



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

23 June 1998

Tuesday, 23 June 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.

SUSPENSION OF STANDING ORDERS

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (10.31): Mr Speaker, I move:

That so much of the standing orders be suspended as would prevent:

- (1) any business before the Assembly at 3.00 pm this day being interrupted to allow the Treasurer to be called on forthwith to present the Appropriation Bill 1998-99;
- (2)(a) questions without notice concluding at the time of interruption;
or
(b) debate on any motion before the Assembly at the time of interruption being adjourned until the question "That debate on the Appropriation Bill 1998-99 be adjourned and the resumption of the debate be made an order of the day for the next sitting" is agreed;
- (3) at 3.00 pm on Thursday, 25 June 1998, the order of the day for the resumption of the debate on the question "That the Appropriation Bill 1998-99 be agreed to in principle" being called on notwithstanding any business before the Assembly, and that the time limit on the speech of the Leader of the Opposition, Independent members and the ACT Greens be equivalent to the time taken by the Treasurer in moving the motion "That this Bill be agreed to in principle"; and
- (4)(a) questions without notice concluding at the time of interruption;
or
(b) debate on any motion before the Assembly at that time being adjourned until a later hour that day.

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Mr Speaker, this is the usual motion which is moved to facilitate the presentation of the Appropriation Bill at 3.00 pm today and then debate on the Bill next Thursday. Recording of proceedings by the media, I understand, will be dealt with by different arrangements this year. Those arrangements have been, or will be, agreed to by you, I understand, Mr Speaker.

MR BERRY (10.33): The Opposition agrees with the motion, Mr Speaker.

Question resolved in the affirmative, with the concurrence of an absolute majority.

BIRTHS, DEATHS AND MARRIAGES REGISTRATION (AMENDMENT) BILL 1998

Debate resumed from 28 May 1998, on motion by **Mr Humphries**:

That this Bill be agreed to in principle.

MR STANHOPE (Leader of the Opposition) (10.33): Mr Speaker, the Opposition accepts the sense of the Bill. The legislation tidies up an administrative arrangement in relation to categories of people who may wish to change registration as a result of a change of name by deed poll or a change of gender. To that extent, we accept the sense of the Bill. However, I understand from advice received from the Minister's office that it is not expected that very much new business will be conducted. The legislative amendment will probably cost the Territory more than the revenue we might gain by it. Despite that, we accept that it is a worthwhile piece of housekeeping.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (10.34), in reply: Mr Speaker, I thank Mr Stanhope for his support for the Bill. It is a mechanical Bill which effectively makes it clear that a fee is to be charged for lodgment of applications to note a change of name in the record of birth and to register a change of sex. As Mr Stanhope notes, these are not exactly booming industries in the ACT, although perhaps further radical social reform can make it that way and we can make more money out of it.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

MILK AUTHORITY (AMENDMENT) BILL 1998

Debate resumed from 21 May 1998, on motion by **Mr Smyth**:

That this Bill be agreed to in principle.

MR HARGREAVES (10.35): Mr Speaker, this Bill is in essence a machinery Bill. It intends to protect the ACT from prosecution under the Trade Practices Act by extending transitional arrangements from 21 July this year to 31 December this year. The Bill preserves the current arrangements regarding the role of the Milk Authority until that time and gives us reason to approach the ACCC for consideration of suggested non-compliance with competition guidelines in respect of milk supply in the ACT.

The philosophy behind the Bill is sound, in that it gives a framework for the ACT to consider the review of the supply of milk without the pressure of non-compliance sanctions from the Commonwealth. However, Mr Speaker, it is not necessarily a watertight umbrella for the retention of current practices of sole milk supply by the authority. Already we have seen the current practices attacked by Woolworths and National Foods. Woolworths' advice to Capital Chilled Foods that they will no longer source Capital Chilled Foods for milk products is indicative that Woolworths and National Foods intend to flout the current arrangements and test the resolve of this Government and the laws of this Territory.

It seems to me, Mr Speaker, that National Foods intend to supply Woolworths outlets from interstate and to challenge the Government to stop them. Perhaps they are assuming that section 92 of the Constitution gives them the right to indulge in predator-like tactics. Neither Woolworths nor National Foods is content to wait until after the review has been considered by the Government, to wait and see whether deregulation is introduced and to have the public benefit test applied. Why not wait until after these considerations before marching into the ACT and eliminating many small businesses and ACT jobs - a result which will inevitably accompany the incursion of suppliers from New South Wales? Mr Speaker, I would encourage the Government to use all its power, not merely take legal advice, to stop this incursion. Has the Government considered taking out an injunction against Woolworths and National Foods to stop them until such time as the competition and deregulation issue has been determined?

Mr Speaker, this action from Woolworths and National Foods and the fear and trepidation felt by the many people in our industry here show only too graphically that the clouds of destruction loom large on the horizon for the small player in our milk industry. This action is nothing short of an invasion before the public benefit test can be mounted. It is blitzkrieg. I would like to see the Government support the local industry, not merely sit on its hands and watch interstate interests come into this city and devastate the aspirations of the small vendors and distributors and the 400 young people who have milk runner jobs, and see those interstate interests monopolise the supply of milk through predatory commercial practices.

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The intention of competition policy is to provide cheaper high-quality goods through open competition. The theory is good but lousy in practice when we can see the giants of food retailing taking advantage of the freeing up of a market and destroying competition through the elimination of small players, and then setting whatever pricing structure they like. This is not competition; this is monopoly by stealth - and, in the case of action of late by Woolworths and National Foods, not too much stealth has been used. Mr Speaker, I speak in support of the Bill and urge the Government to take the giant head-on, to represent the smaller local industry players and to ensure that Woolworths and National Foods do not kill off our local industry.

MR OSBORNE (10.39): I too rise to support this Bill. I understand that this Bill clarifies the ACT's regulatory position and ensures that the Territory is not in breach of the conduct rules in the Trade Practices Act and therefore exposed to litigation. But in supporting this Bill I want to flag some serious concerns I have about the way in which the Government has proceeded with the inquiry into the milk industry and its whole approach to implementing competition policy.

Mr Speaker, I would like to read some sections of the House of Representatives report "Cultivating Competition". This is a report of the Standing Committee on Financial Institutions and Public Administration on several aspects of the implementation of competition policy. The report notes at the outset that there is considerable agreement that economic benefits will flow to Australia through the competition policy reforms, but it goes on to say that there is considerable disagreement about the magnitude of those benefits. It also says:

In many instances it is difficult to differentiate the benefits of competition policy from those of other reforms.

But, tellingly, Mr Speaker, the report outlines some of the impacts that have not been assessed. It says:

There has been no major analysis of the broader socio-economic costs of the reforms particularly the impact on unemployment, changed working conditions, social welfare, equity, social dislocation, environmental impacts
...

You have to be joking! How can a policy like this be allowed to proceed without some attempt to measure the social impact? What kind of half-arsed policy is this? Mr Speaker, despite what this Government would have us believe, the report says that the main consultation and discussion of the reforms took place within the Council of Australian Governments. It says:

So far there has been little discussion in the community on competition reforms.

How does that sit with what we have been told by this Government? I have said in this place a number of times that most of the community was not involved in the debate about these reforms, and that has been ridiculed by the Government.

Governments around Australia are now asking themselves why Australians are not taking to their grand ideas. I think it is quite simple. You never asked them. You confined your debates on ideas which would radically change their lives to bureaucrats, peak industry bodies and this country's executive governments. Then you foisted those ideas on parliaments around the country and said that we had no room to manoeuvre. You said that we could not change a word of the sermon that had been delivered from the mount. Then you interpreted the agreement to suit your own ideological agenda.

This report keenly examines the public benefit test that is a key part of the competition policy reform package and makes a series of recommendations. How many times have we been told that we have no choice in the way we go about exposing our public utilities, our regulated industries and our laws to competition policy? Yet this report says that we should not pursue competition for competition's sake. This report says that the ultimate decisions on the weighing up of the costs and benefits are basically political ones, to be justified by the parliament and, in the final analysis, by the electors. In another place it says that the agenda for the application of the competition neutrality principles is a matter for each government to decide. The reality is that we do have a choice. Parliaments around the country are not tied to some completely unbending model that has been imposed on us from on high. Yet it appears that this Government would have us believe otherwise.

In the committee's recommendations we find some very interesting reading. The committee makes a series of recommendations on the public benefit test and it is interesting to note that the Federal Government agreed to almost every one. Recommendation 1 has 14 parts. Part (j) says:

Where possible reviewers should be independent of the existing arrangements with more significant, more major and more sensitive reviews demanding greater independence;

Excuse me! How does the Government review of the milk industry in the ACT line up with this recommendation? I do not wish to question the integrity of the person conducting this review. I am certain that it is above reproach. However, I do question the motives of the Government, which has compromised the process and has conducted an internal review of a process which clearly should have been held in public. I have to say, Mr Speaker, that I have had enough. I am flagging today my intention to set up a body independent of the Executive to conduct future reviews and to review the decision handed down by the inquiry into milk.

Another recommendation says:

Where reviews are undertaken by persons closely involved in the activity in question, there should be provision for a review or reconsideration of the initial conclusion by some person or body independent of the relevant activity;

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Quite clearly, Mr Speaker, you can see that we have a problem here. I have had enough of relying on the Government's word when it comes to interpreting competition policy - a policy which will affect the lives of everyone in this city, and potentially everyone in this country. It is time for this policy to be transparent, as the Federal parliamentary committee concluded. If the Government will not do that, then I think that the majority of members in this Assembly should think about it.

MR KAINE (10.45): Mr Speaker, let me say first that I support the amendment to the Act currently before us, because it is something that we must do to protect our position in the immediate future. Speakers in the debate up until now have indicated that it should not be assumed that the Assembly is going to sit idly aside while the Milk Authority is done away with, unless there is substantial reason to take that course of action. I think in the past, in other cases where questions have arisen about national competition policy, we have been all too easily persuaded by the Government that if we do not do this thing now we are going to lose lots of Commonwealth money. Mr Speaker, that has not yet been tested. I believe that on a couple of occasions in the past the Government has gone to water without any argument or debate on the matter at all. The Milk Authority is one organisation in respect of which there is no doubt that considerable public benefit can be demonstrated. Mr Osborne has indicated also that there is a process that has to be gone through, and there is some question as to whether the Government has gone through an appropriate process, up to this point, in connection with the future of the Milk Authority.

As other speakers have done, Mr Speaker, I am merely signalling to the Government that, if, on this occasion, they seek to succumb, without debate and without argument, to the destruction of a very useful and valuable public organisation in the Territory, then they may not succeed without some argument and some objection from members of this Assembly. I think that this might be a valuable occasion for the Assembly and the Government to test the Commonwealth on this question of the terms and conditions under which we will continue to receive the payments that are due to us under the uniform competition policy legislation. It might be an interesting test case that could well prove that the Commonwealth cannot arbitrarily impose requirements on a Territory or a State to do away with valuable organisations set up in that State or Territory. By valuable, I mean organisations which contribute materially to the benefit and the wellbeing of the community.

I have no difficulty whatsoever, however, with this current amendment, which merely sets our position in concrete for at least six months, during which time the question of the future of the Milk Authority can be adequately debated and all of the issues in connection with it, including the Commonwealth Government's position on the matter, can be appropriately tested.

MR RUGENDYKE (10.49): I also rise to support this Bill. As a responsible member, I see no other choice if we are to protect the Territory from breaching the Trade Practices Act. However, while discussing milk, I would like to take this opportunity to voice my concerns about reforms in this industry. I hold grave fears about the impact that deregulation of the milk supply will have on the ACT. Most importantly, I feel that we are putting local jobs on the line by giving the green light to interstate suppliers, and my concerns are growing by the day. I support this Bill, with reservations about the subsequent deregulation, if that is to occur.

MS TUCKER (10.50): I rise briefly to say that I am really pleased to see that the debate about competition policy is so strong at the moment. In 1995 the Greens instigated a select committee in this place to look at issues around competition policy. There was not a great deal of interest at that point because, as Mr Osborne pointed out, everyone was pretty well convinced by the rhetoric that we had no choice and that this would definitely enhance community benefit in Australia.

The consequences are now being seen as we see competition policy applied to matters that affect people in the ACT and as we see the illogical nature of some of the way that competition policy has been implemented. We are told, "Because of competition policy we have to deregulate milk. That will mean that the consumer will pay more for milk, but it is still a really good idea because it is in line with competition policy". There are questions that really need to be addressed by the Government. I am delighted to see everyone in this Assembly, apart from the Government, questioning how we implement competition policy, acknowledging that we do have a choice, and acknowledging that we have to test what the public interest is.

The issue of community service obligations also has to be brought into this discussion. That issue was a very high priority in the recommendations of our select committee, recommendations which basically have been ignored by the Government. That debate needs to occur at the same time.

MR SMYTH (Minister for Urban Services) (10.52), in reply: These amendments have not been made lightly. I thank all members for their support. I also thank members for raising their concerns here. National competition policy obviously affects us all across the nation, and it should not be taken lightly. I suspect that the entire milk industry, whether it be before the farm gate or after the farm gate, is something that competition policy could be applied to. It would be interesting to see what effect a truly deregulated entire milk market had on prices.

As I have already indicated, the Milk Authority currently engages in conduct which, come 21 July, will potentially be in breach of the Trade Practices Act. It is important that we protect the authority from such actions. The six-month extension to the authorisation will give the Government and the Assembly time to properly consider the outcome of the Milk Authority review. It is important that we all have time to look at the issues that are raised.

The issues relating to the Milk Authority have raised a significant amount of public interest. We will obviously be consulting widely with the community on the future of the milk regulation regime in Canberra. When I release that report later this week, I will be happy to engage in discussion. I am sure that we will have discussion in this place about process, about the suitability of the review and about the whole issue of national competition policy. As an Assembly, we can address those issues. I am certainly willing to discuss them with members. I thank members for their support for this Bill.

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Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

RATES AND LAND TAX (AMENDMENT) BILL 1998

Debate resumed from 28 May 1998, on motion by **Ms Carnell**:

That this Bill be agreed to in principle.

MR QUINLAN (10.54): Mr Speaker, I rise to support the Bill because it is part of the Government's budget, which we will see in its entirety today. In supporting the Bill we would like to add some qualification. First of all, the Bill was introduced with a claim that rates were increased by 2½ per cent. The actual gross take increase in rates is 3.3 per cent. You can work out the 2½ per cent by taking the existing properties on average, calculating the take on those, and then adding the new properties after. That is the last time you see the 2½ per cent. In fact, this has been restructured in a regressive fashion. The fixed component has been increased by 9 per cent - - -

Ms Carnell: This is your mechanism. You signed off on it last year.

Mr Humphries: Yes, you all agreed to it.

MR QUINLAN: We are not talking about a process; we are talking about the numbers you used.

Ms Carnell: No, the process. The process is what we all signed off on.

MR QUINLAN: You have used the process in a regressive fashion in relation to rates.

Ms Carnell: But this is the way we all decided to use it.

MR QUINLAN: You have increased the fixed component by 9 per cent. You have increased the rating factors by 3.8, 4.9 and 3.8 per cent. The 2½ per cent does not exist. Had land values remained constant, then the lower end of the market would have paid a higher increase in rates than would have the higher end of the market. Therefore the formula, as it stands, is being applied in a regressive fashion. Fortunately for a lot of people at the lower end of the market, it does not necessarily mean an increase in their rates this year, because the lucky souls have had a decrease in their land values. The process that has been applied is effectively rejigging the rates to ensure, in spite of the fact that land values have decreased, that there is an increase in the overall rates take. The threshold remains constant. Land values go down, but the threshold remains constant. Again, that is regressive.

We do support the Bill because it is part of your overall budget; but please be on notice that if the movement in land values changes, if we do not see a continued lowering of value at the bottom end of the market - which is, in fact, a very telling and very eloquent statement on the state of the overall economy in the ACT - then we will not necessarily support a continued application of this system in a regressive fashion.

MR KAINE (10.57): Mr Speaker, I support the Bill before the house. The basis on which rates and land tax are assessed in the ACT has been a matter of some debate and conjecture ever since self-government and I have no doubt was for many years before. No matter what system you introduce, there is always perceived to be some inequity. I think that is what the shadow spokesperson on treasury matters has alluded to today. If you break down the formula on which the Government now calculates its rates levels, I believe that this is as equitable a system as you could devise. We have looked at different bases for assessing rates; but I think that the concept of a fixed-rate charge reflects the fact that all landowners or land occupiers receive a certain level of service that costs the Government a certain amount regardless of the value of their property. I think that the fixed-rate component is a reasonable contribution for all land occupiers to make. Then, on top of that, there is an additional element based on a three-year moving average of unimproved property values. I believe that those two components taken together do distribute fairly the burden of the costs of running the city, and that is essentially what this revenue is collected to do.

Of course, there is a rates-free threshold in there at \$19,000, which I think is fair. At the end of the day, of course, no matter how you do your assessment, no matter what rate in the dollar you set, no matter what unimproved capital value is determined, the bottom line is that the Government has to collect enough by way of rates revenue to cover the costs of running the city. In recent years, that has been running at around \$100m a year, give or take a bit. It increases over time, as do all costs, certainly while there is even minimal inflation. The increase this year, the Treasurer tells us, is consistent with the inflation rate, which is about 2½ per cent.

I believe that that is about as equitable a system as we will get. I must admit that, when I got my rates bill, I had no complaint about it. It seemed to reasonably reflect the movement in values and the amenity that I enjoy on the piece of land on which I reside. So, Mr Speaker, I do not support the reservations on this matter expressed by the Opposition. I think it is a reasonable system and I think there would be very few people who would have a legitimate cause for complaint as a result of the calculation of their rates for the next year. So, Mr Speaker, I support this Bill without reservation.

MS TUCKER (11.01): Mr Speaker, in the last Assembly we had major discussions about the rating system. While there was general agreement about the new system, there were some concerns expressed by different members. One of them was in relation to the fixed-charge component. The outcome this year highlights the potential problem that there will be a “creeping” increase in fixed charges. When the system was introduced, we argued that the fixed charge should be lower, to cover only garbage costs, which would be about \$100 to \$120. This would have sent a very strong message. Rather than paying for a bundle of services which are not very clearly defined, households would be made aware of the cost of garbage collection, which is currently about \$12m a year in the ACT.

Maroochy Shire Council, for example, has a computer chip installed in recycling bins so that householders who put out their recycling bins more than 20 times a year are given a \$20 concession on their rates. This is just an example of what could be done. There are other ways in which you could do that. If it were given for putting bins out fewer than 20 times a year, it might be more useful, especially with the current state of the recycling industry. If people actually reduced their waste and did not always feel quite so comfortable about creating garbage, whether it is recyclable material or waste, we might actually become a less wasteful society. Another suggestion is the installation of a non-refillable insert to reduce the volume of the garbage bin.

At the time the new rating system was introduced, we also argued that the rate-free threshold should be indexed to inflation. The Government has said that rates could be pegged to the CPI; but the fixed component, which applies equally to all houses regardless of value, has increased by much more than inflation. The fixed-charge component has increased from \$220 to \$240, or over 9 per cent. When the new system was introduced, the Government argued that the fixed charge was offset by a rate-free threshold of \$19,000; but, while the fixed charge has increased, the rate-free threshold has not changed in 1998.

One of the other issues I raised last year was the logic - or the lack of logic - in the system for determining the differential between commercial and residential rates. To redress the drift towards residential properties bearing the greater proportion of the rating burden, the Government put in place an 85 : 15 policy; that is, that 85 per cent of rates revenue comes from residential. Why not set a differential rating structure, rather than determining the rate to apply to residential and commercial sectors based on some arbitrary ratio?

I think there would be some real benefits in an Assembly committee examining some aspects of the rating system. Obviously, it is far too late for this year; but we have plenty of lead time for the 1999-2000 financial year. In my opinion, there is definitely room for improvement. The issues that we would like looked at include the most appropriate split between the fixed charge and the component of rates on unimproved valuations, with a view to amending the legislation to ensure that the Government does not have the power to just increase the fixed component as much as it pleases. We also would like to look at whether it could be enshrined in legislation that the rate-free threshold is indexed to inflation. The issue of a commercial rate obviously needs to be looked at. Building in incentives such as that in Maroochy Shire to encourage households to minimise their waste would certainly help us meet the no waste by 2010 policy.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (11.04): Mr Speaker, I make a brief contribution to this debate, particularly about the comments made by Ms Tucker. The rates system that the Government put in place - I think, last year, finally - was the culmination of a very long and fairly tortuous debate about what we should be doing with rates. It was the Government's stated commitment that we should avoid the situation, which had operated under the former Labor Government, of huge rises in rates for individual householders in particular parts of Canberra and of equally huge falls in other parts of the city. Those sorts of roller-coaster rides on the annual rates bill were really quite unnecessary.

We worked through a new system. That system has delivered, in at least one or maybe two rates years since it was put in place, a much more stable arrangement for the delivery of rates and changes in rates across the city. That has been a major achievement. So, I hear with hesitation the suggestion by Ms Tucker that we should go back and reopen the question of what we do with rates. I would urge members to be careful about this. It was extremely difficult to find out of that last review a formula which was fair and which provided for stability, and I would strongly urge members not to think that we can easily just plunge back into this pool and emerge with a clear answer.

Also, the suggestion that the Government should not be allowed to set the fixed-charge component of the rates is a somewhat extraordinary suggestion. If the Government does not fix it, who is going to fix it? Surely that is of the essence of what budgeting is all about. If the Government cannot fix its own fixed-charge rate in the budget, what is it supposed to have control of? I do not think any government - an alternative government included - in any budget would want to forgo the right to set that part of the rates bill.

Mr Quinlan: You have to answer for the level to which you change it, though, do you not?

MR HUMPHRIES: Of course, the level can be changed.

Mr Quinlan: You have to answer for it.

MR HUMPHRIES: Mr Quinlan makes the point that we have to answer for that. We will do so, and we think we have a very good answer to that. In respect of this year, the rate increases are moderate across most of the city and the fixed charge rises marginally. Mr Speaker, bear in mind that everybody in the city uses a certain amount of services, whether they live in a grand mansion in Forrest or in a bed-sit in Richardson. They use a certain base quantity of services, and that fixed charge reflects only part of the base services that people use. So, it is not unreasonable that that base level be there and, indeed, that it increase somewhat to reflect the uniform use of those services which people make across the city.

Mr Speaker, we have a floating amount, varying from suburb to suburb and from value of property to value of property, to reflect the fact that there is a need for some sort of mechanism to allow for people to pay different amounts according to their means, at least as reflected in the value of their property. So, Mr Speaker, I would say to people that the system is not easily modified. If members have a bright idea about how to change the system positively, we will be looking at that. We will be very happy to see what that might be. But let us not just plunge into a decision to reopen the question of how the rates system operates, because an answer will not be easy to come by.

MS CARNELL (Chief Minister and Treasurer) (11.08), in reply: Mr Speaker, I think that this debate is extremely interesting, taking into account what Mr Humphries said when he gave a little bit of the history of rates in the last Assembly. I think one of the things that maybe many people have forgotten is that the approach that this Government took was to increase rates by the increase in the CPI. That is what we did

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for our first two years, because we believed that the approach that the previous Government had taken, with increases in rates of 30 per cent - huge increases - was simply unacceptable and unfair to the ratepayer. So, we went to a situation of just increasing rates by the increase in the CPI every year.

But what happened, Mr Speaker? This Assembly pulled the plug. This Assembly said, "Not anymore, Government. This is not all right. This means that, where property values are going down or going up, the rates bills are not reflecting property value. They are just going up by the increase in the CPI every year. Come back with a new approach, Government". Mr Speaker, after lots of consultation, lots of different models and a number of debates in this place, we came back with this approach, which was agreed to, I think, unanimously. Certainly, it was very close to that, if it was not unanimous.

This rates approach is a product of the Assembly, not a product directly of the Government at all. Our position was to use the CPI. But we believed that this approach achieved what the Assembly wanted - and that was an approach that did reflect unimproved capital value, that did reflect the cost of services provided and that did have the rates-free threshold to ensure that the effect on any one particular ratepayer was not the sort of effect that happened under the previous Government, with increases of 30 per cent and even more in some circumstances. You can imagine the absolute horror of opening your rates bill to find an increase of 30 per cent. It was just dreadful, Mr Speaker.

Mr Quinlan sort of suggested what this Bill does, but then seemed to get off the track a bit. The total revenue estimate for 1998-99 is \$101.4m - and the 2.5 per cent does come in, Mr Quinlan. It comprises the 1997-98 collections indexed by the expected change in the CPI of 2.5 per cent in 1998-99, approximately \$100.25m; additional revenue from new properties generated by land sales, \$650,000; additional revenue from properties previously owned by the Commonwealth Government which are now liable for rates, \$200,000; and additional revenue from the extension of the tax equivalents regime to government business enterprises, \$300,000.

Mr Speaker, an independent rating review conducted in 1995 recommended that up to 50 per cent of rates revenue should be collected from a fixed charge, which for this year would have been approximately \$380 per property. This Government believed that that was simply unfair to people who live in lower-value properties, because it would have meant quite significant increases in those areas. We decided that we should go for a balanced approach. The increase of some \$20, from \$220 to \$240, per property for the fixed charge is very modest, Mr Speaker. So, comments that somehow there is a 9 per cent increase because there is a \$20 increase in the fixed charge are simply ridiculous.

Mr Speaker, this rates formula is a product of this Assembly - or the last Assembly - but a product of debate and a product of consultation. It went out to the community. We spoke to people. And this is what we ended up with. So, it is a bit rich for Ms Tucker and Mr Quinlan to somehow start distancing themselves from something that, by the way, Ms Tucker herself was involved with.

Mr Speaker, I am very pleased that everybody, it appears, is supporting this piece of legislation. What it does is ensure that the people of Canberra will not end up in the situation in which they ended up under the Follett Government, with huge increases and, for that matter, decreases in rates, and never being able to be confident of where rates were heading. In this situation, Mr Speaker, the ups and the downs have very much been evened out. The increases and the decreases are fairly minor in most situations, and we have delivered confidence to the Canberra community.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

GAMING MACHINE (AMENDMENT) BILL 1998

Debate resumed from 21 May 1998, on motion by **Ms Carnell**:

That this Bill be agreed to in principle.

MR QUINLAN (11.14): Mr Speaker, this Bill only ensures that gaming machines are not used within the Canberra Airport precinct. It is supported.

MS CARNELL (Chief Minister and Treasurer) (11.14), in reply: Mr Speaker, I thank the Assembly for its support for this legislation. It is important that we ensure that, with the sale of the airport, we do not end up losing control over gaming products in that area. I do thank the Assembly for its support.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

PERSONAL EXPLANATION

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer): Mr Speaker, to give Mr Osborne time to sprint down from upstairs to present the scrutiny of Bills committee report, could I make a personal explanation under standing order 46?

MR SPEAKER: Proceed.

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MR HUMPHRIES: Mr Speaker, on Saturday, 6 June, the *Canberra Times* printed a story about the release of Mr Emmanuel Viglatgis from prison in New South Wales without a valid parole order having been issued. In that article the reporter, Mr Frank Cassidy, says, in relation to the claim by the New South Wales department that a phone call led to Mr Viglatgis's release:

Mr Humphries disputes that such a phone call took place. "It's a cock and bull story," he said.

Mr Speaker, I did not describe the allegation made by New South Wales Corrective Services as a cock-and-bull story. I did describe it as untrue; but it is not in my nature to describe it as a cock-and-bull story. That kind of language is not the sort of language that I have generally used, certainly not to newspapers. Mr Speaker, my office did not make any such claim to Mr Cassidy, or anyone else, using those words. Since publication, my office has contacted the *Canberra Times* and asked that they publish a correction, which to date they have not done. Accordingly, I am taking the step today of explaining those remarks to the Assembly. They were not made by me or anyone in my office. I can only assume that Mr Cassidy simply made them up to suit the story.

GAMBLING - SELECT COMMITTEE Alteration to Resolution of Appointment

MR KAINE (11.17): Mr Speaker, I seek leave to move a motion relating to the appointment of the Select Committee on Gambling.

Leave granted.

MR KAINE: I move:

That the resolution of the Assembly of 20 May 1998 appointing a Select Committee on Gambling be amended by:

- (1) omitting from paragraph (1)(a) "by the first sitting day of 1999";
and
- (2) inserting the following paragraph:
 - "(1)(aa) The Committee may make interim reports and its final report shall be presented to the Assembly by the first sitting day of 1999."

When the select committee was established, in addition to reporting on the general question of the social and economic impacts of gambling in the Territory, we were asked to look at a more immediate question, which was how to implement a resolution of this place to put a cap on the number of poker machines in Canberra. There was no provision, however, for us to make a report on that matter. So, my motion seeks to amend the resolution of the Assembly appointing a Select Committee on Gambling.

Question resolved in the affirmative.

GAMBLING - SELECT COMMITTEE Interim Report

MR KAINE (11.18): With that motion now passed by the Assembly, I present an interim report of the Select Committee on Gambling entitled "A Poker Machine Cap", together with extracts of the minutes of proceedings. I move:

That the report be noted.

Members will recall that there was a resolution of the house that there be a cap placed on the number of poker machines to be licensed in the Territory. The committee was asked to have a look at that resolution, and the task resolved itself into a question of whether or not such a cap could be imposed under the existing law; if not, what amendments to the law would be required to enable such a cap to be imposed; and then, finally, if there is to be a cap, at what level it should be set. This interim report deals with those matters.

On the question of whether under the existing law we could legally impose a cap, we took legal advice. It was quite clear that, under the current Act, the commissioner has no discretion to refuse an application for a licence for a gaming machine, provided that the applicant has complied with all of the criteria established in the Act. So, there was no discretion whatsoever and, without amendment to the Act, the commissioner could not decline to issue a licence to any qualified applicant. Mr Speaker, we have attached to the report some draft legislation which we believe would amend the Gaming Act to enable the commissioner to exercise the discretion that we are now speaking of and that we wish to confer on the commissioner. That legislation is necessary before any cap could become effective. So, having made that decision - and with a lot of work done by Ms Tucker, I must concede - we produced a draft Bill that would enable the legislation to be appropriately amended.

We then looked at the question of what the cap should be. Having looked at the number of poker machines already in licensed clubs and other places and the number of applications which were already in the hands of the commissioner and which she was obliged to process in accordance with the law, we have come up with a cap for existing licensed clubs of 5,200 machines. That is, essentially, in round figures, the sum total of machines already held, plus applications already in hand which the commissioner feels that she could not reasonably decline to agree to. So, we are recommending the cap of 5,200 machines for existing licensed clubs.

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There are a couple of problems associated with that, however. I am sure that most members would be aware that there are a couple of clubs, at least, currently in construction - two at Gungahlin that we know of - which are not yet at the stage where they could apply for licences. The committee was aware that, if we simply imposed a cap that excluded clubs at that stage of their development, then they could reasonably claim that they had been materially disadvantaged by a law passed today or tomorrow.

So, what we are suggesting is that, over and above the cap of 5,200 machines which are permissible within existing and operating licensed clubs, the commissioner be given the discretion to issue additional licences to clubs in the category that I described - which are not yet at the point where they could legitimately submit an application but which will be at that stage within the next few weeks or months - so that they will not be disadvantaged. They have obviously built, or are building, their clubs on the assumption that they would have access to poker machines under the existing law. To deny them machines would mean that the whole basis of their costing and constructing the building and establishing the club would go by the board. So, we have recommended a discretion for the commissioner to issue additional licences to clubs in that category.

The only other issue that I want to comment on, Mr Speaker, is the question of hotels and taverns. Members will know, and the Government will be well aware, that the AHA and others have been seeking to have poker machines extended beyond licensed clubs into hotels, taverns and the like. Indeed, some machines already exist in hotels and taverns; but the problem is that they are of a lesser order of technology than those used in clubs. Furthermore, there is a very tight restriction on the number of such machines that can be located in any hotel or tavern. The AHA members feel that they are disadvantaged vis-a-vis the clubs and have sought to have the existing law changed. They gave evidence to the committee; but from our viewpoint, of course, we had to make the point that we are looking at the licensing and the imposition of a cap under the existing law.

We were unable to look at what might occur in the event that the Government made a decision, at some time in the future, to extend poker machines outside of licensed clubs. We have simply noted in the report that, should the Government do that, then it would be necessary to increase the cap to make some provision for the licensing of machines outside of the licensed clubs and beyond perhaps the numbers that are currently licensed for hotels and taverns. It is just a warning, which the Government might need to keep in mind, that by imposing a cap there is no provision whatsoever in that cap for extending poker machines outside of licensed clubs at the present time.

The only other matter that I should comment on is that we are recommending that this cap continue for one year, Mr Speaker. We believe that the whole question of gambling, social attitudes to gambling today and what the community expects from this legislature in terms of control of such activity should be resolved within a year. There are a couple of reports due. This committee will be reporting by about February of next year on the social and economic impacts that we see for the ACT. So, we believe that a one-year cap will allow those broad issues to be debated and dealt with. Then, if there is the desire to do anything beyond 24 June next year, in terms of controlling the number of licences and where those licences should apply, it could be the subject of further legislative change at that time. Mr Speaker, I commend the report to the Assembly. As I indicated, there is some draft legislation there, which we will be asking the Assembly to look at.

MS TUCKER (11.26): Mr Speaker, I just foreshadow that tomorrow, on behalf of the committee, I will be tabling the legislation which would enable the implementation of the cap, as the committee was tasked to do by the Assembly.

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

JUSTICE AND COMMUNITY SAFETY - STANDING COMMITTEE
Scrutiny Report No. 3 and Statement

MR OSBORNE: Mr Speaker, I present Scrutiny Report No. 3 of 1998 of the Standing Committee on Justice and Community Safety performing the duties of a scrutiny of Bills and subordinate legislation committee. I ask for leave to make a brief statement on the report.

Leave granted.

MR OSBORNE: Scrutiny Report No. 3 of 1998, which I have just presented, was circulated when the Assembly was not sitting, on 22 June 1998, pursuant to the resolution of appointment of 28 April 1998. I commend the report to the Assembly.

TOBACCO LICENSING (AMENDMENT) BILL 1998

[COGNATE BILL:

SUBSIDIES (LIQUOR AND DIESEL) BILL 1998]

Debate resumed from 28 May 1998, on motion by **Ms Carnell:**

That this Bill be agreed to in principle.

MR SPEAKER: Is it the wish of the Assembly to debate this order of the day concurrently with the Subsidies (Liquor and Diesel) Bill 1998? What a strange combination! There being no objection, that course will be followed. I remind members that in debating order of the day No. 5 they may also address their remarks to order of the day No. 6.

MR QUINLAN (11.28): Mr Speaker, we support the Bills. They are, in fact, administrative matters arising out of High Court decisions which remove powers from the States and replace administrative arrangements previously in place. Both Bills are supported.

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MS CARNELL (Chief Minister and Treasurer) (11.28), in reply: Mr Speaker, I thank the Assembly for its support of these pieces of legislation. Having to legislate in this area is a situation that I am sure we all would have hoped not to have been in; but matters outside our control have meant that it has been necessary. Again, I thank members for their support.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

SUBSIDIES (LIQUOR AND DIESEL) BILL 1998

Debate resumed from 28 May 1998, on motion by **Ms Carnell**:

That this Bill be agreed to in principle.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Sitting suspended from 11.30 am to 2.30 pm

LAPTOP COMPUTER - TRIAL USE IN CHAMBER AND GALLERY **Statement by Speaker**

MR SPEAKER: I wish to inform members that, after consideration by the Standing Committee on Administration and Procedure, permission has been given for the Chief Minister to trial the use of a laptop computer in the chamber during questions without notice this week. In the first instance the system will be tested by the Chief Minister's senior adviser or media adviser in the gallery during question time and, depending on the outcome, the Chief Minister may commence trialling the system herself at her desk in the chamber.

QUESTIONS WITHOUT NOTICE

Hospitals - Excess Capacity

MR STANHOPE: Mr Speaker, my question is to the Minister for Health. Can the Minister confirm that Canberra's public hospitals have met many of their obligations under current purchaser-provider agreements and thus have excess capacity to undertake work for which they have not been contracted? What is the excess capacity at both Canberra and Calvary hospitals, and is the Government involved in any negotiations with the hospitals over the issue?

MR MOORE: Thank you, Mr Stanhope, for the question. I find the notion of excess capacity to be a reasonably strange notion, I must say. The excess capacity has to do with the amount of cross-border separations that we purchase. There are physical areas within the hospitals that we could use - for example, wards that have never been opened and wards that are closed in both hospitals and that we could use - but the critical issue is the services that we provide and whether we have extra funds to purchase more services from either hospital at any given time. In fact, in the budget which will come down later today you will be able to see very clearly what has happened over the last year in terms of the services that have been purchased and the outcomes. The critical issue, though, is still one of waiting times. The waiting times for the hospitals have improved significantly over the last year. Unfortunately, because of the VMO dispute, they will, of course, be set back somewhat and we will have to work hard to ensure that we get them back to as short as possible.

MR STANHOPE: I have a supplementary question. I am sorry if my question was not all that clear, Minister. I was seeking to determine whether you are having negotiations with the hospitals about whether or not they are in a position to provide more services than the Government had arranged to purchase. In that context, is there a capacity for the Government to provide more services if the money is available? Are the hospitals in a position to provide the services if you are in a position to provide the money? If there is that capacity, why have we not taken it up?

MR MOORE: Yes, in fact the hospitals do have capacity to provide more services. They can, for example, bring VMOs in for more sessions. In the past they could have brought them in for more fee-for-service operations. Indeed, some of that was done. Over last year, there were extra services purchased in that way. In general terms, the Canberra Hospital was designed as a 700-bed hospital facility. Calvary has capacity for 190 or 200 beds. We do not run anywhere near that number of beds because there are budgetary constraints. Give me any amount of money and we can provide whatever services people ask for. But I must say that that is in a context of a goal that I have set, which is to try to get more services operating out of the hospitals and into the community and to reduce the capacity, at any given time, of both hospitals, because what we want to do is seek to find a healthier society.

Olympic Games - Training Bases

MR HIRD: Mr Speaker, my question is to the Chief Minister and it relates to her responsibility for the ACT's Project 2000 team. I refer to recent announcements that at least two more international teams have agreed to base their training in Canberra in the lead-up to the Sydney Olympics in the year 2000.

Mr Berry: There would not be too many runners amongst them. They have nowhere to run.

MR HIRD: Can the Chief Minister advise the parliament of exactly how many teams have now agreed to hold training camps in the Territory, and how negotiations with other countries are progressing?

Mr Berry: And is jumping blisters on the running track an Olympic sport?

MR SPEAKER: Order!

MS CARNELL: I can understand why Mr Berry is interjecting. He is embarrassed, Mr Speaker. He is extraordinarily embarrassed. I have lost track of the number of times that Labor MLAs have slagged off at the Government for not doing enough to attract Olympic teams to the ACT. Mr Speaker, I know that you would remember back to November 1995 when this Government was accused of "failing to spend the money needed to upgrade Bruce Stadium". Mr Speaker, what have they done ever since? They have slagged off at us for spending the money to upgrade Bruce Stadium. They simply cannot make up their minds. Very interestingly, they also said that this Government had "no interest in attracting visitors and sportspeople to the ACT in 2000".

Mr Speaker, it is worth reminding the so-called new Labor Party of their track record on these issues. Let me use those phrases once more: "Failing to spend the money needed to upgrade Bruce Stadium" - that is what they said about us - and "no interest in attracting visitors and sportspeople to the ACT in 2000". Already, thanks to the efforts of many people working both within and outside this Government, both of these statements have come back to haunt the Opposition. Mr Speaker, no thanks to Labor, we are spending the money needed to upgrade Bruce Stadium, and we are working quietly and effectively at marketing the ACT as a destination for Olympic training. Despite the best efforts of Labor to talk down our Olympic prospects, we have already signed up three Olympic teams.

Mr Hird: How many?

MS CARNELL: Three. Thank you, Mr Hird. We have signed up two Olympic teams and one Paralympic squad. Last year we confirmed that the Brazilian team is coming to the ACT and is planning to base 280 athletes and support staff here during August and September in the year 2000. I can also confirm that Finland will be holding at least two of its training camps in Canberra, with 22 coaches and officials here in November,

and a larger squad of 80 athletes and officials using the ACT for a team camp in November 1999. It was pleasing to note, Mr Speaker, that we also became the first training base for a Paralympic team when the Netherlands announced planning to send 150 athletes and officials to Canberra in October 2000.

In simple terms, Mr Speaker, what this means already is that we can expect to see at least 600 of the world's top athletes in our national capital prior to the Olympics and Paralympics. I think that is a job very well done. It also means that we will see increased economic benefits and enormous international exposure, with up to 15,000 bed-nights already committed as a result of teams coming to Canberra for training. On top of this, the Project 2000 team is currently negotiating with at least two other countries, France and Germany.

Mr Berry: Do not forget to tell them about the lumps on the track. A bubble jumping gold medal!

MS CARNELL: The Germans were here last week. They visited Canberra and I did not see Mr Berry out there welcoming them. Again, he is just interjecting. So, more than two years out from the Olympics, what do we have? We have at least three teams locked in, more likely to be locked in, the redevelopment of Bruce Stadium proceeding on schedule, and the selection of Canberra as a host venue for Olympic soccer. So much for failing to attract Olympic involvement for Canberra.

I use this opportunity to thank the many people who have been responsible for these achievements. Mr Speaker, I will not thank Mr Berry or the Labor Party, because they have done everything in their power to stop it happening. To the team at Project 2000, to the AIS, to the Bureau of Sport and Recreation and to the embassies in Canberra, a big thankyou. To the Labor Party, and particularly its public face on this issue, Mr Berry, a big thanks for nothing. When the Government released the draft capital works program just over a month ago we were - - -

Mr Osborne: I raise a point of order, Mr Speaker. I will be happy for the Chief Minister to table her answer because we have only another 15 minutes until question time is over, and a number of members would like to ask a question.

MR SPEAKER: We have 20 minutes, actually.

Mr Osborne: Just table it.

MS CARNELL: Mr Speaker, I am interested that Mr Osborne is not interested in sport. I would have thought he was very interested in sport. Mr Speaker, barely two weeks ago Mr Berry had the absolute hide to come out and demand that we spend another \$5.8m on another athletics track from the current budget. The sheer hypocrisy of this is amazing. Those opposite, and others, were saying things like, "We are spending too much money on sport". Is it too much or too little, Mr Speaker? Who would know with those opposite? The fact is that we are delivering in the area of sport and the Olympics, and it will mean huge benefits for the people of Canberra.

Milk Industry Review

MR OSBORNE: My question is to the Minister for Urban Services, Mr Smyth. Minister, you will be aware of the House of Representatives standing committee report entitled "Cultivating Competition" which was published in June 1997. Among the recommendations of that report is:

Where possible reviewers should be independent of the existing arrangements with more significant, more major and more sensitive reviews demanding greater independence;

Given what this report says, Minister, how does the Government's review of the milk industry satisfy this recommendation?

MR SMYTH: Mr Speaker, I thank the member for his question. I think the review that the Government has set in train answers those criteria that the House of Representatives review set in place to the standard that the Government is happy with. We have implemented a review. We have a Milk Authority. A very qualified officer from the department, Robyn Sheen, has conducted that review. Later this week I intend to release the review to the Assembly, and then to the public for comment.

MR OSBORNE: I have a supplementary question. In the lead-up to my supplementary question, Mr Speaker, I would like to clarify something. This is certainly not an attack on Robyn Sheen. What it is, Mr Speaker, is - - -

Ms Carnell: You cannot have a lead-up.

Mr Berry: Is this the new standard, Mr Speaker?

Mr Wood: You would not let us do that.

Mr Berry: Is this the new standard - preambles? We are happy to do it too.

MR SPEAKER: There is to be no preamble, as Mr Osborne well knows.

MR OSBORNE: Minister, that report goes on to recommend:

Where reviews are undertaken by persons closely involved in the activity in question, there should be provision for a review or reconsideration - - -

Mr Berry: Do not dare pull him up. This is a new standard. Mr Speaker, on a point of order: I do not mind if Mr Osborne has a preamble. I am perfectly happy with that as long as the same rule applies to us.

MR SPEAKER: I do. That is correct; there is to be no preamble. What is your supplementary question, Mr Osborne?

MR OSBORNE: Minister, that report goes on to recommend:

Where reviews are undertaken by persons closely involved in the activity in question, there should be provision for a review or reconsideration of the initial conclusion by some body or person independent of the relevant activity;

Do you intend to open up the results of your internal review to consideration by an independent body?

MR SMYTH: Mr Speaker, I guess the answer to this is simply that Robyn Sheen is not involved with the milk industry. She has been selected as an expert who has an understanding of the Trade Practices Act. She has conducted a review. I think most will agree, when I release it, that it looks at the issues closely, accurately, and in light of things like the competition policy. I am sure the member will be delighted when he gets a copy of the review later in the week.

Milk Industry Review

MR HARGREAVES: My question is to the Minister for Urban Services. Can the Minister say whether the Government has sought and received legal advice on the question of interstate milk supplies to large ACT food retailers, outside the ACT Milk Authority process? If so, was that advice from a private legal firm, and how much did it cost?

MR SMYTH: Mr Speaker, milk is a hot subject today. A good glass of Milo, warmed up, on a day like today is very useful. The question is about independent advice. On behalf of the Government, Dr Robyn Sheen has conducted a review. Through that review she sought and gained legal advice. When I release the review later in the week that will be open for all to see.

MR HARGREAVES: I have a supplementary question, Mr Speaker. I thank the Minister for his response that had absolutely nothing to do with the question, and I thank him for his advice on the question of warm milk. Mr Speaker, the question related to the supply of interstate milk. I refer specifically to the arrangements which Davids Holdings and Woolworths are about to embark on. Can the Minister tell the Assembly whether the advice that was received related to that particular thing? If so, what was that advice?

Ms Carnell: You cannot ask for legal advice. It is out of order.

MR HARGREAVES: Thank you, Madam Speaker.

MR SPEAKER: Order! If it is a legal opinion, you cannot answer it. The Chair is unaware whether that is the case or not, and I suspect that Mr Hargreaves is not aware of it either.

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MR SMYTH: Mr Speaker, I am happy to answer. I, like most people here, am aware that Woolworths and Davids are intending on 1 July to attempt to enter the market. Robyn Sheen, in the conduct of her review, sought legal advice, and that will be available to members later in the week.

Mr Corbell: A “do nothing” approach.

MR SMYTH: It is not a “do nothing” approach at all, Simon, and you know that.

Primary Schools - Work for the Dole Scheme

MS TUCKER: Mr Speaker, my question is to the Minister for Education, Mr Stefaniak, and is in relation to the proposed work for the dole scheme in ACT government primary schools. Can the Minister explain to the Assembly how the Government devised this policy, and why there was no community involvement in the development of the proposal? In light of the fact that the Australian Education Union has passed a resolution saying it opposes work for the dole in the ACT’s government schools, and the publicly expressed concerns of the Parents and Citizens Council, I also ask the Minister whether he stands by the proposal and the process up to date, including the denial of information to the Education Committee on grounds of commercial-in-confidence?

MR STEFANIAK: Mr Speaker, I might read to the Assembly, in answer to the member’s last question, from a transcript of the proceedings. Ms Tucker, I understand also that those proceedings were meant to be proceedings in confidence, a briefing to the Assembly committee. However, seeing that you have seen fit to go out to the media about it, there is a transcript of those proceedings. I think you will recall the chief executive of the department indicating that there was not a denial of information, and I think the transcript of the proceedings quite clearly shows that. The relevant parts, about halfway down page 43, state:

MS HINTON: I mean, it is not a full time training program, I do not mean to imply that in any way, but we are certainly proposing some training.

THE CHAIR: Can we see your application? Have you got a problem with that? You seem to be - - -

MS HINTON: No, I do not think so.

Ms Tucker: I raise a point of order, Mr Speaker. I do not know whether I can do this, but I would like to make a personal explanation to cut that short - - -

MR SPEAKER: No.

Ms Tucker: Because the committee was told later - - -

MR SPEAKER: No. Later.

Ms Tucker: Okay. I will have to make it later, because that is incorrect.

MR SPEAKER: You can make it later.

Mr Moore: Under standing order 117(e)(ii) she cannot ask the question.

MR STEFANIAK: Yes, standing order 117(e)(ii), I am advised. I quote:

THE CHAIR: Can we see your application? Have you got a problem with that? You seem to be - - -

MS HINTON: No, I do not think so.

THE CHAIR: No, I know you do not.

MS HINTON: I was contemplating that.

THE CHAIR: I know. I know, and you do not know whether you will receive it or not.

MS HINTON: No.

THE CHAIR: But I think it would be of interest to the committee.

MS HINTON: I would like it maintaining confidentiality at the moment. I would not like it discussed anywhere pending - - -

THE CHAIR: We do not have to. I think we could commit not to discuss the detail of your application.

MR CORBELL: Yes, we can do that.

THE CHAIR: I mean, the whole issue of using - - -

MS HINTON: That is fine, that is not a problem, that is not a problem.

I will table that. Really, in terms of it being denied to you, it certainly was not, Ms Tucker. In fact, I am very concerned about you raising the issue like that.

In terms of your other points, you may be aware, Ms Tucker, or you may not be, that the department submitted a similar application last year. One went in on 19 May this year. I will tell you a little bit about it because the matter is now well and truly out there in the media and I think there are a number of misconceptions in relation to it.

Mr Berry: Did you know or did you not?

MR STEFANIAK: I certainly did. I am well aware of the first application and I knew a second application would be made. I will now go into the details in relation to this.

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Ms Tucker, the application sought funding to place up to 140 work for the dole participants in the ACT government primary schools for a period of some six months, beginning mid-February next year. Their tasks in those primary schools will be directly related to their skills, interests and suitability. The application lists a number of areas in which participants may be engaged in primary schools. They include assisting with school beautification projects; assisting teachers to deliver outcomes in literacy and numeracy; assisting with after-school care programs; assisting in the area of information technology support and maintenance; assisting with general clerical duties; assisting in school canteens; assisting teachers in physical education and sports classes; and assisting with general classroom support. I think it is disappointing that those who have sought to criticise the application have not availed themselves of the facts. I am also disappointed that those same people would seek to denigrate a potentially valuable contribution that young people in the ACT could make in our schools.

I seem to recall from the transcript which I have tendered that you are aware of the LEO program, Ms Tucker, and there were, in fact, previous programs. The LEO program, incidentally, was set up in 1994. If this venture is successful - and that is in some doubt now as a result of some comments certain people have made in relation to it which have been quite negative - it will be the third occasion on which young unemployed people have been given opportunities to gain work experience in our primary schools. I would like to take this opportunity, Mr Speaker, to remind the Assembly of the other two programs for young unemployed people which worked successfully in our schools.

Interestingly, the first program designed to place long-term unemployed people in our primary schools was developed and administered in 1994 by the AEU in partnership with the previous Labor Government. That program placed a number of long-term unemployed people in our primary schools as literacy enhancement officers, or LEOs as they were known - and a very good program it was too. The second program was organised by this Government under its successful Youth500 initiative back in 1996-97. My department took on 20 long-term unemployed people then as trainees, most of whom were under 20 years of age, to work in information technology and physical education and sport in our primary schools. I might also say, Ms Tucker, that I am aware of one primary school at least, and I think maybe there are others, which has volunteers who come in - people who used to go to those schools and who are in fact unemployed - to help out with a number of programs.

Just as with any work for the dole scheme, Mr Speaker, those two programs I mentioned are aimed at giving young long-term unemployed people a chance, and I would hate to see them being denied that. In fact, the Federal Government sees the work for the dole scheme essentially as work experience for participants, and the provision of appropriate training is encouraged. Participants will be present in schools in an assistant role. I will say that again: They will be present in an assistant role. At no time will they be solely responsible for students. Of course, not all the participants will fill roles which will bring them into contact with students. They will be chosen for their suitability for a range of tasks. For that reason, schools will be given the opportunity not only to see whether they want to participate in the program but also to identify other areas in which participants could gain valuable work experience while contributing to projects of value to the school community.

Depending on their planned roles in schools, participants' training will include programs in occupational health and safety, student management, writing, conflict resolution, specific curriculum assistant training and sessions designed to foster self-esteem. These young people will be appropriately prepared to participate in work experience in the schools. I think it is shameful that there are so many negative comments from those opposite which would seek to consign them to the scrap heap in such a display of hostility to what is basically a very sensible proposal.

Mr Speaker, screening, appropriate training and selection are the very important things here. Both of the previous programs were hailed as a great success by teachers, participants and administrators. Many of those people have gone on to employment in other areas of further education and training. Several have sought to enter teacher training programs. I think it is fair to say that those opportunities would not be available if the opportunity available in such programs had not existed.

Ms Tucker, you might be interested to know that approximately one-third of the funding we have sought from DEETYA has been allocated to ensure that the participants are appropriately prepared for their work experience in relation to this particular program. The process planned for choosing these participants to work has been designed to enable the selection of appropriate people. They will be screened. Also, there will be careful liaison with Centrelink. So, Ms Tucker, what we have here is a detailed program with appropriate checks.

I understand that the AEU and the P and C Council have been briefed, as well as the primary school principals. I understand that there is a great deal of support, certainly at the school level, for this program, and one can see why. If it is successful - and I wonder about that now, Ms Tucker - it will provide a number of young people with an opportunity for valuable work experience and training. It actually builds on other very successful programs that we have seen. I am very concerned that what you are proposing, and your opposition to it, will put this in jeopardy.

MS TUCKER: I have a supplementary question, Mr Speaker.

MR SPEAKER: You have to be joking.

MS TUCKER: My supplementary question is simple. According to the transcript, we were offered confidential briefing and we said, "Yes". Later, the secretary was told, "No; commercial-in-confidence". What changed? My question is - - -

MR SPEAKER: That is not a supplementary question. Order!

MS TUCKER: My question is: What changed between what was said in the briefing and what was said to the secretary afterwards, which was, "No, because of commercial-in-confidence."? That is my question.

MR STEFANIAK: I think you will find, Ms Tucker, that Ms Hinton has indicated already that nothing was ever said about commercial-in-confidence. She has denied that that was ever said, so I suggest that you get your facts right.

Rural Residential Development

MR BERRY: My question is to the Chief Minister. Chief Minister, you have continually asserted that the status of the leases was central to the preliminary agreement on the Hall rural estate to establish a joint venture and was the basis of the deal falling through. It now appears that the failure to deliver on the two leases by Mr Whitcombe was not grounds enough for withdrawal under the terms of the agreement and it was necessary to draw up a separate deed of termination. How do you justify this continued assertion that the investigation of the status of the leases was central to the agreement? Where was this made clear in the agreement, and why did the agreement therefore not provide for termination on those grounds?

MS CARNELL: Because it was central to the agreement. That was the reason why I asserted that it was. The fact that Mr Whitcombe did turn up with and did present three leases - he has quite openly made the comment that he did - was the basis upon which we believed that Mr Whitcombe had, I suppose, something special; that it might be worth entering into a direct joint venture with Mr Whitcombe. When it turned out that Mr Whitcombe could not bring three leases to the arrangement, the preliminary agreement was discontinued. That was done on the basis of, I suppose, a phone call from Mr Whitcombe suggesting that he was no longer interested in going ahead with the process. Then, Mr Speaker, as would always be the case, there was a termination letter or a termination deed to terminate the preliminary agreement. It was an appropriate approach.

MR BERRY: My supplementary question is to the Chief Minister. Is it not true that the whole enterprise failed because of your and your officers' incompetence, in that you failed in your duty to check the facts and left the Territory exposed to the tune of \$107,000-plus?

MS CARNELL: No, Mr Speaker; it failed because those opposite would not let it go ahead. Those opposite put the mocker on what was going to be a good program for Canberra. Those opposite again undermined jobs in this city. They undermined what would have been a very good joint venture.

Casino Canberra - Licensed Club

MR RUGENDYKE: My question is to the Urban Services Minister, Mr Smyth. With regard to the proposal for a licensed club to be established in the premises of Casino Canberra, when did Planning and Land Management grant approval for the licensed club, and was betterment tax payable for the lease variation?

MR SMYTH: Mr Speaker, I thank the member for his question. I am not aware of the process undergone in regard to that, but I am happy to seek details from the department and to get back to him shortly.

MR RUGENDYKE: I have a supplementary question, Mr Speaker. I understand, Minister, that a payment of \$28,000 was made by Casino Canberra to the Government in January of this year. If you do not know, could you find out what that might have been for?

MR SMYTH: Mr Speaker, I would be delighted to get the information for the member.

MR SPEAKER: Order! It being 3.00 pm, in accordance with the resolution agreed to earlier this day, I call upon Mrs Carnell.

APPROPRIATION BILL 1998-99

MS CARNELL (Chief Minister and Treasurer) (3.00): I present the Appropriation Bill 1998-99, together with its explanatory memorandum and the following associated budget papers:

Budget speech 1998-99 (Budget Paper No. 1).

The 1998-99 Budget at a glance (Budget Paper No. 2).

Budget Overview 1998-99 (Budget Paper No. 3).

Budget Estimates 1998-99 (Budget Paper No. 4).

Building our future to create jobs - 1998-99 Budget Initiatives for Employment and Business.

Later this afternoon I will be presenting the ownership agreements and the purchase agreements relating to my portfolio. Other Ministers will also be presenting the purchase agreements relating to their portfolios.

Title read by Clerk.

MS CARNELL: I move:

That this Bill be agreed to in principle.

Mr Speaker, this Government has a vision for the future of Canberra as the clever, caring capital of Australia - a capital that has a dynamic and sustainable economy, and a city that has a safe, active and healthy community. The budget I present today is focused upon realising these goals over the next four years. It builds on the direction we established over our first three years in office and plots the course on which we hope to take Canberra as we head into the twenty-first century. Our budget strategy is also realistic. It recognises and responds directly to the challenges and opportunities that are affecting residents, businesses and community organisations today. For the ACT to succeed and prosper as the best place in which to live and work in Australia, it will take leadership,

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enthusiasm and even risk-taking. This Government is playing its part in providing the drive and aggressive leadership that are needed. And we are doing it responsibly, by listening and responding to what Canberrans have to say about what they want their city to look like now and in the future.

There is no doubt that some sectors of the community will welcome elements of this budget strategy while others will not find everything they are looking for. But that is part of the necessary balance that we have to strike between what is achievable and what is affordable. Since 1995, this Government has been forced to confront three major problems: A Territory that was spending way beyond its means; reduced Federal funding; and a recession caused by Commonwealth spending and employment cutbacks. We have taken each of these challenges head-on. We have brought the Territory's finances back under control, modernised the ACT Public Service, established Canberra as a major high technology and advanced technology centre in Australia, and helped Canberrans to believe in their city once again.

Mr Speaker, it has not been easy, and there are tough decisions that will still have to be made in the years ahead. Against that background, there are four key elements of our budget strategy. First, we will continue to reduce the Territory's operating loss while maintaining our AAA credit rating. Secondly, we will deliver in full on our recurrent election promises, costing approximately \$6.4m. Thirdly, we will provide a significant boost to tourism marketing and promotion in the lead-up to the Centenary of Federation and the 2000 Olympics. Finally, we will make the single greatest provision since self-government for our superannuation liabilities. Mr Speaker, that is what we were elected to do.

Mr Speaker, during the past two years the ACT has weathered the most serious economic downturn in more than two decades and, under this Government, has emerged stronger than ever before. The recession, caused by massive Federal spending and employment cutbacks, officially ended in the December quarter of 1996. Since that time, the ACT economy has been experiencing a steady recovery, fuelled mainly by remarkable private sector growth. Private final consumption spending increased by 6.3 per cent in real terms in the year to March 1998 - the best performance of any State or Territory in this country, Mr Speaker.

Across a broad range of economic indicators, such as retail trade and new motor vehicle registrations, the Territory has equalled or outperformed the rest of Australia during the past year. Business confidence also remains higher under this Government. The budget, therefore, forecasts improved economic growth - from 1.4 per cent last year to 3.2 per cent in 1998-99. Inflation is forecast to be 2.5 per cent this year. Most importantly, Mr Speaker, more and more Canberrans are finding work - something really important to all of us - with the help of a Government that has aggressively promoted a better business climate. While the number of full-time and part-time jobs has grown by almost 2 per cent in 1998, the ACT's unemployment rate has dropped by more than one per cent, to just 6.9 per cent - its lowest level for three years. Employment growth is, therefore, predicted to increase by 2.3 per cent over the coming 12 months.

Mr Speaker, the Government will continue to monitor closely our economic outlook in the light of three factors which could impact upon our growth and recovery: First, the Commonwealth public sector is expected to be further downsized in Canberra, particularly in the area of defence personnel. Secondly, the pending Federal election is likely to cause the traditional slowdown that has, unfortunately, been a feature of the ACT economy for decades. Finally, while the Territory is not as exposed to the fallout from the Asian financial crisis as the States and the Northern Territory, its potential effect cannot be ignored.

The Government is forecasting a year-end general government sector operating loss in 1997-98 of \$151m. This estimate represents a significant improvement of \$60m, or 28 per cent, compared with the published budget estimate of a \$211m loss. Remarkably, since first coming to office back in 1995, we have now more than halved the general government sector operating loss, which once stood at \$344m. Both international ratings agencies - Standard and Poor's, and Moody's - have again reaffirmed the ACT's AAA credit rating. That is the highest possible domestic credit rating.

Mr Speaker, Commonwealth funding is forecast to increase by \$20m, or 3 per cent, this year, in line with forward estimates. However, this budget marks the final year of transitional funding from the Commonwealth. Over the nine years since self-government, general purpose funding has been cut by 49 per cent, or almost half, in real terms. No other government has had to absorb such a reduction in the history of Federation. In just a decade, the ACT has been required to stand on its own two feet. I am proud to say that this Government and the governments before us have managed this task despite very difficult circumstances.

Relations with the Commonwealth have been strained by the requirement for the ACT to pay a final fiscal contribution of \$10.2m back to the Federal Government. I have written and spoken to the Prime Minister about the inequity of requiring this payment, pointing out that the Territory has a significant operating loss while the Commonwealth continues to promote a \$2.7 billion surplus. While I remain hopeful that the Federal Government will recognise the strong case that we have put forward, our budget is predicated upon a \$10.2m reduction. The ACT was, however, the first State or Territory to reach an in-principle agreement with the Commonwealth over a new five-year health funding package. This agreement will see a funding increase of more than 5 per cent in the first year, while the Territory will receive one-off incentive payments totalling more than \$16m following our decision to sign early.

Mr Speaker, the budget I am announcing today represents the first stage of our strategy towards creating the clever, caring capital that we want Canberra to become in the twenty-first century. To be clever, we need to be at the leading edge of change, and we need to harness our city's intellectual, social and financial resources. To be caring, we need to ensure that the services that are provided are not only accessible but also flexible and affordable for all Canberrans. Our approach recognises that these aims cannot be achieved overnight, that that will take time. But the initiatives to be detailed today are all important steps towards realising this vision. They are about bringing us closer to a balanced budget so that the next generation of Canberrans is not disadvantaged

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because we could not live within our means. They are about modernising the way we deliver services, communicate with our citizens and do business with the world. And they are about providing assistance to the people in our community who most need it.

I will now detail the key initiatives of our budget strategy. Mr Speaker, over the next four years, this Government will once again reduce the general government sector operating loss - from \$139m this financial year to \$72m in the year 2001. We will achieve this through a combination of expenditure restraint and broadening our revenue base. This will be done incrementally, without using dramatic cost-cutting measures that have been used in the States. It is a task for which we have strong credentials and a task that will also ensure that we maintain our AAA credit rating.

Mr Speaker, tackling the problem of unemployment in the ACT continues to be our top priority. While our employment situation is much brighter than a year ago when I stood here and presented the last budget, there is still a long way to go before we can say that there is no longer a problem. Our long-term goal has been to encourage sustainable employment growth through business development and the diversification of our public sector dominated economy. This year the ACT Government has been forced to rethink its strategies, following the introduction of the new Commonwealth employment network on 1 May. For better or worse, the Job Network has revolutionised the way employment assistance, brokerage and training programs are delivered both here and around Australia.

Mr Speaker, these changes have enormous implications for State and Territory governments, because it will be some months before the full impact of these reforms is assessed. This Government has taken a conscious decision to reprioritise our employment programs to avoid duplication and to target those Canberrans who may slip through the Commonwealth programs. I can announce today, Mr Speaker, that the Government has committed a total of \$4.2m to fund new and existing employment programs, in line with our election commitments. Chief among these is the development of the first scheme to actually target joblessness among mature age Canberrans, that is, people 40 and over, sometimes described as the forgotten unemployed. I made a promise during the election campaign to focus on this area, and today I am making good on that promise. We have allocated \$700,000 under a new Restart program. Restart will be an integrated program of assistance to older job seekers aimed at helping them get back into work through a combination of employer incentive payments, skills training and mentor support.

Mr Speaker, the Government will significantly expand resources for its indigenous employment assistance program, to \$80,000, while an extra \$100,000 will be injected into our very successful open access centres. The problem of youth unemployment has not been overlooked. The successful Youth SelfStart program has been doubled to \$80,000, while a new program costing \$80,000 will provide assistance to ex-remandees and ex-detainees at the Quamby centre. As well, we have further expanded our graduate administrative assistants scheme by 20 per cent, which will result in approximately 36 new graduates being taken on across the Public Service this year. Finally, in line with our election promise, we have abolished the central redundancy fund, ending a program that began back in 1992 under Labor.

Mr Speaker, this budget continues the Government's commitment to a dynamic and sustainable economy through the development of a strong and vibrant private sector. To achieve these ends we will invest \$4.5m in programs which assist businesses directly, remove obstacles to job creation and growth, and make it easier for firms to get the help that they need. The funding also includes support for the 2000 Olympics football tournament and a new national teams policy. Mr Speaker, funding for the outstanding new future in small business program has been increased to a record \$259,000 in this budget. Priority will be given to older unemployed, Aborigines and Torres Strait Islanders, people from non-English-speaking backgrounds and women who are looking at setting themselves up in business. I can also announce today that, for the first time, the Government will make financial assistance available to those who complete this course and other approved small business planning programs. A loans scheme will be established to help provide start-up capital for graduates, who will then be able to access funds of up to \$10,000 each.

Other initiatives that will help to make Canberra the clever business destination include funding to help establish the Australian Electronic Business Network and the development of ACT Business Channel, an operator- and Internet-based information service on business programs. Stage 2 of the business licence information service - to move it onto the Internet - will also be introduced, at a cost of \$100,000. As part of our commitment to our industry strategy, the Government will provide \$240,000 to develop strategies to support specific industries which offer substantial jobs growth potential. For example, we will further develop our proactive approach to attracting call centres to Canberra - an industry sector projected to grow by 25 per cent a year until well into the next century.

Mr Speaker, this Government has continued to defy the predictions of doubters who said that a high speed train link between Sydney and Canberra could not possibly happen for at least 50 years. Prior to becoming Chief Minister, it was clear to me and, certainly, to everybody else on this side of the chamber that this project was going nowhere under Labor. Like the international airport, a lot was said, Mr Speaker, but absolutely nothing was done. As we know, it was this Government that secured limited international status for Canberra Airport in its first term in office. Mr Speaker, those opposite said that it could not be done. Today, less than two years after I started kicking down doors in the Federal Parliament and in Sydney, we are on the verge of seeing a high speed rail service become a reality. I can advise the Assembly that a decision on the preferred tender for the construction and operation of the train is likely to be made within the next month by the ACT, New South Wales and Federal governments. Mr Speaker, it is an extraordinarily exciting project for Canberra.

Mr Speaker, when I said during the election campaign that I was serious about putting our city on the map as a tourism, business and investment destination, many people told me to put my money where my mouth was. Today this Government has answered those critics, because this budget incorporates the single biggest expansion of tourism marketing dollars since self-government. Over the next three years an extra \$6m, including \$1.5m in this budget, will be provided to the Canberra Tourism and Events Corporation.

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This extra funding will dramatically boost our domestic and international marketing and ensure that Canberra is better placed to position itself in what is currently a very competitive domestic market. I am also pleased to announce that \$100,000 has been set aside to establish the Territory's first convention loans assistance scheme. Together with the continuation of the Feel the Power of Canberra business campaign, these initiatives demonstrate how much importance we attach to tourism as an industry that is central to our future.

Mr Speaker, it is this Government's vision to develop Canberra as a major centre for high and advanced technology research and development. We have always been an ideas city, and this is our greatest strength. But to be the clever capital, Mr Speaker, we need to have a clever government, a government that leads the way in utilising the latest communication and information systems to provide better, faster services for its citizens. To this end, this budget establishes the Territory's first Office of Information Technology and Multimedia, at a cost of \$900,000. To ensure that our IT systems are year 2000 compliant, provision is made in this budget for the commencement of a major modernisation program across all areas of government. To be managed by CanDeliver, which will assume responsibility for InTACT from 1 July, it is expected that this program will require an investment of \$80m in 1998-99 and, potentially, in further years, Mr Speaker.

Modernising our IT systems will also produce important benefits for the Canberra community. Mr Speaker, it will enable us to realise our aim of leading Australia by putting most ACT government transactions online by the year 2001. It will mean better services for ratepayers by allowing government bills to be paid from home or by direct debit, and greater flexibility in periodic payments. It will mean better, more efficient health care through the creation of a common patient identification system across our health services, and the establishment of a telemedicine centre in the ACT. It will mean quicker response times for ACT emergency services using improved communication and dispatch systems. And it will see the creation of electronic business networks and licensing systems that enable Canberra businesses to minimise red tape and to tap into the fastest growing market in the world - that of electronic commerce, Mr Speaker. With 50 per cent of our community already on the Internet, it is vital that the Government take a leadership role.

Mr Speaker, this Government went to the people just four months ago on its record of improving the management and accessibility of health services for all Canberrans. The promises we made back then are being honoured today as part of our commitment to maintaining the best health system in Australia. Importantly, this budget provides for an injection of new funds into the areas of greatest need in our community, including dental care, mental health, aged care services and drug rehabilitation. The \$3m program to reduce waiting times for elective surgery, which began under this Government, will continue in this budget. We will also significantly expand the capacity of our cardiac surgery unit which commenced earlier this year. This year will see the start of a two-year plan to significantly upgrade Calvary Public Hospital, at a cost of more than \$13m.

Mr Speaker, I also committed this Government to making our mental health system a priority. Today, I can announce the single biggest increase in funding in this area since self-government. A total of \$4m has been made available for the refurbishment of the psychiatric unit at Canberra Hospital and the construction of a new, state-of-the-art, secure care facility. On top of this, an extra \$700,000 has been allocated for the operation of the secure unit, together with an extra \$400,000 to improve community mental health services. This Government will also spend an additional \$500,000 to reduce waiting times for people needing public dental care and \$125,000 to establish an expanded asthma support service and research program - two very important areas. We will deliver on our election commitments to seniors, Mr Speaker. The home and community care program will increase again by a further \$800,000, following our decision to fully match the Commonwealth offer of growth funding. This will allow additional services to elderly people, people with disabilities, and carers. The spectacles subsidy scheme is to be expanded, with holders of an ACT seniors card to receive a \$35 subsidy towards the cost of purchasing a pair of spectacles. Finally, Mr Speaker, drug and alcohol rehabilitation programs will be boosted, with funding of \$52,000 for a late night drug referral information service and \$70,000 for additional places at the Arcadia House withdrawal centre.

Mr Speaker, an integral part of developing a clever capital is a clever education system. That is why this Government views spending on our schools, colleges and students as an investment in our future, rather than simply as a cost to the taxpayer. Since 1995 we have led the way in building upon that investment to give every Canberra student the best possible chance in life. For the fourth consecutive year we will maintain funding in real terms for government schooling, in line with our election promise. From the beginning of 1999, an extra \$400,000 will be directed to early literacy programs in primary schools. Mr Speaker, I am sure that that is something that everybody believes is important. From next year, too, we will boost per capita funding to non-government schools by \$400,000 and allocate an extra \$100,000 for students with disabilities.

In 1998 an estimated 2,000 computers will be provided to teachers and students in our government schools as part of our ongoing technology program and will cost a total of \$20m. Mr Speaker, it means that we are well on the way to achieving our aim of providing a computer for every full-time teacher by the end of 1999 and one computer for every two students by 2001. I can also announce today that it is our intention by 2001 to have 95 per cent of all Year 10 students in government schools certified in IT competency.

Mr Speaker, the benefits of our public housing reform program, which began in 1996, are now beginning to be seen. The number of people waiting for public housing has now fallen to just 2,007 - a 39 per cent reduction over the past 12 months. This Government's priority in public housing remains the development of more appropriate accommodation to meet the changing needs of the Canberra community. In recognition of our changing age profile, a total of 200 new aged persons units, costing \$25m, will be built across the Territory over the next three years. Mr Speaker, a record \$55m will be spent on improving ACT Housing properties, including \$19m on repairs and maintenance and \$5m to improve the livability of several older, large flat complexes.

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Mr Speaker, this Government is committed to the preservation of our unique natural environment. This budget reinforces that commitment. In line with our election promise, we have identified funding of \$100,000 to establish a weed hit team to target trouble spots. Additional resources will be made available for improved management of urban lakes and ponds, while we will also commit \$150,000 as part of our decision to become a fully-fledged member of the Murray-Darling Basin Commission - something that was long overdue, Mr Speaker. Mr Speaker, funding of \$500,000 has been identified to replace the downstream weir at Casuarina Sands, while the new Tidbinbilla Nature Reserve Visitor Centre will be constructed, at a cost of \$800,000. The Government also plans to release a comprehensive draft greenhouse strategy for public comment in August this year. While the ACT contributes less than one per cent of Australia's greenhouse gas emissions, I am proud to say that we remain the only State or Territory to establish a reduction target. Mr Speaker, further details of these and other initiatives are contained in Budget Paper No. 3.

Mr Speaker, the urban revitalisation program that began under this Government three years ago will continue across Canberra. A further \$1.5m will be spent this year on upgrading areas around Civic to create a real city heart for the national capital and a safer environment for everyone. The next stage of our precinct management program will see \$2.9m spent on improving areas around shopping centres at Curtin, Watson, Hawker, Manuka, Yarralumla, Dickson, Hall, Kippax and Weston Creek, Mr Speaker. We have also decided to extend the highly successful helpShop program for a further 12 months as part of our ongoing commitment to small retailers and local communities. A total of \$200,000 has been set aside to enable local traders to access grants to improve the appearance of their local shopping centres and to develop strategies to help them adjust to the changing retail environment. Already, 48 local centres have accessed the helpShop fund and the improvements are already being seen around Canberra and are already improving their turnover.

Today is International Olympic Day - a very appropriate day for a budget. It also means that there are 813 days to go until the 2000 Olympics football tournament begins in Canberra, 813 days until we start the Olympics right here in the national capital. This budget includes funding for the initial costs associated with staging Olympic soccer in Canberra as a result of our successful bid. Together with our expanded tourism and business marketing program, it represents a real commitment by this Government to maximise the benefits of our Olympic involvement and beyond. This budget also establishes a national teams fund of \$600,000 for the first time in the ACT. It will be available to assist both men's and women's teams that represent the ACT in national competitions and recognises the benefits that the high profile of these sides brings to the Territory. In return, these teams will be asked to undertake a more active role in directly promoting Canberra both locally and interstate.

This Government and Mr Osborne have been alone in recognising and acting upon the problem of the Territory's massive unfunded superannuation liabilities. I understand that those opposite think this is funny, but by 2013 - just 15 years from now - it will be a \$1.7 billion headache that could financially cripple future ACT governments, unless we

implement a strategy now to deal with it. Today I can announce the first stage of that strategy. Over the next four years we will put aside a total of \$200m towards meeting the cost of accruing liabilities. This represents the single biggest commitment by any government since we first assumed the liability in 1989.

This Government has carefully reviewed the taxes and charges that are levied on Canberrans, in an attempt to minimise the impact of higher costs of living, wherever possible. For example, the overall increase in rates revenue has, for the fourth year in a row, been limited to the forecast CPI increase. While total budget revenue is expected to be only slightly above the forecast outcome for 1997-98, there are several important changes. A new general levy will be placed on insurance companies, similar to that which applies in New South Wales. The revenue will be earmarked to help partially fund the operations of the Territory's emergency services. The Government has also decided to increase the rate of stamp duty that is payable on luxury cars, valued at \$45,000 or more, that are sold in the ACT from 1 July this year. A new regime of motor vehicle registration fees will commence from 1 September this year, reflecting the link between vehicle size and greenhouse emissions. The new fees will be levied according to the weight of the vehicle.

As part of the restructuring of car registration fees, I am pleased to announce that concessions for age, invalid and sole parent pensioners will increase from 50 per cent to 100 per cent from 1 September. Mr Speaker, this translates into a saving of \$110 a year for an average four-cylinder car. As well, for the first time, a concession of 10 per cent will be available to holders of ACT seniors cards on one registration. I know that these two measures will provide some small but significant relief for those in our community living on fixed or lower incomes.

Mr Speaker, no new, major asset sales have been identified in this budget. Finally, in recognition of the growth in availability of all forms of gambling, the Government has made good its promise to increase funding for support services in this area. An additional \$40,000 will be provided to the gambling and financial counselling service to help Lifeline better look after its clients.

Mr Speaker, I spoke earlier about the need for leadership and vision if we are to realise our goal of creating Australia's clever, caring capital. I believe that by going down the path that we have taken today, and during the next four years, we can create that future. It is my belief that by 2010, or just over 10 years from now, Canberra can be Australia's most vibrant, forward-looking city - a city that can stand on its own two feet, that is out from under the shadow of being solely a public service economy; a clever city with more high-tech jobs per capita than anywhere else in Australia and a strong export industry in research, development and advanced technology; a clever capital linked to Sydney by a high speed rail link and to the rest of the world by an international airport; a city with a clever government that leads the way with smart billing systems, individually-tailored services and almost instantaneous online communications with all of its constituents; but also a caring city that continues to provide high-quality health, education and local government services that are accessible to all Canberrans.

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Is that pie in the sky, Mr Speaker? Some of those things I have just spoken about have already happened under this Government. The budget I present today clearly demonstrates that our financial position is a vast improvement on what we inherited three years ago. It is a tough but fair budget which shows that we have a realistic, affordable strategy to take Canberra into the next century. During the recent ACT election campaign, one major party and Independents like Mr Moore and Mr Osborne promised responsible financial management. Those opposite, by the way, did not. Mr Speaker, we are delivering on our commitment through the budget that I present today. I commend the 1998-99 budget to the Assembly. Mr Speaker, we believe we are the first State or Territory to provide its budget on CD-ROM.

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

AUTHORITY TO BROADCAST PROCEEDINGS Paper

MR SPEAKER: Pursuant to subsection 8(4) of the Legislative Assembly (Broadcasting of Proceedings) Act 1997, I present an authorisation to broadcast given to a number of television and radio networks in relation to proceedings of the Assembly for today, 23 June 1998, and Thursday, 25 June 1998, concerning the presentation and consideration of the Appropriation Bill 1998-99.

PURCHASE AGREEMENT Paper

MR SPEAKER: I present the purchase agreement between me, as Speaker, and the Clerk of the Legislative Assembly for the Australian Capital Territory for 1998-99.

LEGISLATIVE COUNCIL OF THE NORTHERN TERRITORY - FIFTIETH ANNIVERSARY Paper

MR SPEAKER: I present a copy of a resolution passed by the Legislative Assembly of the Northern Territory on 26 February 1998 in commemoration of the fiftieth anniversary of the first sitting of the Legislative Council. The terms of the resolution specify that copies signed by all members of the Northern Territory Assembly be conveyed to the presiding officers of State, Territory and Commonwealth parliaments. The terms of the resolution will be included in the *Minutes of Proceedings* and incorporated in *Hansard*.

Resolution incorporated at Appendix 1.

OWNERSHIP AGREEMENTS
Papers

MS CARNELL (Chief Minister and Treasurer): Mr Speaker, for the information of members, I present ownership agreements between me, as Treasurer, and the following chief executives: Chief Minister's Department, Department of Justice and Community Safety, Department of Education and Community Services, Department of Urban Services, ACT Forests, ACTION, ACT Housing, the InTACT Group and the Department of Health and Community Care.

STATEMENTS OF INTENT
Papers

MS CARNELL (Chief Minister and Treasurer): I present the 1998-99 statements of intent prepared by the following Territory authorities pursuant to section 58 of the Financial Management Act 1996: Casino Surveillance Authority, Exhibition Park in Canberra, Gungahlin Development Authority, Milk Authority of the ACT, Australian International Hotel School, Canberra Tourism and Events Corporation, Cultural Facilities Corporation, Legal Aid Commission (ACT), Public Trustee for the ACT, Agents Board of the ACT, Canberra Institute of Technology, incorporating CIT Solutions Pty Ltd, Canberra Cemeteries Trust, Canberra Hospital, ACT Community Care, and Healthpact.

PURCHASE AGREEMENT
Paper

MS CARNELL (Chief Minister and Treasurer): Mr Speaker, I also present the 1998-99 purchase agreement between me, as Chief Minister, and the chief executive of the Chief Minister's Department.

RURAL RESIDENTIAL DEVELOPMENT
Papers

MS CARNELL (Chief Minister and Treasurer): Pursuant to the resolution of the Assembly of 28 May 1998, I present documents relating to the Hall/Kinlyside rural residential development, including the deed of termination and the map of the Kinlyside development. These documents were circulated to members on 29 May 1998.

**REMUNERATION TRIBUNAL
Determinations**

MS CARNELL (Chief Minister and Treasurer): Finally, I present Determinations Nos 30, 31, 32 and 33, including statements pursuant to section 12 of the Remuneration Tribunal Act 1995, relating to members of the ACT Legislative Assembly, chief executives and executives, full-time holders of public offices and part-time holders of public offices.

**PURCHASE AGREEMENT
Paper**

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer): Mr Speaker, for the information of members, I present the 1998-99 purchase agreement between me, as Attorney-General, and the chief executive of the Department of Justice and Community Safety.

**SUBORDINATE LEGISLATION AND COMMENCEMENT PROVISION
Papers**

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer): I present, pursuant to section 6 of the Subordinate Laws Act 1989, subordinate legislation in accordance with the schedule of gazettal notices circulated, and a notice of commencement for the Magistrates Court (Civil Jurisdiction) (Amendment) Act 1997.

The schedule read as follows:

Canberra Institute of Technology Act - Instruments of appointment of Chairperson and members of the Canberra Institute of Technology Advisory Council - Instruments Nos 285 to 289 of 1997 (S447, dated 31 December 1997).

Children's Services Act - Instrument of appointment of member of the Children's Services Council - Instrument No. 283 of 1997 (S441, dated 24 December 1997).

Gungahlin Development Authority Act - Appointment of member of the Gungahlin Development Authority - Instrument No. 32 of 1998 (S72, dated 17 February 1998).

Hotel School Act -

Instruments of appointment of Chairperson and members of the Australian International Hotel School Board of Management - Instruments Nos 276 to 282 of 1997 (S440, dated 24 December 1997).

Instruments of appointment of Deputy Chairperson and a member of the Australian International Hotel School Board of Management - Instruments Nos 51 and 52 of 1998 (S85, dated 27 February 1998).

Justices of the Peace Act - Instruments of appointment of Justices of the Peace - Instrument No. 62 of 1998 (S88, dated 27 February 1998).

Liquor Act - Liquor Regulations (Amendment) - Subordinate Law No. 41 of 1997 (S450, dated 24 December 1997).

Magistrates Court (Civil Jurisdiction) Act - Workers' Compensation Rules (Amendment) - Subordinate Law No. 40 of 1997 (S418, dated 17 December 1997).

Magistrates Court (Civil Jurisdiction) (Amendment) Act 1997 - Notice of commencement (25 May 1998) of sections 4 to 10 (S140, dated 25 May 1998).

Mental Health (Treatment and Care) Act - Instruments of appointment of Mental Health Officers - Instruments Nos 55-61 of 1998 (S87, dated 27 February 1998).

Motor Traffic Act -

Instrument No. 273 of 1997 - Pursuant to the Motor Traffic Regulations - Declaration of declared holiday period (S413, dated 16 December 1997).

Instrument No. 274 of 1997 - Determination of Class B classes of motor vehicles (S430, dated 19 December 1997).

Instrument No. 275 of 1997 - Determination of fees payable for parking labels (S430, dated 19 December 1997).

Nature Conservation Act - Removal of species requiring special protection status - Instrument No. 33 of 1998 (S73, dated 17 February 1998).

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Occupational Health and Safety Act - Instruments of appointment as:

Members of the Occupational Health and Safety Council - Instrument No. 290 of 1997 (S452, dated 31 December 1997).

Acting Member of the Occupational Health and Safety Council - Instrument No. 291 of 1997 (S452, dated 31 December 1997).

Public Place Names Act - Determinations of street nomenclatures in the division of Nicholls -

Instrument No. 31 of 1998 (S71, dated 17 February 1998).

Instrument No. 34 of 1998 (S76, dated 19 February 1998).

Rates and Land Rent (Relief) Act - Notice fixing rates of interest - Instrument No. 15 of 1998 (S31, dated 15 January 1998).

Supreme Court Act - Supreme Court Rules (Amendment) - Subordinate Law No. 43 of 1997 (S20, dated 13 January 1998).

Vocational Education and Training Act -

Instrument of appointment as a member of the Vocational Education and Training Authority - Instrument No. 284 of 1997 (S446, dated 31 December 1997).

Instruments of appointment as members of the Vocational Education and Training Authority - Instruments Nos 53 and 54 of 1998 (S86, dated 27 February 1998).

Instrument of appointment as a member of the Accreditation and Registration Council - Instrument No. 50 of 1998 (S84, dated 27 February 1998).

Workers' Compensation Act - Workers' Compensation Regulations (Amendment) - Subordinate Law No. 39 of 1997 (S417, dated 17 December 1997).

QUESTIONS WITHOUT NOTICE

Release of Prisoner

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer): I also present the answer to a question from Mr Hargreaves which I took on notice on 28 May.

PURCHASE AGREEMENTS

Papers

MR STEFANIAK (Minister for Education): Mr Speaker, for the information of members, I present the 1998-99 purchase agreement between me, as Minister for Education, and the chief executive of the Department of Education and Community Services.

MR SMYTH (Minister for Urban Services): Mr Speaker, for the information of members, I present the 1998-99 purchase agreement between me, as Minister for Urban Services, and the chief executive of the Department of Urban Services.

MR MOORE (Minister for Health and Community Care): Mr Speaker, for the information of members, I present the 1998-99 purchase agreement between me, as Minister for Health and Community Care, and the chief executive of the Department of Health and Community Care.

PERSONAL EXPLANATION

MS TUCKER: Mr Speaker, under standing order 46, I would like to make a personal explanation.

MR SPEAKER: Proceed.

MS TUCKER: In question time, Mr Stefaniak made a couple of comments which I need to respond to. First of all, Mr Stefaniak said that I had abused a private briefing of the Education Committee about work for the dole people working in primary schools. I would like to make it quite clear, firstly, that I first heard about the proposal outside the committee; secondly, that I raised it in the committee and I was given no more information than was otherwise available in the community; thirdly, that the media already knew about it and were asking me; fourthly, that the committee was prepared to work in confidence with the department in looking at the detail of the contract, even though I must say that I thought it was a bit odd for an open and consultative government to be seen to be so secretive; and, fifthly, that we were told twice, through the secretary of the committee, by a government official - whose name I am happy to give you afterwards, as I know that you do not like anyone to name officials in this place, and I respect that - that, since the committee briefing, it had been decided that we could not have access to that document because it was commercial-in-confidence. I asked for a letter to that effect, which the secretary has been told will be coming to the committee.

The Minister somehow seemed to feel that, by daring to bring this issue into public debate, I was going to cause the proposal to fail. My comment there would have to be that it was already in the public arena; but, because it was being handled in a closed and secretive way, there were grave concerns. All I was trying to do was to get information.

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If you had been open and you had brought out the discussion, maybe you would have been more successful. There may still be possibilities, Minister. But the point is that that discussion has not happened. I would also like to respond quickly about the literacy enhancement officers that you referred to.

MR SPEAKER: You are now drifting away from a personal explanation. Do not debate the issue.

MS TUCKER: This is a personal explanation, because the Minister claimed that it was the same for the literacy enhancement officers. I would just like to point out that I was not able to get information to show that there would be five weeks' training; so they may not be in the same position. In fact, the bureaucrat concerned was saying that probably there would not be the same training component. I do not believe you have the right to say that it is the same.

MR STEFANIAK (Minister for Education): Mr Speaker, I thank Ms Tucker for those comments, which were fairly detailed. If you do have a name, I would be interested in having it.

MR SPEAKER: You will have to seek leave to speak.

MR STEFANIAK: I seek leave, Mr Speaker.

Leave granted.

MR STEFANIAK: Ms Tucker will recall that my answer related to Ms Hinton. As a result of what Ms Tucker just said, Mr Speaker, I would like to make it quite clear - and I think Ms Hinton has already - that we would be pleased to make available the details of our proposal to DEETYA in relation to work for the dole participants helping in our schools. DEETYA have been in touch with us about our tender and we will, accordingly, seek their agreement to make the details available to Ms Tucker. I do not know whether that has actually been conveyed to you. I understood it might have been; but, if it has not, I do so now.

ADJOURNMENT

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

That the Assembly do now adjourn.

Assembly adjourned at 3.47 pm