure that the negotiations are with individual contractors.

But to come back specifically to your question, I am having a meeting this afternoon with officers from the Canberra Hospital, from Calvary Hospital and from the Department of Health and Community Care so that I can check through the contingency plans. The contingency plans are about ensuring, where we can, that at least we have backup services in each of the specialties; but, where we are not able to do that, about ensuring that if indeed the medical officers withdraw their services, or do not renew their contracts, we are able to provide appropriate ambulance services to deal with trauma and that our contacts with hospitals in Queanbeyan, Goulburn and Sydney are all in order.

We are putting those contingency plans into place. We hope that that will not occur, but it would be irresponsible not to deal with that. I must say that the issue we are dealing with is an issue where we are offering equivalent to the highest rates of pay in Australia. But for some visiting medical officers - I think it is important to understand this - that will mean a cut in their level of pay, and nobody likes a cut in their level of pay. My view on that is that they have had it good for quite a long time and have pocketed that money and they should say, "Well, that is terrific; but now it is time to be at the next highest level in Australia, New South Wales, and still be paid 70 per cent higher than the average". It is a perfectly reasonable position for the Government to take; but, on the other hand, it is appropriate for us to have contingency plans in place in case greed overwhelms their sense of patient care.

MR CORBELL: I thank the Minister for his answer and I am sure that he will keep the Assembly informed as to the progress of negotiations and what might occur in the system. My supplementary question, Mr Speaker, is: Can the Minister say what strategies the Government currently has in place to ensure that patients who have to leave Canberra for surgery are adequately transported and cared for and that family support is provided?

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MR MOORE: The quick answer is no, I cannot tell you that, because I am having the meeting this afternoon. Mr Speaker, I would be happy to talk to Mr Corbell either first thing in the morning or later this afternoon, or to come back tomorrow after question time and inform the Assembly of the range of contingencies that we have in place.

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

Rural Residential Development

MS CARNELL: Mr Speaker, yesterday Mr Hargreaves asked me whether the preliminary agreement for the proposed rural residential development was drafted by the government legal office or a consultancy firm. The preliminary agreement was drafted by a consultant legal firm engaged by the Chief Minister's Department, Deacons Graham and James. It was drafted during December 1997 and was considered by the Executive on 22 December 1997. The cost of the preliminary agreement was about \$9,800.

Olympic Games - Travel Proposal

MS CARNELL: I have some information for Mr Rugendyke, which I will table because it is reasonably long, with regard to his question yesterday on the free transport zone for SOCOG. I also table a letter I have written to Michael Knight with regard to that question.

ACT Housing Properties - Causeway

MR SMYTH: I wish to add to my answer to Mr Quinlan's question. I am advised that ACT Housing owns some 45 properties in the Causeway area of Kingston. This area is immediately adjacent to but not within the boundary of the Kingston foreshore development. In response to media coverage of the Kingston foreshore development and a presentation by the authority to Causeway residents that, I understand, was attended by Mr Quinlan, ACT Housing wrote to all Causeway tenants on 29 April advising of the following facts: The Causeway properties were not part of the proposed Kingston foreshore development. ACT Housing had no immediate plans to dispose of any Causeway properties, nor any long-term plans for their development. On the basis that the development would not be completed for some years, ACT Housing was withholding Causeway properties from sale and would continue to do so until the development was complete and ACT Housing could review its property holdings in the light of the completed development. Of course, ACT Housing would involve Causeway residents in any consultation on the future of their property if and when a review took place. ACT Housing has reached agreement with the Kingston Foreshore Development Authority that they will keep Causeway residents aware of community consultation processes on the development.

Roadworks

MR SMYTH: Yesterday, Mr Kaine asked me a question about some roadworks which I took on notice. The first related to the Erindale Drive-Drakeford Drive project, estimated to cost \$820,000. This project was approved in the 1997-98 capital works program with funding over two years. The sum of \$139,000 was provided in 1997-98 to undertake design work. The design work has now been completed. A review of the Government's priorities has seen the funding period extended from two to three years, with the completion now expected by March 2000.

The other project Mr Kaine asked about was the Monaro Highway, Johnson Drive and Tharwa Drive intersection improvements. This is being introduced in the 1998-99 capital works program which is before the Urban Services Committee at this very moment. The project is estimated to cost \$610,000 and is planned to be operational by February next year. This project converts the intersections of Monaro Highway, Johnson Drive and Tharwa Drive into a single roundabout and is partially funded under the Federal Government's black spots program.

I note, Mr Speaker, that this project was actually announced during the election campaign by Mr Kaine. The press release - and it is quite interesting to see the press release - is headed, "Canberra Liberals commit to continue road safety improvements". It raises a question about who will fund this project. I see two possibilities here, Mr Speaker. Either "Canberra Liberals" means the Carnell Government, in which case the money has been happily budgeted for; alternatively, if "Canberra Liberals" now means Trevor Kaine, it would appear that Mr Kaine has promised to fund the \$610,000 project. If that is the case, Mr Speaker, I will arrange for an account to be sent to the appropriate address. I table the press release.

PERSONAL EXPLANATION

MR WOOD: Mr Speaker, I rise under standing order 46. The Government, through Mr Smyth today, seems to want to create a myth about land development in the ACT, saying that there was a glut of land. Indeed, there was. But I want to point out that land releases in the ACT were based on recommendations from what was called, I think, the Indicative Planning Council, a body comprising both government and private sector people. They made the recommendations. It was also done at a time of optimism, quite naturally, and - - -

Ms Carnell: They make the same ones to us.

Mr Humphries: Yes, and we knock them back.

MR WOOD: And I did too, I might say, Mr Humphries. But it was also a period of optimism under the Follett Government. The reason there developed a very significant glut of land was, quite clearly, the slowdown when Mr Howard came to the Federal Government and the ACT stopped. I think that needs to be said.

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AUDITOR-GENERAL - REPORT NO. 1 OF 1998
Management of Preschool Education

MR SPEAKER: I present, for the information of members, the Auditor-General's Report No. 1 of 1998 entitled "Management of Preschool Education".

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

That the Assembly authorises the publication of the Auditor-General's Report No. 1 of 1998.

TERRITORY OPERATING LOSS

Debate resumed.

MR MOORE (Minister for Health and Community Care) (3.36): I would like to begin my speech on the operating loss by congratulating Mr Osborne. We have seen a continued, mature contribution from the crossbenches in this Assembly. It pleases me that members of the crossbenches are recognising the broad responsibility of all members, not just the Executive, to ensure the financial health of the Territory. Mr Speaker, it is appropriate for Mr Osborne to draw attention to the Territory's operating loss, as indeed I did through the recent election campaign. I decided, in this campaign, not to sit on the crossbenches and say, "Let us spend, spend, spend", because it is always easy to spend money. Those of us who have children or have had children will know that it is never difficult to teach children how to spend money. They are very good at it; they learn it very quickly. The difficult part is teaching them the value of money, how to earn money and how to manage money. That is why this difficult issue needs to be dealt with carefully.

During the election campaign, Mr Speaker, I was highly critical of Labor, particularly of Wayne Berry leading Labor, for irresponsibility in the way they dealt with money and for their approach to the economic situation of the Territory. I was also critical of the Liberals, Mr Speaker. The Liberals said they would manage the budget extremely well. They put a limited number of promises up, as I recall, worth about \$6m. That was reasonably contained. They said, "We have done wonderful things". Kate Carnell, the Chief Minister, stood up through the election campaign and said, "We have reduced the operating loss from some \$300m to \$150m". At the time I said, "Okay, that is good. Now, what are you going to do about the next \$150m?". There were no answers. The question was avoided, other than to say, "We have already got rid of the last \$150m and we are going to work on the next \$150m".

I suggested a number of areas where it would be appropriate to raise revenue and suggested ways of raising revenue. It was quite clear that the Assembly would knock back some of the ideas I had for raising revenue. Indeed, that is entirely appropriate, but it is still appropriate for us to deal properly with the operating loss of this Territory because the operating loss does not just recognise the immediate cash position, which is easy to deal with because you can always sell off assets and bring in a balanced budget.

What an operating loss recognises in an accrual sense in a budget like ours is that we have to continue maintenance. We have to continue operating in a way that is sustainable and that recognises the importance of intergenerational equity. We must have a position whereby we do not spend all the money now and leave the next generation to pay for it when the money runs out, when there are no assets left and when we do not have a sustainable system. We must have a sustainable system.

The good news, Mr Speaker, is that I am part of a Cabinet that will begin working on the operating loss and will address the operating loss. It is not beyond the intellect and the determination of the five members of the Cabinet that are sitting here to deal with this issue. We will deal with it. I will tell you exactly how we will deal with this issue on the day the budget is brought down because, Mr Speaker, that is the appropriate time to give the details. But the important thing is that we can be confident that this Government, the Government of which I am a part, will do whatever is necessary to ensure the financial stability and the financial sustainability of this Territory.

We will do it at the same time as we ensure that we are a caring government. I do not want to be part of any government that is not a caring government. That is why I am here. Indeed, I know that is why all members of the Assembly are here - because they care.

Mr Humphries: Caring and clever.

MR MOORE: I have already dealt with that. Mr Humphries interjects that we are going to be a clever government as well. I did say earlier that I have confidence that the intellect and the determination of the members of the Cabinet will ensure that we are able to do that.

Mr Berry: Can you tell us when this is going to happen?

MR MOORE: I love interjections from Mr Berry. He says, "So tell us when it is going to happen". It is going to happen one heck of a lot sooner than it would have if you had been the Chief Minister, Wayne Berry - probably 20 or 30 years earlier than if you had a stint as Chief Minister for even 3½ years. The exact details that you are looking for, Mr Berry, will be delivered in the budget. The task will be difficult. It will involve unpleasant decisions. But it must be done. There is no option to avoid all the unpleasant choices. We know we have financial difficulties. They must be addressed. There is no point in dealing with it as an ostrich and burying our head in the sand. It is a matter of prioritising and ensuring that the unpleasant outcomes occur where they hurt least - choosing the most acceptable combinations and performing our duty to keep an open mind as to the way we should deal with them. Some of the decisions that the Cabinet makes in this way are not my personal decisions, but they are acceptable to me. I think that in the end we will demonstrate that we can be a caring government and still address the operating loss.

The critical part in addressing the operating loss is similar to the way people deal with their own budgets. There is no panacea. There are no magic solutions. In an ordinary budget you address difficulties by finding \$5 here and \$10 there, by making sure the light switches go out and the taps do not drip. You take two less trips in the car to ensure that

you buy more carefully in the supermarket and you buy fewer clothes. That is how you keep a balanced budget at home, and it is the same here. We are going to have to find a \$500,000 saving here, a \$1m saving there, a \$200,000 saving somewhere else, and so on. Mr Speaker, that is what we will be doing, and it is an appropriate way to go. This Assembly could, if it wished, take the cowardly way out and avoid political pain by deferring the problems to the kids. It would be an easy way to do it and, of course, it would be politically palatable. It would not be difficult to fudge a budget and say, "We have a balanced budget. We have a cash surplus". But that is not good enough. We have to ensure that we retain the courage to deliver as soon as possible a genuinely balanced budget, a budget that does not carry an operating loss. It will not happen immediately, but we have to go down the path of ensuring that we can achieve it. We should ensure the public is well informed.

I appreciate the fact that Mr Osborne has brought this motion into the Assembly to highlight the fact that all of us, as members of this Assembly, have a responsibility to deal with the financial issues. I look forward to the time, Mr Speaker, when we have an operating surplus, a small operating surplus, unlike what Mr Howard has done with his budget, where you have an obscene surplus but problems in terms of health, education and a whole series of other things. I do not want to be part of a government that carries a big surplus and says, "Oh, aren't we lucky. We have a lot of money in the back pocket".

We need to spend money on health, education and community care. Those are the areas that I want to see us spend money on. As soon as we can get the budget under control, I will be one of the ones out there saying, "I know how to spend the money". It is always easy to say, "I know how to spend the money". I know plenty of community groups can tell us how to spend the money and I know members right across this house can tell us how to spend it. Once we get the budget under control, we can then look at setting a new set of priorities where we can go about spending the money to the benefit of the people of Canberra.

MR WOOD (3.46): Mr Speaker, I rise to make a point on one issue, and that is, the Auditor-General's report which came down today. Mr Moore has alleged irresponsibility on the part of the ALP in its approach to the ACT budget. This report throws it back to Mr Moore. I suggest he turn to page 8 of the report, which is about management of preschool education, where he will find how the Auditor described uneconomic practices. Mr Moore might care to read that very carefully as he continues his budget deliberations. He might also reflect on a report - - -

Mr Moore: Do you want us to cut preschools?

MR WOOD: No, I am not stating any position. I am throwing it to you, Mr Moore. You are saying your view will be expressed when the budget comes down. You say, "Take hard decisions", "But I am not sure", "I have not seen that before" and "We may see it in the near future". Mr Moore might also look at a similar report by the Auditor-General, which was tabled about four years ago and which said very much the

same sorts of things about secondary colleges. Each of these reports throws up some significant problems. It may be time for Mr Moore, for the Labor Party, for the Government, for everybody, to pay attention to those problems. If Mr Moore wants to be serious about responsibility, he should have a look at this report and the other report.

MS TUCKER (3.48): The operating loss is obviously a subject that every member of this place has to be concerned about. We have had a lot of debate about this already, but I am quite happy to raise the issues that we always raise in this debate once again. We have had a lot of debate about whether the loss is \$600m or \$450m over the next three years. I think we have to acknowledge that it is a bit pointless getting caught up in exactly what the figure is, because these figures are always rubbery. What the accrual system of accounting has highlighted is that we do have an unfunded superannuation debt and, even though it is unclear exactly what that debt is, it is of concern. Just because the superannuation debt has come down at the moment does not mean it will not go up again. The actuarial assessments are based on many variables. Our unfunded liability - on the last occasion I looked at it - had gone down \$55m, but it could easily go up again. I do not think anyone here would disagree that there is a problem, but the debate must always be broadened.

The interesting thing about the introduction of accrual accounting is that it has highlighted the superannuation debt that we are accruing today but paying for tomorrow. For all Mrs Carnell's rhetoric about her excellent economic management, the fact that the operating loss did fall is more through good luck than good management. I am not debating the pros or cons of what she has done, but just putting on the table the fact that expenditure has not decreased that much. We have reduced the operating loss primarily through revised superannuation assessments - and, as I have explained already, that is a rather rubbery projection - and through increased revenue, especially some stamp duty increases.

Mrs Carnell seems to believe the problem can be solved through economic growth. I have my doubts about that. Economic growth would not solve the problem. The presumption that economic growth will bring in more revenue is unrealistic, in my view. Our total revenue from taxes is in the order of \$500m. To tackle the problem - in the order of \$150m - we would need to increase our revenue by 30 per cent. I believe we can save money through better management in some areas. The Social Policy Committee reports, for example, often highlighted the lack of coordination across departments. Management is often plagued by ad hoc crisis responses to problems. We had a number of examples. Recently highlighted again were the "adverse events" which are obviously costing us a huge amount of money in the hospital system. It is obviously worth while to look at how we can save not only that human cost but also the economic cost.

There are obviously some revenue raising ideas that we have raised, such as gambling taxes and the bed tax. Again, these are not in the order of magnitude of the problem. I guess we are all hoping that we will receive more money from the Commonwealth, but obviously we cannot count on that. Maybe what is more likely - and what I would like to see nationally - is a serious debate about revenue in this country and the need for a more equitable and environmentally responsible tax system. I share the views of someone who wrote something about the Labor Party in the *Canberra Times* today.

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I do not know who wrote it. It is very disappointing that they are turning this whole tax debate into a “GST or no GST” election issue again, because we could take advantage of this tax reform debate to look at other options for revenue raising, what we want as a society and what function we consider taxation has to serve. Is it the redistribution of wealth? Is it about environmental incentives and so on? I am very afraid it is going to end up a “GST or no GST” issue again and we will be losing a very important opportunity to look at this critical issue.

The other thing I always have to say when we have a discussion about economics is that obviously the Greens say that a debt to future generations is not a good thing. The problem with accrual accounting is that it does not tell us the extent of the other debts we are accruing at this point in time, the social and environmental debts. In this context there are two important issues we must think about. We do have an accounting system that is fatally flawed because, while it tells us about one debt, it is one debt only. It is not telling us about these other debts. The second important point is that we must make decisions with a longer-term timeframe in mind. I have been saying this consistently since I have been in this place, and I will continue to say it and to repeat it.

What this debate is about really is saying that good managers do not plan just for today and tomorrow; they plan for the future. But we are not doing that in a whole range of areas. If we do not plan for an ageing population we are creating a debt for future generations. If we pollute the air, water and soil we are leaving an immense debt for future generations. We are not planning for the human capital losses we are going to experience when a large proportion of our nurses and teachers retire over the next few years. We still do not have a comprehensive social plan.

Another important part of longer-term planning is developing a more sophisticated cost-benefit analysis to determine where savings could be achieved through better preventative strategies. Without better analysis, we do not know whether we are really saving money from a lot of the policy initiatives that have come out of this Government. There is always the example of the children with autism or with disabilities. If they are not serviced and supported correctly when they are young, the costs are much greater in the long run. Obviously, there are many environmental examples of the savings that will result from prevention and from intervention. By becoming more energy efficient, for example, we could be saving money. Money invested in making government buildings more energy efficient is paid back in only five years.

I was very disappointed in Brendan Smyth’s answer, Mr Speaker, in question time last week when I asked why there had been such a substantial cut to the energy management program. The answer Mr Smyth gave me was, “We have done it and we will just monitor what we need to do next”. I do not think that is a satisfactory answer at all. We have a whole housing stock. We have school buildings which are certainly not best practice energy efficient. I was very surprised to hear that Mr Smyth thinks we have achieved what can be achieved in government office buildings as well. If that were the case, I think we would have seen a huge party given by the Government, and I do not remember that happening. It would indeed have been something to celebrate. I am not pretending that there are easy answers, but we do have to start acknowledging the flaws in the models we have worked with.

If cash-based accounting is not very sophisticated, then accrual accounting is not much better. Environmental accounting is a start in the right direction. Our changes to the Auditor-General Act allowing the environmental impact of activities to be looked at in performance audits is also a good start. We do have to move away from our obsession with the current bottom line and acknowledge that our present economic system is not actually related nearly strongly enough to the everyday experience of people in our community.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (3.56): Mr Speaker, we have here an issue of almost supreme importance in terms of the way the Territory looks at its future and the way this Assembly carries out its job as the custodian of the aspirations and the plans for the future of the Territory. Ms Tucker has just made an argument about not focusing too much on the bottom line.

Ms Tucker: No. I said that, as well, we should focus on the other issues.

MR HUMPHRIES: All right. I stand corrected. Ms Tucker says that we should both focus on the bottom line and look at other issues. That is true. I think the point that is being made in this debate - and it is a point that Mr Osborne has brought forward very clearly in this place - is that the problem with money, the problem with that bottom line about the operating loss, is such a powerful issue and such a determining factor in everything that we are going to do for at least the next 20 years in this place, because of its size, that if we do not have a tactic or a strategy to focus effectively on dealing with that issue we will be - - -

Ms Tucker: I am saying you have to do that too, but I am saying you have to integrate those other concerns into dealing with the bottom line.

MR HUMPHRIES: Okay. I think Ms Tucker and I are agreed on that score. I think what she is saying is that this is important as well, and I am perhaps elevating that argument slightly higher. I am saying it dominates. It is by far the most important in everything that we are trying to achieve in this place and everything that Ms Tucker is trying to achieve in the way of putting emphasis on better outcomes in terms of the environment, in terms of achieving a higher level of positive outcomes in a whole range of areas, in terms of being able to deliver higher-quality services and in terms of being able through community services to reach people whom we presently do not reach. In all of those respects, money is a fundamental consideration. It is fundamentally important. We cannot divorce the question of good social outcomes from the bottom line. I think Ms Tucker and I are agreed on that.

I believe that the issue Mr Osborne has brought forward in that respect is extremely important. Look back, Mr Deputy Speaker, on the debates we have had in this place in the last two weeks since the Assembly resumed after the 1998 election. Look at the issues that we have discussed in the course of those last few weeks. They have been issues like the building of a swimming pool in Belconnen, the way in which we develop some land around a small hamlet in the northern part of the city, and how much we charge

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people who want to apply for a job in the Department of Education and who need to have criminal record checks conducted. If you look at all those issues, Mr Deputy Speaker, you could be forgiven for seeing that there has been a focus on the small picture, whereas Mr Osborne's motion today, rather dramatically, focuses our attention back on the big picture - indeed, the biggest picture that we might focus on.

When I say "we", I am using a very defined version of the word "we". Obviously, I am referring principally to the Government and the crossbenches, which are both well represented in the chamber in this debate. With respect to the Opposition benches, Mr Deputy Speaker, you are the sole representative of that party in the chamber today in the course of this debate. I am sure you will interject if I happen to say something which is wrong or is contemptuous of your party's - - - (*Quorum formed*) Mr Deputy Speaker, I am pleased to see members of the Opposition benches joining us for this rather important debate.

Mr Corbell: We have spoken on it.

MR HUMPHRIES: Indeed you have, Mr Corbell, and now that you are here you can speak again, no doubt, even while I am supposed to be speaking. Mr Deputy Speaker, I happen to think this is the most important debate we have held in this fortnight of sittings. I happen to think it is also the most significant issue that we are likely to be able to debate for quite some time. That is why virtually all members of the Government are present in the chamber for this debate. I am glad to see that members of the Opposition are also here, because there is a very important question to put. We have to make an assessment of how we, as a government and as an Assembly, are going to confront the massive problem that we face in bringing that \$150m down to something that is much more reasonable.

Mr Osborne made the very good point, in the course of his remarks, that to a real extent the easy decisions are past and the hard yards are in front of us. That is true, Mr Deputy Speaker. Some of the reduction from \$350m to \$150m-odd which we have achieved in the course of the last couple of years has been as a result of accounting exercises. Some has been due to judicious decisions by the Government to reduce the level of burden that we as a government shoulder through a range of measures. Some of those have had a bit of pain associated with them. But in each case we have made those decisions. The first \$200m has been relatively easy compared with the next \$150m. But, Mr Deputy Speaker, we have to confront that \$150m.

I have two small children and 20 years from now, when they are in their adulthood, raising their own families and attempting to make their way in the world, with a certain number of services available to them from the government and the community, and with a certain range of obligations on them with a certain level of taxation, I do not want them to be paying for not only their own costs and the costs of their families but also my costs and those of my contemporaries which we have not taken the trouble to pick up while we have been in charge of this community. I do not want that to happen, and I would be surprised if there was any person in this place who would wish such a burden to be visited on their descendants.

The task before us is quite large and it is very important. I think some of my colleagues in due course will be making some comments in this debate about what it is that we are going to do in the coming budget, or the approach we are going to take through this coming budget and future budgets, to be able to achieve that level of attack on that problem which is going to justify the magnitude of the problem. The former Chief Minister, Ms Follett, used to talk about dealing with a number of budgetary problems through what she called nip and tuck. I think a lot of nip and tuck has been relied upon by governments of various sorts over the last few years. To some extent, nip and tuck has been a favoured tactic, even in the last couple of years. Mr Deputy Speaker, there is not much room for nip and tuck left. We have to make some substantive decisions about what we can afford to purchase and what our city will look like in the future.

Mr Deputy Speaker, you, in the course of this debate earlier on, made reference to the Auditor-General's report just released on the management of preschool education. I have not had the benefit of being able to read the report as quickly as you have, Mr Deputy Speaker, but I have looked at a few parts of it. (*Extension of time granted*) Mr Deputy Speaker, you made reference to the comments in here about the inefficiency of the provision of preschool education in the ACT, and my short reading of this report suggests that that is a serious problem. I quote from the report:

The audit's opinion that provision of preschool Education services are inefficient and uneconomic is based on the following findings.

... roughly half of the preschools being utilised at less than 50 per cent capacity, with approximately another 12 preschools (14 per cent) being utilised at less than 70 per cent ...

Mr Deputy Speaker, I think your comments came as near to suggesting that we should maybe close a few preschools as I have heard in recent times.

MR DEPUTY SPEAKER: No; they are not to be so construed.

MR HUMPHRIES: If there was a flavour of that in the air as you spoke, Mr Deputy Speaker, then - - -

Mr Kaine: No more than 25, Mr Humphries.

MR HUMPHRIES: Twenty-five. That is a good number. I like that number. It has a ring to it, has it not, Mr Kaine? Mr Deputy Speaker, I want to draw attention to one particular sentence in this report, and it is on page 12. It says:

The clear indications from this audit are that preschool services are very effective -

that is a different word from "efficient" -

but also costly.

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That draws, in a nutshell, what we have to do over this and the coming few budgets in the life of this Assembly. We have to learn to be clever about the way in which we address the Territory's problems, but also retain the approach that we are caring about the needs of this community, the needs of our Territory's underprivileged and those who have not the capacity to provide for themselves as well as others, as we construct those budgets and plan for the future. We need to be, simultaneously, a clever and caring capital city.

Mr Deputy Speaker, the budget is going to be the first test of that approach. There are areas where services need to expand, where we need to do more than we are doing at present, not merely because some other jurisdictions are improving their services in ways that citizens of the ACT expect us to improve them, but because we have to face up to the fact that our needs as a community change. Some things that we are doing at present simply do not work as well as they should. I will give one example within my portfolio. I concede that I do not think we are providing a particularly effective service for people who are victims of crime in this community. We have a number of facilities. We have a Victims of Crime Co-ordinator who does a sterling job. We have a criminal injuries compensation scheme which addresses the needs of a pretty small minority of those who are victims of crime, but we have a very large unmet need.

I want to work out a way in which we can be clever about the provision of those services in the future, in a way that is caring of the people who happen to be victims of crime in our community, and deliver through that device, through that approach, cost-effective services - services which perhaps even cost us less than they now cost us but which meet the needs of a larger number of people. Some would say that that sort of approach is not generally possible. Well, sometimes it is not, but sometimes it is. We have to find the way of being able to do that, because every year new demands for service come forward. We have to make assessments about how we address those problems when they do.

Mr Deputy Speaker, the operating loss of the Territory has, for the first time in the last couple of years, been clearly defined. We simply did not know the level of our real loss or our real operating deficit. We did not have that information. We have done a lot of work to restructure the finances of the Territory and to reveal that information for the first time. We have also placed Territory financing as much as possible on a purchaser-provider basis, so that we now understand what we as a community purchase for the money that we put into a particular area of government. We have the tools now available to us to start to develop ways of addressing that operating loss. If we do not use those tools that are clearly before us we have wasted an opportunity and we have failed to address the real issues before us.

Mr Osborne made the point that we really do have an opportunity here, based on the Territory's low level of debt at self-government. Even with \$150m debt, we are probably better off than most other jurisdictions. We retain a AAA credit rating because of the work of the past, but we must not let slip from our grasp the opportunity before us now to face up to that remaining \$150m. That is the commitment that this Government makes - to deal with that issue very firmly over the coming few budgets.

MR STEFANIAK (Minister for Education) (4.12): I rise to support the motion. I agree entirely with the comment of my colleague Mr Humphries that this is probably the most important piece of business we have discussed in the last two weeks. It is absolutely crucial to the Territory. There are those among us who have been involved in budgets - I as part of Kate Carnell's Government over the last three years, and now coming up to our fourth budget, and no doubt you, Mr Deputy Speaker, when you were in government. There is never enough money to go around, to do all the things you would like to do. Try as you will, there is always more money which supposedly needs to be spent on things than there is money available.

We do not have any magic wand here in the Territory. We do not have any oil wells. We are not the sultanate of Brunei. There is nothing like that that can artificially prop us up. We have a clever community and we have a number of assets. We still have, as my colleague Mr Humphries indicated, less debt than, I think, virtually any other State or Territory. That is a result of what occurred at self-government. But, quite clearly, we have these constant funding pressures and we simply do not generate enough money to go around. The Commonwealth grants have dropped by 50 per cent since 1989. The untied grants have dropped from \$500m to about \$280m. They may well now have bottomed and plateaued, but they are going to rise only by basically the CPI.

You can keep increasing fees and taxing the population only so much. There gets to be a point where that becomes totally counterproductive. Businesses are forced into bankruptcy, more people are forced onto welfare, and the problem compounds itself. This is a very significant problem. We have seen what occurred in Victoria. Mr Osborne quoted an interesting figure. Debt chewed up 32c in every dollar in Victoria. We saw what happened in the 1980s. A government was prepared to borrow with no regard for the future. We saw some of the dreadful things that happened there when the State Bank crashed. Many small people, small investors, had their savings wiped out. We saw the value of family homes plummet. You would be lucky to get 60 per cent, maybe 70 per cent, of what your home was worth three or four years ago when you tried to sell it in Victoria. That is not the sort of situation I want to see occur in the Territory.

We have some significant problems with unfunded superannuation. We have a liability of about \$700m now, but by 2013 it will rise to \$1.7 billion. Sure, Mr Quinlan is probably right; we may never have to pay that all at once. But we face a real possibility of not being able to meet those commitments in about 15 years' time. That not only affects our children, Mr Deputy Speaker; it also affects a large number of people in our work force who are paying superannuation. It is a very real problem indeed. It is essential now, I think, at this stage, that we take stock of the situation and put in place budgets that do their best to address this very real problem. As several other speakers have indicated, the Government has gone some way towards doing that. We now know exactly where we stand in terms of what our real loss is. There have been some improvements in terms of the operating loss coming down. I think it was somewhere around \$351m and it is down to \$153m. There have been significant improvements, but there is the need to go still further.

Mr Deputy Speaker, I want to speak briefly about superannuation. A significant portion of the operating loss is undoubtedly strongly related to the cost of superannuation. This issue has been recognised by the Government and work already has commenced on the development of options to deal with the growing unfunded superannuation liability of the Territory. The approach of this Government to the costs of employee superannuation has been one of full disclosure. The move to accrual budgeting and reporting has given the full picture of the costs of superannuation at both the agency level and the whole-of-government level. The problem we have with unfunded superannuation liabilities has been faced also by most State governments in recent years.

The reaction of most States has been to close more expensive schemes and replace them with schemes for new staff which provide employer contributions at around the level of the superannuation guarantee - currently 7 per cent of salaries or wages, rising to 9 per cent from 2002. Employer contributions to the new schemes are generally fully funded from commencement, to ensure that there is no further growth in the unfunded liabilities relating to the new employees. Mr Deputy Speaker, we will give new employees in the ACT Public Service the opportunity to nominate the superannuation fund into which they want the Government's employer contribution to be paid. The fully-funded employer contribution, subject to any further negotiations, will meet the requirements of the superannuation guarantee legislation.

The difficult issues for us here in the Territory, as for the States, are how to tackle the funding of the annual accruing liabilities for members of the expensive closed schemes and what to do about the unfunded past liability. The starting point for the ACT includes some funding. The superannuation provision has assets of more than \$200m invested through external fund managers, representing 30 per cent of the total accrued liabilities. The Towers Perrin report provides a basis for considering financing options. That report outlines the costs and results of a range of options, from immediate full funding to a more gradual increase in the funding of both the annual liabilities and the unfunded liability.

The conclusion is that, generally, the options which involve higher funding in early years have a lower present value of employer costs. The option of immediate funding of both past and annual accruing liabilities has the lowest present value at \$1.167 billion, based on 9 per cent investment return, compared with a present value of government appropriations under current arrangements of up to \$1.872 billion, but obviously has a very high short-term outlay. The Towers Perrin report notes that action by the Government to increase funding will be limited by the extent to which there is capacity to make additional contributions to the superannuation provision in the short term, and the extent to which increases in payments and unfunded liability can be sustained in the longer term. A proper balance is needed, Mr Deputy Speaker, between long-term cost savings and increased near-term outlays. The superannuation financing strategy needs to be consistent with overall budget capacity and objectives.

The Government acknowledges that these superannuation financing issues are matters which require attention not only in the coming budget but also for some years to come. Mr Deputy Speaker, I would again like to tell the Assembly that this Government considers a reduction of sustainability of the Territory's operating position is very much a major priority. We really cannot - indeed, we will not - allow future generations of

Canberrans to be burdened by unsustainable levels of debt. We have seen the problems that that has caused in other States. We have seen some of those States still struggling, almost drowning, in terms of their debt problems. That is not a situation that we want to see occurring in the Territory.

We have had self-government for only about nine years. It is not too late to take sensible steps to ensure that we address this problem. As some of my colleagues have said, yes, there are going to be funding priorities that need to be addressed. Yes, there are areas where we probably need to spend money to do things better. Certainly, as has been pointed out, there are areas where we can be more efficient and where we can ensure that we cut the cloth to suit our means and do not continually overspend. Those are the decisions that have to be taken. They are, indeed, hard decisions. There will be some pain, but they are decisions that are essential. The pain will be infinitely worse if we do not do something now and if we do not put a plan in action to ensure that we continue to drop that debt and address, especially, some of the very real problems we have in relation to superannuation.

MS CARNELL (Chief Minister and Treasurer) (4.21): Mr Deputy Speaker, this has been an interesting debate from a number of perspectives. One is, it would appear, the significant lack of interest in it from the Labor Party. I heard only the end of Mr Quinlan's speech this morning, but I have been appropriately briefed since then. What was interesting is that Mr Quinlan did not say what the Labor Party would do. As I understand it from the motion that Mr Osborne put on the table, this is an important issue, and Mr Osborne wanted to know what different parts of the Assembly, particularly the Labor Party, the alternative government, were going to do about it. Mr Deputy Speaker, we are still waiting.

I assume that a number of extra speakers will get up this evening. Unlike Mr Quinlan, maybe Mr Stanhope will get up and explain how the Labor Party will address the operating loss in the ACT. As I understand it, all Mr Quinlan wanted to talk about was asset sales. He also made some comments about projects such as Bruce Stadium that he does not agree with or had some significant problems with. It is very interesting that he picked Bruce Stadium as a project that he thinks there are significant problems with, because Bruce Stadium is costing the ACT taxpayers \$12.3m and, on current returns, just from the Olympic events alone, will gross more than \$20m. If every single \$12m spent produced \$20m we would have addressed the operating loss. But, forget that for a moment, Mr Deputy Speaker. That was a very silly issue for Mr Quinlan to pick on because that is one of the things we have to do more of - invest in the future; invest in increasing our revenue to the ACT; invest in looking at ways to improve the whole business environment and the whole economy in the ACT. That is what Bruce Stadium is about. It was very strange that he picked that as one of the things he did not like very much.

Mr Quinlan also spoke about how the Labor Party had committed significant dollars to superannuation or to funding superannuation liabilities and the naughty Liberal Government had not done so. What Mr Quinlan forgot to tell everybody was what Labor was using to provide those dollars to go into funding superannuation liability. It was the

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cash reserve that the Territory inherited at self-government. There was, I think, approximately \$200m in the cash reserve when the Territory became self-governing, and when we took over at the beginning of 1995 there was a big fat zero.

Mr Smyth: None left.

MS CARNELL: None left. They used the lot. It is all very well to say that we put money into funding superannuation liabilities. I have to say it is not a lot. We are putting in, I think, about \$16m this year. They put in about \$30m and \$29m - in that sort of area. It was enough to address the emerging liabilities, but certainly not enough to fund future unfunded liabilities. There was not enough to address the problem, but what were they using? Cash reserves. That is not something, I would have thought, that they would be very proud of. Obviously, Mr Quinlan still has not got up to speed on what happened before he got into this place.

The thing that Mr Quinlan did not address and that the Labor Party has not addressed - I have to say that, apart from Mr Osborne and Mr Moore, it seems nobody wants to address it - is where our problem lies. Either we spend too much money or, alternatively, we tax at too low a level. Is it our revenue or is it our expenditure that is the problem? From this Government's perspective, the way we have addressed it, it is both areas. We have reduced our expenditure and we have increased our revenue base.

I can understand why Mr Stanhope wants to leave because I would be embarrassed, too, that they still have not come up with one idea. What we have been doing for the last three years is reducing our expenditure in the ACT. I cannot think of an occasion - maybe Mr Humphries might be able to think of one - when the Labor Party has supported us in any of the tough decisions that we have already had to make.

Mr Humphries: Take it on notice, Chief Minister.

MS CARNELL: We will take it on notice. We will wait for this budget, when we again make some very difficult decisions - one that nobody wants to make, and that is to reduce expenditure - to see whether we then get support. We must reduce expenditure. There is no other way.

Mr Humphries: They might on VMOs.

MS CARNELL: On VMOs they might. Yes, VMOs are an important part of our budget; but they are not nearly as important a part as our nurses, and, similarly, our nurses are paid more than the Australian average as well. Will we get similar support in our EBA negotiations with other people in our hospital system? I wonder. We will wait and see.

The issues for the ACT are how we reduce expenditure and how we increase revenue. One of the things that the ACT has done quite well since self-government is increase revenue. May I have my graphs at some stage? We are going to have some graphs so we can understand. We need an audiovisual presentation here. Since self-government, we have significantly increased our own source funding. Since we got self-government in 1989-90 we have increased our own source revenue by about double. At the same time,

of course, the Commonwealth grants we have received have been reduced significantly, so we have done that reasonably well. It seems that the Labor Party is really good at doing that. You are good at increasing taxes. You are really bad at decreasing expenditure.

As you can see from the graph with two lines on it, we have our own source revenue and Commonwealth grants. You will see that they crossed over in 1992-93. Since then, unfortunately, we have not been seeing any great increases from the Commonwealth. Maybe there was a little bit over the next few years. The great problem that we have, of course, is our expenditure, and what we are doing with expenditure generally. On the outlays graph you can see that, particularly over the last three years, we have managed to reduce our outlays somewhat. The dotted line is our outlays, from the Commonwealth Grants Commission, and the solid line is the 1990-91 figures maintained in real per capita terms. So we are making some effort, some ground in that area; but I have to say it is not nearly enough. What we have to do is reduce expenditure, and we have to maintain and increase our revenue.

What will the Labor Party do to achieve that? At this stage we still have not heard. I am confident that we are going to. Maybe somebody across the other side of this chamber is going to speak about "Working Capital". It is fascinating that Mr Quinlan got up and gave a whole speech on the operating loss. Well, he did not actually speak about that at all, but he was supposed to speak about it. He did not speak about the whole basis on which the Labor Party was going to run the ACT if they had been elected. I am not surprised that they did not want to talk about that, because the whole basis of "Working Capital" was flawed, as we know, and it was based upon increasing our debt and increasing our operating loss. I would not have owned up to that, either.

Mr Temporary Deputy Speaker, we are about to go into another budget, a budget that is extremely important for the ACT and one in which we do have to address our operating loss. We have to address our operating loss in such areas as health, our general expenditure and what we spend to run the city generally. I was hoping, as Treasurer, to be able to sit here today and to listen to all the ideas from everyone in this place on how they would do it.

Mr Berry: Did you get some from Paul Osborne?

MS CARNELL: Actually, yes. Mr Osborne is quite open and has been supportive about reductions in expenditure in the past. The fact is that you people opposite have not been, not in any areas whatsoever. Mr Temporary Deputy Speaker, those opposite, when they were in power, put their budget together on the basis of land sales. They increased taxes, they used all the money that was in the bank and they sold off the farm, the land. They are the same people who now have all sorts of trouble at even any minor thought of selling anything else. They are a tiny bit hypocritical, I would have thought.

Over the period since self-government, general purpose funding to the ACT from the Commonwealth Government has reduced by a dramatic 49 per cent in real terms. In fact, one of my graphs, as everyone will be able to see, explains that very well. That is not going to track up significantly. Certainly, we have gone through the pain of

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transitional funding, we have passed that, and things will improve slightly in the future, or we hope they will. Currently, as far as our taxation regime is going, we are not far below the national average. There is not a huge amount that we can do there. There is still a bit, but not a huge amount. It comes back now to where we can find the savings.

Over the last couple of weeks I have put down a few issues that we have spoken about in this place. We have spoken about ACTION buses - something that Mr Smyth will know a lot about. When we were talking about ACTION buses, what did Mr Hargreaves say? He said that we should not save one more dollar. He said that we should maintain the level of expenditure at the current level for a few years to allow it to settle down. According to the Graham report and other reports that we have, we are spending far too much on ACTION buses in comparison to the same level of service being provided by another bus company, public or private. So there is an area of inefficiency that those opposite have said that we should not address.

We have heard in the last couple of days about superannuation funding. Those opposite have said that we should continue to go down the path of a superannuation scheme for new employees that is not totally funded. They are suggesting that we maintain a level of employer contribution significantly higher than other States in Australia, and significantly higher than the private sector. Fine, but how are we going to pay for it? They have indicated with regard to enterprise bargaining agreements that they will not be overly supportive of the Government if we take a hard line on anybody but the VMOs. VMOs are okay; but you certainly cannot touch the pay, terms, conditions or, for that matter, anything else in respect of our current employees. They have been less than supportive of any reductions that we might make in ACT Government staff, which represents something like 70 per cent of our whole budget.

What we have is a situation where Labor have said they do not want any cuts in health except for VMOs, and that is something like \$12m of our whole budget, with a potential saving of, maybe, as Mr Moore said, \$1m. They do not want any savings in education. They have indicated regularly that they think we are underfunded in the police area. They do not want us to change our staffing figures or our staffing levels. They do not want us to fix up our superannuation. They do not want us to fix up our public transport, and we are not allowed to sell anything. Mr Temporary Deputy Speaker, tell me what they actually do think should be done, or what they would do if they were over this side. There is no talk about "Working Capital", and no talk about spending the cash off the balance sheet anymore, because they finally realise that is stupid.

If we are to address these issues we need to have an approach where we all accept the problem. Now, we have all accepted that. They have said they accept that there is a problem, but they will not come clean and say where they would make the savings. We are more than happy to have those discussions with the Labor Party. Of course, we would like to have some sort of approach for this budget that was agreed by the parties involved. I think this is a very real issue for this Assembly. Mr Stanhope said in his inaugural speech that there was going to be a different approach, a much more conciliatory approach, to this Assembly. A very conciliatory approach would be to talk to the Government about the areas where the Opposition think we should make the savings that they admit we have to make, but they have gone through every area of government expenditure and said, "We cannot make it there". That is true.

MR TEMPORARY DEPUTY SPEAKER (Mr Hird): Order! The member's time has expired.

MS CARNELL: The bottom line here is that you cannot do what they have said. You cannot address the operating loss but not address expenditure and not put up any taxes. The fact is that they have not come clean.

MR WOOD (4.36): Mr Temporary Deputy Speaker, I seek leave to speak again.

Leave granted.

MR WOOD: The Chief Minister claimed not to have heard Mr Quinlan speak but to have received accurate reports about his speech. She should also have got accurate reports about what her colleagues have said, and that includes Mr Osborne. A number of the people on that side of the house have stood up and sounded very tough. "We have to take tough action", they say. I did not hear from anybody on that side of the house any of the good ideas that the Chief Minister sought. Mr Osborne spoke about superannuation and painted - - -

Ms Carnell: We are just about to bring down a budget.

MR WOOD: Yes, I know. But I did not hear any of those good ideas that you were seeking. Mr Osborne spoke about superannuation, raising the difficulties that we know about; but he did not come up with a stack of ideas for you now to put into place, or that I should listen to or comment upon. Mr Moore said we should be tough, but he did not say where we should be tough.

Mr Moore: I did. I told you we would tell you in the budget.

MR WOOD: That is exactly right. You said, "Wait for the budget". So Mrs Carnell did not get any of the good ideas she wanted from her side of the house.

Ms Carnell: You tell us what you would do.

Mr Moore: The same as every Labor government has done every year.

MR WOOD: Mr Temporary Deputy Speaker, the Chief Minister was heard in silence.

MR TEMPORARY DEPUTY SPEAKER: Mr Wood, would you address your remarks to the Chair, and not encourage other people to interject.

MR WOOD: So it is my fault. Maybe the Chief Minister has a few more good ideas of her own, like some of the ones in the last couple of years. Maybe she has some good ideas like selling the lampposts, or socking ACTEW for another \$100m plus a lot more, or selling government assets such as buildings.

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This debate has been about the operating loss. What has been the main theme of the last couple of Carnell budgets but to fudge around the issue by selling off assets, by hitting ACTEW and by borrowing and thereby disguising the problem with the operating loss? There has not been a significant move on the operating loss in the last couple of budgets.

The Chief Minister is looking for good ideas. I do not know what else she could do to match selling the lampposts, but maybe we will see that in the budget. I think the Chief Minister's response in this debate today has been very self-serving and has not been focused on some of the avoidance of her Government in the last two budgets. It has not been there. The operating loss has been a problem that this Government has not attended to.

MS CARNELL (Chief Minister and Treasurer) (4.40): I seek leave to speak again.

Leave granted.

MS CARNELL: Mr Wood just said that the Government had not addressed the operating loss. When we came to government it was \$344m. At the end of the last budget it was down to \$153m, and we believe we will come in this year in the same sort of vicinity. That seems to me to be a quite significant reduction in the operating loss. If those opposite had ever managed to come anywhere near that we would not be in the situation we are in now.

I would like to make a point about the \$100m from ACTEW. Has that made a difference to ACTEW's profit? Has it made a difference to ACTEW's profit?

Mr Wood: No. Maybe its saleability, but - - -

MS CARNELL: The fact is no. If the Government can ask ACTEW for an extra \$100m to help in operating the ACT, without affecting its bottom line, why was it not done years ago?

Mr Wood: It is a one-off.

MS CARNELL: That is true. It is a one-off, and that is exactly the point I am making. These sorts of one-off approaches are fine as one-off approaches, but they do not address the problem. I agree.

Mr Wood: That is what I said.

MS CARNELL: I agree absolutely. But what we have done over the last three years, as you can see from the graph, is actually reduce our outlays. But not enough. As Mr Humphries said, what has happened over the last few years is that we have messed around, I suppose, as the previous Government did, with the rats and mice, reorganising here and reorganising there; but a lot of that nip-and-tuck approach is over now. We have done it. Now come the really tough decisions. Now come the decisions on which we are going to need the support of those opposite. I am very pleased that Mr Wood has indicated that we will get it, and that the Auditor-General's report on preschools will be addressed very seriously by those opposite.

MR OSBORNE (4.43), in reply: Mr Temporary Deputy Speaker, I rise to close this debate. I thank some members for their contributions. I understand the embarrassment on the part of the Labor Party in not wanting to talk about the overall debt problem within the ACT because, for their part, they are probably responsible for most of it. So I do understand their reluctance to talk about it, Mr Temporary Deputy Speaker. At no stage during my political career have I stood up and said that I was the alternative government. However, there are a couple of points that I would like to bring forward and I thought that I would outline them. I think I need to make myself plain on this issue. I said at the outset of this debate that there is still room to move in cutting expenditure; but, as I said, we have used up almost all of the easy options. I said also that our areas of overspending are well documented and are all protected by the high walls and razor wire of lobby groups. They are also often protected by the Opposition, or sometimes even the crossbenchers.

Mr Temporary Deputy Speaker, I think the time has come to take a long hard look at every program and every agency. During the election campaign I raised the overspending in education administration and how important it was not to rule out school amalgamations. I would have thought that was a reasonably courageous decision. I did not notice a lot of other members rushing to support me, even though what I said was demonstrably true. In my speech I said that we should also look at spending in health and housing. I said that we had to find savings and that I am willing to offer my support to a government that finds them. But, most of all, I have not ruled out the sale of assets on ideological grounds. I am prepared to consider any option if that is the only answer to, particularly, our superannuation liability problem. I pray that there is another way, Mr Temporary Deputy Speaker, but if I am convinced it is the only way I will not shirk it.

Unlike the ALP, I do not have the luxury of opposing something. All I hope in my heart of hearts is that the decision is made in spite of me. I am sure there are members over there thinking, "Thank God we are not in government. Thank God it is not me making the decision. Thank God I can sit over here and oppose it for the sake of opposing it and not really come up with any alternatives". Anyway, Mr Temporary Deputy Speaker, I thank all members for their involvement in this debate, and I am pleased that all members are going to support the motion.

Question resolved in the affirmative.

POLICE COMMISSIONER

MR OSBORNE (4.46): I move:

That, until the Federal Government gives the ACT Government a commitment to proceed with the appointment of a Police Commissioner for the ACT, no new contractual arrangement be entered into.

I am considering making my call for an ACT police commissioner an annual event - or even a public holiday; but, given the Government's views on public holidays, I do not know whether I would have their support for it. When I was preparing this motion today,

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my staff pointed out that I had made similar calls in 1995 and 1996. In 1997 I saved my comments on it for the estimates process. But the Minister will take note that this motion is more serious than any of those that went before in 1995 and 1996.

This time I am calling on him and the Government not to sign the new police contract with the Commonwealth until we have some agreement from the Commonwealth on legislation enabling us, the Territory, to appoint a police commissioner for the ACT. I do so because I believe that the Commonwealth has treated the ACT with contempt in the existing police arrangements, and it is high time we started to get a bit tougher in our negotiations with the Commonwealth over the contract. We spend \$57m a year on police in the ACT; yet, for all intents and purposes, we have very limited control over our police force, as we are in effect renting the service from the Commonwealth. The reality is that the Minister for police in the ACT is not Mr Humphries; it is in fact Mr Williams.

We have been asking for a local police commissioner for some time. In September 1995 the Legal Affairs Committee, which I was a member of, handed down a report on the future of policing in the Territory. It was a unanimous report, I might add. One of the four recommendations was that the ACT Government consult the Commonwealth in order to change legislation to provide for the statutory appointment of an ACT police commissioner by the middle of 1996 - two years ago. After hearing all the submissions, the committee unanimously agreed that the best thing for the people of Canberra was for them to have a police commissioner who was answerable to this Assembly on all matters of police policy. The Federal Attorney-General then showed the now customary contempt of the Commonwealth for the Territory on this issue when he announced that he was not willing even to discuss it. I note Mr Humphries's comment on this decision when he said:

This is a very disappointing development. The Commonwealth Government has demonstrated a lack of serious commitment to accountable police management for the people of Canberra.

The Australian Federal Police provide services under contract to the ACT Government, but all parties in the Assembly wanted to see a more accountable mechanism created for policing activities here in the Territory.

Then I wrote to the Estimates Committee to see whether it would call Mr Williams to appear before it, both to explain and to clarify his position, and also in his capacity as the Minister responsible for the AFP and therefore the police in the Territory. Surprise, surprise, this did not happen, although I believe that it is entirely proper for the Assembly's Estimates Committee to call the Federal Minister, as that Minister is taking money from us and is supposed to be providing a service. If we are not satisfied with the service we have every right to question the contractor. As he was the Minister responsible for police, I was very keen to hear from Mr Williams what he thought about the safety house program here in the ACT, how he thought it was going, what he thought about the crime figures, and what he thought about the rise in certain incidents here in the ACT. As I said, he is our police Minister. It would have been very interesting to have had the opportunity to speak to him.

As I said, I think it is time that we got tougher. The people of the ACT pay a hell of a lot of money for their police. For that money we get a commissioner who is not legally accountable to our Minister or to this Assembly. In fact, we only nominally get a commissioner. We get a chief of police. This is a ludicrous and unacceptable situation. In 1995 this Assembly had no direct say when there was a change of chief of police and the new commissioner at the time totally restructured our police force. I am not saying that that was good or bad. I am just saying that we had no say.

Daryl Williams, the Federal Minister, and the current commissioner, Mick Palmer, are not legally required to consult with our Minister on any police issue or even to tell us what policy decisions they have made, which I am sure all members will agree is neither good management nor good government. I understand that there are lines of communication between the AFP here in the Territory and the office of the Minister for Justice. However, the reality is that there is nothing legally binding them. Quite frankly, the people of the ACT deserve better than this relationship which relies totally upon goodwill.

I note that this kind of motion has been supported by a majority of members in this place before. On the last occasion it was discussed, Mr Moore said that he was critical of the original police agreement and that he had been critical of it ever since.

Mr Berry: He is more critical of the person who made it.

MR OSBORNE: I probably agree with you there, Mr Berry. Mr Moore said at the time that he considered the police arrangement with the Commonwealth so inadequate that we ought to see what we can do to withdraw from it. I believe that while speaking on one of the earlier motions I related the story about some crosses put up outside the Indonesian Embassy by some East Timorese people. The local police Minister at the time was Mr Connolly and his order to the police was to leave them there; but then word came from their boss, who was the Federal police Minister. He ordered them to take the crosses down. I think that clearly highlights the problem that we face here in the Territory.

When I raised this matter before, I thought that we may have been going a bit far; but now I am convinced that the Commonwealth will not take us seriously until we start demanding a proper service for our money. I am sure that the Government will see the sense in this. It makes much of its purchaser-provider model and I am sure it would believe in every other case that purchasers should be able to have some say in the provision of a service or to take their money elsewhere if that service proves inadequate. That is something that I do not particularly want to raise today, but it is something that I think we need to keep in the back of our minds.

The Government, like a lot of Liberal governments, talks the talk of business, but it does not always walk the walk. It seems to walk in a particularly funny way when it comes to staring down the Commonwealth. How can this can-do Government claim that it is good business practice to purchase a service that it has no control over? If you were a small

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business buying security for your shop, you would not put up with a provider who ignored your needs. You would take your money elsewhere. The way this contract works now is not good for the ACT, and it is certainly not good management for the Government to sign a contract which leaves it with so little say in the service.

I want to make it perfectly clear that nothing I say in this place today should be taken as criticism of the police force that we have here in the ACT, because clearly I do not want to be belted by my colleague sitting next to me. I think we are blessed with a very good police force. Our police are very well trained, and the incidence of crime in Canberra is relatively low compared to most other cities and towns in Australia.

Mr Corbell: Do not mislead the house now.

MR OSBORNE: Mr Corbell claims that I am misleading the house. I hope that does not come back to haunt him at some stage.

Mr Corbell: No. I just said to be careful not to mislead the house.

MR OSBORNE: You did not say that?

Mr Corbell: No, I did not claim that you had misled. I just said that you have to be careful not to.

MR OSBORNE: Okay. With confidence and the right kind of legislative support from this place, we can ensure that we cut off problems before they get out of control, as they have elsewhere in Australia. My criticism here is aimed at the Commonwealth for ignoring the strong wishes of this place to give us more say in the policy direction of ACT policing and at the ACT Government for not being tough enough in its negotiations with the Federal Government. It is time for the Justice Minister to force the issue with the Commonwealth, and I call on him by way of this motion to refuse to sign any new agreement that does not include provision for the Territory to appoint its own police commissioner.

As I said at the outset, I have made this call before, and I will continue to make it until something happens. I would hope that all members would agree with this motion, as they have in the past. Given that we are in contract negotiations with the Commonwealth, the timing is right. I look forward to support from other members.

MR HARGREAVES (4.56): Mr Osborne summed it up pretty succinctly, even if it did take 15 minutes to do it succinctly. He encapsulated many of the things that we have all been talking about and that no doubt he has been talking about for the last three or four years. From our side of the house I want to underscore a couple of points that he made. He mentioned that he was making no reflection on the quality of service we currently receive from the police in the ACT. It is a superb service that we get from the police in the ACT. The real issue is whether we are getting the services that we as a community think we need. My view on this is that we probably are, to the best of the police's ability; but it is not something which emanates from an examination of our needs.

It is something that emanates from the mind of the Police Commissioner, who is a Federal public servant and who, I am sure, does not even live here. He lives in Sydney, if I am not wrong. We have a police force provided to us by a Federal public servant who is responsible to a Federal Minister.

The real issue is accountability. I do not believe that we have an acceptable level of accountability. The policing arrangements contract, from what I understand, not having read it in fine detail, is pretty poor as a commercial business contract in the first instance. We cannot tell how many police we have on a particular exercise on a particular day. We do not know at a particular time what the mix of support people to operational police is. We do not necessarily have a say in the application of resources in particular parts of the community - for example, violent crime, traffic or whatever. We can get consulted, but basically it comes from on high. We need to have that accountability provided to us. We need to have the opportunity to say what it is we need and to have it built into the contract. I have confidence that the negotiations which will be going on between the office of the Minister for Justice and the Federal bureaucrats in the AFP will result in that. I hope so.

The ultimate expression of that accountability is to have a chief officer of that particular service. We have a chief officer in our ambulance service, and we have a chief officer in our fire service; but we do not have a chief officer in our police service who is accountable to this Assembly. That is the prime focus of that accountability. We need to have a person here whom we can hold accountable for the distribution and the deployment of resources and the quality of service that we provide. Quite frankly, if we complain to the Attorney-General or the commissioner, we can be told to nick off and there is absolutely nothing we can do about it. I do not find that acceptable. The Emergency Management Bill which will be put to this Assembly later on, and no doubt debated intensely, talks about an emergency management committee, and in that committee is a chief police officer. The definition describes him as being responsible - - -

Debate interrupted.

ADJOURNMENT

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

That the Assembly do now adjourn.

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

Question resolved in the negative.

POLICE COMMISSIONER

Debate resumed.

MR HARGREAVES: The Emergency Management Bill says that the chief officer will be an officer who is responsible to the Commissioner of Police. We have it in other pieces of legislation that we are putting services like the emergency management services and the evacuation committee in the hands of someone who does not even live here or has no responsibility to the place. I think it is a more serious issue than just whether we should have our own chief of police. There are other ramifications. I would urge the house to support the motion.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (5.01): Mr Osborne says, "Let us make war, not love". He wants us to stand our ground and to ensure that no concessions are made in the battle for recognition from the Commonwealth. I do not disagree with anything that Mr Osborne has said when it comes to the need for a position of the kind that he has described. I have considered this issue from many perspectives in the last three years, and I firmly have come to the view, as I said when this was last debated in this place, that the ACT does need to exercise control over the police force which it fully funds to the tune of \$53m each year.

We - that is, the taxpayers of the ACT - provide that money. We ought to have the power, through the mechanisms of government, to direct, in general terms, the AFP and the work that it does. The problems of the AFP serving two masters are sometimes subtle problems not easily manifested or easy to demonstrate or to see, but they are there nonetheless. The illustration that Mr Osborne gave about the crosses outside the Indonesian Embassy is probably an illustration of those problems, but it is certainly not the only one in the last few years that could be pointed to.

I do not necessarily believe that we need to separate the commissioner, which Mr Osborne's motion refers to, from the structure of the AFP. It may be that we can do something within the structure. It may be that, as Mr Hargreaves has suggested, other solutions are possible. I think we need to explore all of those. But one prerequisite for that to take place is a willingness on the part of the Commonwealth to accept that we are deservedly not happy with an arrangement under which we fork out \$53m and for that we do not get full control over the provision that we create.

It is worth noting in passing that there are probably some in the community who might argue that keeping distance between the police and politicians is not necessarily a bad thing. Having disinterested or detached control of the police force in a way that does not allow the local politicians access to the real levers of control might be seen by some people as a good thing. People who think that, I believe, are mistaken. There are important goals that we need to meet as a community - goals in making our community safer, goals in raising the standard of service, particularly goals in terms of the accountability of the service that we have provided in this Territory, which can be fully and satisfactorily met only by the ACT running its own police force in the fullest sense of that term.

Every year a large number of matters referred to the Commonwealth and ACT Ombudsman relate to complaints about the work of the Australian Federal Police. I think the police provide a very high quality of service. Nonetheless, there are a significant number of complaints each year. The process of assessing how valid those complaints might be is a process which is well and truly kept at arm's length from the ACT - in fact, even beyond arm's length, probably at some greater distance than that. Until very recently the ACT's exposure to the processes of that investigation of complaints against Federal Police was very limited indeed. In fact, we were as interested as anybody else in the community in seeing the Ombudsman's published report each year on results of investigations - and we are paying for this to take place, which I think is a somewhat unsatisfactory state of affairs. Those who think that separation is a good idea underestimate the need for the community to be in control of the resource that it pays for.

Mr Osborne has made reference to the issues which are to be covered in the review of policing in the ACT. The Commonwealth and the ACT have agreed that the issues concerning the appropriateness of a level and the means of payment for the current services are issues which need to be addressed by way of a review and that this review should take place in the context of the renegotiation of the policing agreement to reflect a clear line of accountability in the relationship between the AFP in the ACT Region and the ACT Government. The Commonwealth Minister for Justice, Senator Vanstone, and I have agreed to undertake a comprehensive review of ACT policing services on the basis of renegotiating that policing agreement. The policing agreement is open ended. It does not come to an end at a particular point in time, unless such an end is triggered; so putting this review into that framework of renegotiating that agreement is a process which is fair and reasonable.

A joint steering committee was established in January this year to oversight the review. The terms of reference of the review have improved reporting and financial accounting requirements as a prime objective, with a focus on the current nature and the cost of AFP policing services and the method of apportionment between ACT and Commonwealth responsibilities. The steering committee is chaired by the chief executive of my department and also comprises the AFP Commissioner, the chief executive of the Commonwealth Attorney-General's Department and the ACT Under Treasurer. I might also advise the Assembly that Mr Rein Mere from KPMG has been appointed to assist the review as a consultant, in particular to look at that exercise of costing the various ACT versus Commonwealth components of the AFP's operations in Canberra.

Having said all that and having agreed that we need control, I must say that what this motion does is to set a very high bar for the ACT to clear. What the motion says is that we should not - indeed, almost that we shall not - sign a policing agreement with the Commonwealth unless it contains a commitment to the appointment of a police commissioner for the ACT of the kind that we have been discussing in this place today.

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My party will not be opposing this motion, but we have to put on the record very clearly that that is a very arduous standard to be setting for the Government, given that in 1996 both the Commonwealth Attorney-General, who was then in charge of the Federal Police, and the Prime Minister rejected the recommendation of the Assembly's then Legal Affairs Committee that there should be a statutory appointment of an ACT police commissioner. The Prime Minister is still in office and, although there is now a different Minister responsible for the Federal Police directly, the existing Attorney-General also retains some oversight of that area.

I cannot pretend to this Assembly that I am optimistic about changing the view of the Federal Government. I certainly intend to go back to the Federal Government armed with this motion, but I need to warn members that there is a high bar that has been set and that at some point we are going to have to sign a contract to continue policing services for the ACT. I sincerely hope that that will include the provisions that the Assembly seeks, but from my position in this place - a position which Mr Osborne described in the previous Assembly as a popgun - I cannot guarantee that that can be incorporated into that agreement.

To reflect what I think Mr Osborne is seeking in this motion - that is, that the ACT, rather than the Commonwealth, should be appointing the ACT commissioner - I have circulated in this place an amendment to delete the words "proceed with" and replace them with "accede to". Until the Federal Government gives the ACT Government a commitment to accede to the appointment of a police commissioner for the ACT, no new contractual arrangement would be entered into. I formally move:

Omit "proceed with", substitute "accede to".

I ask members to support the amendment in order to clarify what the motion is about. Mr Speaker, I offer the guarantee to members that we will pursue vigorously the issues of the Assembly as placed on our plate. I hope that we will succeed, because certainly that will improve the quality of service which we can deliver to the people of the ACT and better account to them for the \$53m or so which we spend on their behalf on buying policing services in this Territory.

Amendment agreed to.

Motion, as amended, agreed to.

ADJOURNMENT

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

That the Assembly do now adjourn.

Rural Residential Development : Civic Square Fountain : Motor Vehicle Registration Fees

MR BERRY (5.12): Mr Speaker, I want to rise and express the strongest opposition to the adjournment of the house at this point. There are extremely important matters before this chamber which the Administration and Procedure Committee agreed should go on today's program of business. It is most important this evening that Labor get to the issue of the Hall/Kinlyside rural residential development. It is very clear that the Government does not want to get to that. They delayed proceedings in the earlier debate on a motion under private members business to ensure that we never got to this matter, because there is just so much embarrassment and so much smell about it that they do not want it to be discussed anymore. Mr Speaker, we are not going to agree to this adjournment. The whips have discussed this and your Whip has been informed that we do not agree to this adjournment. This is private members business, and we do not want the Government interfering in our right to deal with these important issues which have been programmed for today. We will be voting against the motion.

Mr Speaker, it is unusual for the Government to step in over private members business without the agreement of the Opposition. In fact, this rarely, if ever, occurs. The Government is now saying that we cannot discuss this - not because it is late at night or early in the morning, but because the Government does not want to discuss it, because it is embarrassing. They have been caught out badly on this one. It smells and there is more to be said. The two Liberal members from that area are humiliated and embarrassed by the Government's performance. They do not want to talk about it. They do not want to hear about it again. I saw the most pathetic performance from MLAs in relation to this matter - - -

MR SPEAKER: Mr Berry, do not debate the issue. Be careful.

MR BERRY: That was at a meeting with Hall residents earlier on. It demonstrates how embarrassed the Government is about dealing with the business on the notice paper. I am appalled that the Government would seek to ride roughshod over the wishes of private members to debate issues of significant community interest. It is just a sign of how weak and gutless they are when it comes to openness and consultation, notwithstanding their continuous bleating on the matter.

There are another couple of issues I want to raise in this debate. The first is that members will be surprised, if they look outside, to see that the fountain is working. One wonders how much damage was done by bringing it into service in the election campaign and how much it cost to fix it as a result of Mr Humphries's urgency to get it working. The other issue is that today the Government was out proudly promoting that it was going to put up rego fees again by another \$1.50 and third-party insurance by \$9. The \$1.50 is just another tax. I also learnt today that the Government has been promoting its sensitivity and, to make it easier for everybody to register their car in small grabs, people can register their car for six months at a time. But, if battlers want to do that, it is going to cost them an extra \$80. What a joke! Mr Speaker, I return to the motion to adjourn.

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Mr Smyth: Yes; that is because you know that what you have just said is incorrect.

MR BERRY: It is not incorrect. It is going up by \$9 and there is \$1.50 built into it somewhere.

Mr Smyth: But it is not registration. It is compulsory third-party insurance.

MR SPEAKER: Order! Do not debate the issue.

MR BERRY: The \$1.50 is just a tax. It is a safety tax. It is just a tax. I return to the issue of the adjournment. We will oppose the adjournment. The Government is riding roughshod over the Opposition because they are embarrassed about the Hall/Kinlyside development. So they should be, because it is on the nose.

Mental Illness

MR MOORE (Minister for Health and Community Care) (5.17): Mr Speaker, this week is Schizophrenia Week. With members of the Schizophrenia Fellowship, it seems to me that it is an excellent time to raise this issue in the adjournment debate. I was at a lunch today and Marilyn Landau, the author of a book entitled *Snippets on Sanity*, provided me with a copy. She signed it for me, I am proud to say. I think the best thing I can do is read out some parts of the book by somebody who has suffered from mental illness and is now well:

Perhaps it is a quirk of language that certain objects, ideas and people are categorised or, more specifically, labelled. It is probably necessary for communication purposes. However, labelling people can have derogatory, hurtful and negative connotations.

I am sure members are conscious of that. I do see some schizophrenia badges on members around the Assembly. This part continues:

These connotations can lead to repercussions, particularly for the psychiatrically disabled, such as being misunderstood, being unhappy, having poor self-esteem, poor communication and social skills, to mention a few examples.

To most people, the label implies that a psychiatrically disabled person is a problem, a nuisance, difficult, weird and mad.

We are all lumped together in one category labelled 'psychiatrically disabled', regardless of our own idiosyncrasies, our own unique personalities and individual characteristics.

If the truth be known, we accentuate these traits in other people. People do not want to be reminded that they, too, have similar or the same traits, to a lesser degree, which they keep hidden. Thus, these people feel uneasy, uncomfortable and embarrassed. In other words, it is too close to home for them. Therefore, we are treated with fear, suspicion, scorn, ridicule and ignorance and often in an infantile manner.

On the other hand, to label one as 'normal' means that one is lumped into a category despite individual differences. 'Normal' is defined in *The Concise Oxford Dictionary* as '... conforming to standard, regular, usual, typical; free from mental or emotional disorder.'

Normal can imply that one is dull, uninteresting, boring and bland. The psychiatrically disabled exhibit none of these traits. On the contrary, most are colourful, original, distinctive and unafraid to be expressive, uninhibited and creative. It is only when we have been doped up with medication (sedated) and when we have been lectured (counselled) that most of us lose these characteristics. We are deviants. We are coerced to conform to fit into Western society. We are forbidden to be our natural selves. Is it any wonder that some psychiatrically disabled commit suicide?

Sometimes the pressure to conform can kill.

Normal people seem to feel threatened by, and maybe even envious of, our abilities and behaviour. They try to stamp it out and/or put us down. Perhaps that may also explain our loss of confidence, self-esteem and distinctiveness.

In addition, most of us are extremely sensitive and try to please people. Usually we tend to avoid conflict and risks. Thus, we succumb to conformity in order to survive. We live in a Western society which seems insensitive towards deviants and eccentrics.

I go to another part of the book on rights. The chapter is entitled "Have human rights gone too far?". Exploring some of these issues in this way has been quite an eye-opener for me. The book states:

The rights of the mentally-ill person are all very well in theory. In practice, however, these rights often pose agonising dilemmas for the carer.

As well as suffering from delusion, hallucination and other bizarre symptoms, the mentally-ill person also experiences irrationality and illogical thought processes.

This means that the mentally-ill person is in no fit mental state to make important decisions at that particular disturbing time.

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It is preposterous that such rights should take precedence over the protection of these people especially when, in some extreme cases, decisions made by mentally-ill people have led to their death.

Surely, a more balanced stance should be taken between human rights and protection, in the best interests of all concerned.

It is an extremely delicate situation and needs to be carefully considered.

Have human rights of the mentally-ill people gone too far?

The author also explores the Burdekin report and cites Brian Burdekin as her hero, and for obvious reasons. Remember that this is the view of somebody who has suffered from mental illness. This week is an appropriate time to think about it. One of the most moving things for me was a poster that I saw displayed today - and I imagine many of you have seen it - stating, "Some people call her mentally ill. Her parents call her Michelle". I think that really helps to put mental illness in perspective. It is appropriate for us, this week, to try to remember that it is an issue we have to deal with. We will try to deal with it as effectively as we possibly can.

Rural Residential Development

MR CORBELL (5.22): What we have seen from the Government today is an appalling mode of behaviour which is designed purely to defend themselves from even raising in this place an issue of significant public concern, and that is, the Hall/Kinlyside land agreement. So much for open and cooperative government in this place. So much for goodwill from the Government side of the house when it comes to debating issues. This issue is of significant public concern. It is an issue that the Labor Party made it clear prior to today that it wanted to have debated in the chamber during private members business this Wednesday. What we saw from the Government this afternoon was nothing short of a pathetic attempt to filibuster a debate for as long as possible so that they did not have to address these issues in the Assembly today.

Mr Speaker, this is an issue that the Labor Party treats very seriously. If this is the sort of behaviour and the lack of goodwill that we are going to see from the Government party and other members potentially in relation to the management of private members business, any other goodwill in this place will rapidly evaporate. It will not be, Mr Speaker, due to any action on the part of the opposition parties which have indicated their willingness to negotiate in relation to the business of this place and to accommodate the needs and concerns of other members. If we are not seeing that from the Government party, I have to say that cooperation and goodwill will rapidly disappear. I urge members in this place to not consider the Government's adjournment today as a normal matter of fact process. It was nothing more than a deliberate attempt to close down debate on a specific public matter. If the adjournment is approved by members this evening, I give notice now, Mr Speaker, that the Labor Party will seek other avenues to have the matter debated during this sitting week.

Rural Residential Development

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (5.24): Mr Speaker, I want to respond to a few - - -

Mr Berry: Are you closing the debate?

MR HUMPHRIES: No. I thought that I was able to speak on this matter without closing the debate, but I will have the Clerk - - -

Mr Berry: You think you can talk all the time. Sit down.

MR HUMPHRIES: Well, it is not that far - - -

MR SPEAKER: Just a moment. I am just getting this checked for you because it is important. I am advised that you will close the debate.

MR HUMPHRIES: Thank you, Mr Speaker.

Emergency Services

MR HIRD (5.25): I would like to make a contribution - - -

MR SPEAKER: Never mind; just get on with it.

MR HIRD: Thank you, very stern Speaker. I inform members that last weekend I had the great privilege of opening a new Emergency Service centre on Drake Brockman Drive in Belconnen, known as the Molonglo Emergency Centre. This has brought together two groups of personnel - 27 from the bushfire volunteers and 25 from the Emergency Service - who will now be housed in this emergency centre. Members would also observe the fact that, by combining these two groups, it utilises cross-training facilities. Also, the equipment and other resources can be shared between the two groups. As we have seen over the years, from time to time personnel from the bushfire area assist the Emergency Services personnel during the winter months. So it makes good sense for those personnel to be combined into the one emergency centre.

From time to time these personnel assist New South Wales, particularly the south-east region of New South Wales. They received a commendation from the New South Wales Government for their assistance to the Emergency Service personnel in Thredbo during the disaster there. They are to be commended for the efforts that they have put in on behalf of the citizens in that area. Also, members would be aware of the personnel that assist in bushfire fighting. There have been a number of cross-border fires in recent times and they have assisted the New South Wales bushfire personnel in extinguishing them.

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Mr Speaker, the more we use these volunteer personnel, or whatever resources that are available not just to the ACT but also for cross-border purposes, the more it augurs well for a relationship within the region. It is fair to say that the bushfire personnel also have the support of the other three services - police, ambulance and permanent firefighters, which Mr Berry would, no doubt, have some appreciation of. These volunteers back up the three emergency services from time to time. I can recall in Belconnen in 1995 that two young persons were lost in a water storm - - -

Mr Stanhope: Stormwater drain.

MR HIRD: Stormwater drain. I thank the Leader of the Opposition for that. It was of some concern not just to the parents but to all those in the Belconnen area. The people that assisted the police at that time were volunteers. They used their expertise to rescue these young people and they are to be commended for it. An example of the way the Government has brought the four groupings together - as I am sure Mr Corbell would understand - is in Gungahlin, where the Emergency Service personnel are now in one centre. I think that is the way to go. It is a positive step. We note that even the police are now going to be on shopfronts. The Minister announced this just recently. This augurs well for our Emergency Service personnel. The more we can utilise the facilities, the better response time we can get. They have to be used on a professional basis. If a natural disaster occurs, not just in the ACT but within the region, the response has to go well.

MR SPEAKER: Order! It being 5.30 pm, in accordance with standing order 34 the Assembly stands adjourned.

Assembly adjourned at 5.30 pm