



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

19 November 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.

PAPER

MR BERRY: I seek leave to present a petition which does not conform with standing orders.

Leave granted.

MR BERRY: I present an out-of-order petition from 470 residents concerning the closure of Spence Primary School.

RATES AND LAND TAX (AMENDMENT) BILL (NO. 2) 1998

MS CARNELL (Chief Minister and Treasurer) (10.33): Mr Speaker, I present the Rates and Land Tax (Amendment) Bill (No. 2) 1998, together with its explanatory memorandum.

Title read by Clerk.

MS CARNELL: Mr Speaker, I move:

That this Bill be agreed to in principle.

This Bill introduces amendments to the Rates and Land Tax Act 1926 which will secure the Territory's rates and land tax revenue base, strengthen compliance provisions in the area of residential land tax and provide greater equity for landowners in certain cases. Mr Speaker, the Bill allows the Commissioner for ACT Revenue to delegate her powers and functions under the Rates and Land Tax Act. This delegation is currently made under the Taxation (Administration) Act 1987. Legal advice is that delegation of these powers under the Rates and Land Tax Act will remove any possibility of challenge to decisions made under delegation and will, therefore, protect the rates and land tax revenue base. This revenue is estimated at \$131.53m for 1998-99.

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The Bill also provides for broader inquiry and inspection powers. At present where the commissioner wishes, on reasonable grounds, to inspect documents relating to a person's liability for land tax, written notice specifying the information or documents required must be given. This process is cumbersome and resource intensive for both the ACT Revenue Office and the recipients of these notices. It is also ineffective in situations where a person is trying to evade liability for land tax.

Mr Speaker, the Bill provides inquiry and inspection powers which are effective and essential for the protection of the land tax revenue base. The powers are similar to those available to the Australian Taxation Office and the revenue offices in most other taxation jurisdictions. The powers of entry are restricted to business premises during normal business hours or at any other time only if the occupier is present. Inspections would normally be subject to the Revenue Office's practice of prior appointment, and the enhanced inspection powers would be used only where tax avoidance is suspected. Only authorised inspectors would be empowered under the Bill. Inspectors are predominantly interested in occupancy and tenancy records, and the inspection powers would, in the main, be exercised at government agencies such as ACTEW and the Rental Bond Board and at real estate agencies. The Bill also provides for the appointment of authorised officers to exercise these inspection powers.

Mr Speaker, another situation which the Bill addresses is where a residential property is assessed as liable for land tax. In cases where the landowner disagrees with that assessment and claims that the property was not rented during the period in dispute, the landowner will have the right to object to that decision. Should the landowner still be dissatisfied with the result of the objection, then the right of appeal to the Administrative Appeals Tribunal will be created. Another area of concern for landowners occurs where a residential property is rented for part of a quarter, becomes vacant and is then rented for part of the succeeding quarter. Under existing provisions, the property would be liable for land tax for both quarters. Mr Speaker, landowners have made the point that this is inequitable, depending on the period of vacancy. This Bill addresses this problem. It provides that where, in any two succeeding quarters, a property is vacant continuously for a period of 91 days or more then the property will be exempt for the second of those quarters.

Another concern is the treatment of multipurpose leases during the period of development. Under the present provisions, such a lease, which is for the development for residential and commercial uses, must be valued and assessed for rates and land tax charges as a commercial property. This involves higher valuations and charges than a residential property would attract. The Bill addresses this inequity. It makes provision for the residential and commercial parts of the lease to be valued and assessed as residential and commercial properties. The property owner will also receive valuations and assessments for the whole property which are the totals of the two components. These concessional arrangements cease upon completion of the development.

In summary, this Bill protects the Territory's rates and land tax base and, in some areas of the legislation, provides for more equitable treatment of property owners. I commend the Bill to the Assembly.

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

SUPREME COURT (AMENDMENT) BILL (NO. 3) 1998

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (10.39): Mr Deputy Speaker, I present the Supreme Court (Amendment) Bill (No. 3) 1998, together with its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES: I move:

That this Bill be agreed to in principle.

This Bill deals with two issues - the remuneration, allowances and entitlements of judges; and the capacity of the Supreme Court to declare a person to be a vexatious litigant. The Supreme Court Act does not provide for the setting of the remuneration, allowances and entitlements of resident judges. A resident judge is one whose primary or sole responsibility is to constitute the Supreme Court. Prior to the transfer of administrative responsibility for the court from the Commonwealth to the ACT, Supreme Court judges were appointed to both the Supreme and Federal courts and received their terms and conditions in their latter capacity. Appointment to the Federal Court was made in order to give that court an increased presence in the Territory and because the Federal Court is the relevant appeal court in respect of the Supreme Court. It is unlikely that future appointees to the Supreme Court will be appointed by the Commonwealth to the Federal Court. Indeed, that was the experience in September last year when the Territory appointed a resident judge for the first time since assuming responsibility for the Supreme Court.

It is inappropriate that resident judges performing similar functions should be engaged under different terms and conditions. Those resident judges who are also Federal Court judges receive the remuneration, allowances and entitlements of a Federal Court judge. This Bill will provide that any resident judge appointed while another resident judge holds a commission as a Federal Court judge will be entitled to the same remuneration, allowances and entitlements to which a judge of the Federal Court is, from time to time, entitled.

This approach will tie the benefits received by Supreme Court resident judges to those applicable to judges in another jurisdiction, that of the Commonwealth. The Government has recognised that this nexus may not continue to be appropriate once there are no Supreme Court judges holding Federal Court commissions by limiting the application of the relevant provisions of the Bill. They will cease to apply to appointments made after the last resident judge holding a Federal Court commission has left the court, at which time the Remuneration Tribunal will have jurisdiction to make relevant determinations unless the government of the day further legislates to deal with this issue.

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The Bill will remove the role of the Remuneration Tribunal in relation to determining the remuneration, allowances and entitlements of acting and additional judges and those resident judges appointed while another resident judge holds a commission of the Federal Court. The tribunal will have a role in respect of determining the additional remuneration and allowances to be paid and entitlements to be granted to the Chief Justice in addition to those received in his or her capacity as a resident judge or a Federal Court judge.

The Bill also provides that the remuneration and allowances of acting judges will be set by regulation. Given the nature of acting appointments, this approach will provide flexibility while, at the same time, will provide for the scrutiny by the Assembly of the remuneration and allowances prescribed. The Supreme Court Act does not address the issue of entitlements to be received by an acting judge. The Bill provides for an acting judge to receive the same entitlements, other than an entitlement to a pension or leave, as those received by a resident judge. Entitlements in respect of a pension and leave are not relevant, because acting judges are paid a daily sitting fee.

Mr Deputy Speaker, I would like to turn now to the second matter dealt with by this Bill. The ACT and the Northern Territory are the only jurisdictions which do not have provisions to deal with persons who are vexatious litigants. In general terms, a vexatious litigant is one who institutes proceedings for an ulterior purpose or without reasonable grounds. This Bill will enable the Supreme Court, on application, to declare a person to be a vexatious litigant. Where a declaration has been made, that person will not be able to commence or continue proceedings without the leave of the Supreme Court. I understand that the experience of other jurisdictions suggests that courts are slow to make such a declaration. An application for a declaration may be made by the Attorney-General or, in relation to proceedings, by a person aggrieved by the institution of those proceedings.

There are three interesting features about this aspect of the Bill. The first is that a declaration will operate in respect of proceedings before a tribunal. This is sensible, given the trend of providing for tribunals to deal with matters which formerly would have been the subject of judicial proceedings. The second is that it allows a declaration to be made in respect of a particular type of matter. Thus, if there is a neighbourhood dispute, a declaration can be made in respect of that type of matter and that would not otherwise limit the ability of the person the subject of the declaration to commence proceedings in relation to other matters. Finally, if the court makes a declaration that a person is a vexatious litigant, the declaration will have the effect of preventing that person and, in addition, any other person acting in concert with the vexatious litigant from instituting or continuing proceedings without the leave of the court. This will assist in preventing the circumvention of a declaration. I commend the Bill to the house.

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

PRISONERS (INTERNATIONAL TRANSFER) BILL 1998

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (10.44): I present the Prisoners (International Transfer) Bill 1998, together with its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES: Mr Deputy Speaker, I move:

That this Bill be agreed to in principle.

This Bill is complementary to the Commonwealth International Transfer of Prisoners Act 1997, which establishes a scheme for the transfer of prisoners between Australia and foreign countries. With the implementation of the scheme under this Act, it will be possible for Australia to enter into bilateral and multilateral treaties with other countries for prisoner transfers. The Bill for the Commonwealth Act and a draft model Bill for complementary State and Territory legislation were developed through a consultation process coordinated by the Standing Committee of Attorneys-General. The proposed ACT legislation is based on the draft model complementary legislation for States and Territories and provides for matters which are necessary to ensure ACT participation in the scheme. I will briefly explain the elements of the scheme under the Commonwealth Act.

A prisoner eligible to apply for an international transfer may include a mentally impaired prisoner and a person who has been released on parole. An Australian prisoner in a foreign country will be able to seek a transfer to Australia to complete his or her sentence in Australia. A foreigner who is a prisoner in Australia will also be able to apply for a transfer to his or her home country to complete serving the Australian sentence in that country. These are general prisoner transfers.

In addition the Commonwealth Act provides for a prisoner convicted by a tribunal dealing with war crimes in the former Yugoslavia or Rwanda to be able to be transferred to Australia to serve the sentence. A transfer of a tribunal prisoner to Australia will occur only if the prisoner has some connection with Australia. A prisoner transferred to Australia will be treated as a Federal prisoner for the purposes of the enforcement of the sentence. Under the Bill it will become possible to use the Commonwealth scheme for the purposes of transferring prisoners between the Territory and foreign countries. A prisoner eligible for a transfer to the Territory from a transfer country will be required to demonstrate community ties with the ACT.

The ACT Minister's consent will be required where prisoners are to be transferred to and out of the Territory. Currently the ACT does not have its own prison and therefore an overseas prisoner with community ties with the ACT will be transferred to a New South Wales gaol. For this purpose, consent of the relevant New South Wales Minister will also be needed. In the case of an ACT prisoner transferred out of Australia, the Bill provides that the Territory law relating to enforcement of the sentence will cease to apply to the prisoner. Nonetheless the ACT Executive's power to grant a pardon or remission of sentence or penalty in relation to that prisoner will not be limited.

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Where a prisoner is transferred to Australia under the Commonwealth Act, the Bill recognises that the prisoner will be subject to the relevant Territory or Commonwealth law or law of another jurisdiction in relation to prison rules; removal between prisons, hospital and other places; treatment of mentally impaired prisoners; and interstate transfer of prisoners. Under the Commonwealth Act, the Commonwealth Attorney-General is empowered to give directions as to whether a foreign sentence will be continued or substituted with a different sentence. Where a foreign sentence is to continue, the directions will specify such adaptations as are necessary to ensure that the enforcement of a sentence is consistent with Australian law.

The Commonwealth Attorney-General may also, in certain circumstances, give a direction not to keep a transferred prisoner in custody or detention only because of a foreign sentence. These circumstances are where a prisoner transferred to Australia is pardoned or granted amnesty or commutation of sentence under an Australian law or under the law of the transfer country; where the transfer country notifies that the foreign conviction of the prisoner has been quashed or nullified; or in the case of a tribunal prisoner (that is, a prisoner convicted by a war crimes tribunal) transferred to Australia, where the relevant tribunal quashes or nullifies the conviction or the prisoner is pardoned or granted amnesty or commutation of the sentence by the tribunal or where the relevant tribunal notifies the Commonwealth Attorney-General that the prisoner may be pardoned or granted amnesty or commutation of sentence under an Australian law and the prisoner is granted such an amnesty or commutation of sentence.

The Bill will enable the Commonwealth Attorney-General's directions to be given effect to in the Territory. The Bill will be an ACT contribution to Australia's international commitment to a humanitarian program of prisoner transfers. It provides a mechanism whereby prisoners can be detained in their own communities close to family and friends. This should enhance the prospects that the prisoner will be better able to integrate into the mainstream of society following the prisoner's release.

Where a prisoner with community ties with the ACT is to be transferred to Australia, the proposed terms of the transfer will have to be agreed to by the ACT and the Commonwealth. Under section 51 of the Commonwealth Act, such terms may, if the Commonwealth Attorney-General considers it appropriate, include terms relating to the recovery of the costs and expenses reasonably incurred for the transfer.

Where any costs or expenses incurred by the Territory in relation to a transfer of a prisoner, such as for sending escort officers or for air fares, are recovered in accordance with the agreed terms, the Commonwealth will reimburse the Territory. Any transfer of prisoners convicted of ACT offences could be expected to result in savings to the Territory, but it is clearly impossible to predict the nature of any savings in advance. Mr Deputy Speaker, I commend the Bill to the Assembly.

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

ELECTORAL (AMENDMENT) BILL 1998

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer)(10.51): Mr Deputy Speaker, I present the Electoral (Amendment) Bill 1998, together with its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES: I move:

That this Bill be agreed to in principle.

This Bill provides for the Electoral Act 1992 to be amended so that a redistribution of electoral boundaries shall commence after the third Saturday in October two years before the next due date for an election rather than after the third Saturday in February two years and eight months before the next election. As the Electoral Act currently stands, a redistribution of electoral boundaries is due to commence after the third Saturday in February 1999. However, the Assembly Select Committee on the Report of the Review of Governance is currently considering the issue of changing the number of members elected to the Assembly. Any change to the number of members to be elected would change the redistribution criteria. This Bill will delay the commencement of the 1999 redistribution until October in order to give the Legislative Assembly time in which to consider the outcome of the select committee's deliberations.

This Bill will also bring the redistribution timetable into line with the new timetable for elections, with the next election due to be held on 20 October 2001 and elections thereafter to be held on the third Saturday in October every three years.

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

LAND (PLANNING AND ENVIRONMENT) (AMENDMENT) BILL 1998

MR SMYTH (Minister for Urban Services) (10.53): Mr Deputy Speaker, I present the Land (Planning and Environment) (Amendment) Bill 1998, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: Mr Deputy Speaker, I move:

That this Bill be agreed to in principle.

The Land (Planning and Environment) (Amendment) Bill 1998 amends sections 184B and 187B of the Land (Planning and Environment) Act 1991 to extend the date of effect of those sections. Sections 184B and 187B are sunset clauses that effect the formula prescribed to calculate the change of use charge. The clauses were inserted into the legislation during the Assembly's 1996 debate on the major amendments to the Act.

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The current change of use charge formula calculates the charge at 75 per cent of any added value that results from variation, consolidation or subdivision of a lease. The sunset clauses amend the formula by providing for the calculation of the charge at 100 per cent of added value. The clause takes effect from 25 December 1998.

As the Assembly would be aware, the Government has commissioned Professor Des Nicholls of the Australian National University to undertake a change of use charge impact study. This involves examining the efficiency and methodology of the current system and any alternatives. It is a complex process, examining a large number of individual cases, and the findings of the study are not expected to be released until June 1999.

To provide sufficient time for the Government, interest groups and the general community to discuss the findings of the study and any proposed amendments prior to the implementation of the 100 per cent change of use charge, the amending Bill extends the commencement date of sections 184B and 187B by 12 months; that is, the formula providing for 100 per cent change of use charge will not apply until 25 December 1999. This will allow for all issues raised by the study to be considered thoroughly and enable the timely implementation of any legislative amendments that may result from the findings of the study.

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

TRANSPLANTATION AND ANATOMY (AMENDMENT) BILL 1998

MS CARNELL (Chief Minister and Treasurer) (10.56): On behalf of Mr Moore, I present the Transplantation and Anatomy (Amendment) Bill 1998, together with its explanatory memorandum.

Title read by Clerk.

MS CARNELL: Mr Deputy Speaker, I move:

That this Bill be agreed to in principle.

The ACT can be proud of its record in organ donation but more can be done to improve our rates. This initiative, this amendment to the Transplantation and Anatomy Act 1978, will help us to help others. Eye donation for the purpose of corneal transplantation has previously been carried out in the ACT only as a component of the multiple harvesting of organs by the New South Wales transplant team. This is because the ACT Transplantation and Anatomy Act 1978 has allowed only an authorised medical practitioner to remove human tissue.

With no training program for ophthalmology at the Canberra Hospital and no specific benefit for corneal retrieval, the hospital has been unable to maintain a reliable roster of participating doctors for the retrieval of corneas. This amendment to the Transplantation and Anatomy Act 1978 will allow enucleation as a stand-alone procedure to be carried out for the first time in the ACT. When a similar amendment to the New South Wales Human Tissue Act was passed, it had the immediate effect of significantly increasing the rate of corneal retrieval and a consequent reduction in the waiting list for corneal transplantation.

The amendment means that any trained and properly accredited health professional on staff at ACT hospitals will be able to seek the consent of the deceased person's relatives and retrieve corneas for the Lions New South Wales Eye Bank. That health professional will be trained by the Lions New South Wales-ACT Save Sight Foundation and, after training, be accredited by the Chief Health Officer of the ACT. The involvement of the Lions New South Wales-ACT Save Sight Foundation is to be commended in the retrieval program. The Lions Club arranges to have the corneas picked up from the hospital and sent to the New South Wales Eye Bank and will also make enucleation equipment available to the hospitals if necessary. I wish to thank the Lions Club for their involvement and their support in this very important initiative.

I expect the change to the Act will have an immediate and positive impact on the current New South Wales Eye Bank waiting list for corneal transplants. With around 325 patients on the waiting list, many of these patients will be from the Canberra region. In the 18 months to November 1997, 24 corneal transplants were performed for patients from the Canberra region. The initiative to increase corneal retrieval follows the provision of \$70,000 to the Canberra Hospital in the 1998-99 purchasing contract. This money was provided to improve rates of organ donation through better coordination and support for the families of patients who donate their organs for transplantation. Mr Deputy Speaker, I commend the Transplantation and Anatomy (Amendment) Bill 1998 to the Assembly.

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

**LEGISLATIVE ASSEMBLY (MEMBERS' STAFF) ACT -
INSTRUMENT NO. 189 OF 1998
Motion for Disallowance**

MR KAINE (11.00): Mr Deputy Speaker, I move:

That:

- (1) Instrument No. 189 of 1998 dated 4 August 1998, relating to salary allocations to Members to employ staff in the 1998-99 financial year and made under the Legislative Assembly (Members' Staff) Act 1989, be disallowed; and

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- (2) the Chief Minister make a new non-discriminatory determination, to be effective from today to ensure continuity of employment to all staffers, without detriment.

Mr Deputy Speaker, I must say that I move this motion today rather reluctantly, but members who have been following this matter will know that today is the fifteenth sitting day since the determination was made and such a determination is disallowable only within a period of 15 sitting days, so if I do not move today I no longer have the opportunity to do so. I felt that it was necessary for me to do so because the determination that I am referring to here is discriminatory. I do not believe that this place ought to allow discriminatory determinations, of whatever nature, to stand unchallenged.

If people have a look at the determination - and I wonder whether members of the Assembly other than me have actually seen a copy of the determination - they will see that it sets out staff salary allowances for a number of classes of people. One section talks about the Leader of the Opposition, but the second section talks about the Government Whip, the Opposition Whip, backbench members and Independent members. If you look at the allowances made, according to this document, there are only three crossbenchers or Independent members. That of course is grossly in error. My name appears there listed amongst backbenchers. By no means can I be described as a backbencher. I have not been one for about five months now. The document, when it was promulgated, perpetrated a myth in terms of my status and standing in this place.

In fact, it would be incorrect even to describe me as an Independent member, because I happen to be the leader of a separate party. I will come to the basis of that distinction in a minute. But the fact is that this document is discriminatory and it includes my name listed amongst a category of people to which I do not belong. The consequence of that is that I receive a staff salary allowance of something close to \$30,000 less than do my three crossbench colleagues. There is an error there which in effect introduces discrimination, and I believe that it needs to be changed.

Other members of this place may argue that there is discrimination from other aspects that have to do with whether the allowance payable to a backbencher, whether of the Government or the Opposition, is adequate and appropriate. That is a separate debate. I make no point of that, because, as a backbencher, I accepted that the amount of money allocated here was in accordance with principles spelt out by an independent reviewer, Mr Prasad, some time ago. I accepted that that was a level that was reasonable at the time, but that of course is a matter for debate at any time.

I refer to Mr Prasad because Mr Prasad set down some principles which determine relationships. He did not so much set down an actual amount of money that should be paid to various classes of people in this place but he did set down some principles and relationships. He made a distinction, for example, between office-holders, the Leader of the Opposition, the party Whips, Independent members and minor party members. That is why I referred earlier to the fact that even if I were properly included amongst the crossbenchers here it would still be improper to refer to me as an Independent member, because I am not an Independent member and have not been since my party was registered some time ago. I think that needs to be rectified as well.

The Prasad report is the start point of all of this. It set down some principles, and by and large, until now, those principles have been accepted by the Government and successive determinations have generally followed those principles. I think the anomaly in my case in this most recent document stems from the publication of a determination based on the most recent determination before that. In the letter that the Chief Minister sent out at the time, on 5 August, I think it was - this determination was dated 4 August - she made the point:

The arrangements for the new allocation which are set out in the attached table reflect the relativities in place at the end of the last financial year.

Indeed, they did. The point is that the relativities in that previous determination were no longer relevant in my case, because my status had changed. We can argue the toss about the means by which I became a crossbencher, but the point is that, whatever the circumstances, I am a crossbencher. Facts are facts. Since the Chief Minister at an earlier time had determined an appropriate quantum for staff salary for crossbenchers, then I do not think there is any argument that could be mounted that would say that that quantum should not apply to all crossbenchers. It cannot be applied to only three. If she had done it deliberately - and I am giving her credit for the fact that she did not do it deliberately - she would be saying that I should be deprived of staff resources which she has previously determined should be available to crossbenchers. In other words, she would have deliberately deprived me of resources which I need to do my job in this place.

I could go so far as to suggest that if that had been done deliberately it might be regarded as an undue restriction on a member of the Assembly in performing his duty. Something tells me that somewhere in the self-government Act it is an offence to do that. I have no doubt that the error here was inadvertent, although after a period of nearly three months nothing has been done to rectify it. That is why I am taking the step today to disallow the instrument. It is a discriminatory determination and I think it should be corrected.

I think that the underlying principle when Ministers exercise discretionary powers and make determinations has to be that such determinations cannot be discriminatory. In the interests of common justice, you cannot make a determination which favours one or disadvantages another. It must be incumbent on a Minister, in exercising a discretionary power and making a determination, that the consequences of the determination fall equally on all of those people to whom it applies. If that is not the case, then we have an inbuilt inequality and inequity in the system of administration. I do not believe that that is in any way intended, nor do I believe that it is acceptable.

A couple of unsatisfactory events have occurred during the three months or so that this determination has been in place. Mr Berry had indicated an intention to move to rectify it. In fact, he has a motion on the notice paper. I have brought this motion forward today because he appears a bit reluctant to bring his motion forward. As I have said before, if I do not move today, then I lose the power personally to seek to have the matter rectified. I am solely in the hands of others as to whether the matter is rectified or not.

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During this exercise some rather unsavoury and unworthy suggestions have been made. For example, it was put to me on one occasion that if I had this motion accepted by the Assembly then all of the staffers of the non-Executive members of this place would be fired.

Technically, if the Chief Minister does not make another determination, there arises the question of how the non-Executive members' staffers are going to be paid. If the Chief Minister, who would have the responsibility under this motion of mine to make another determination, refused to do so, would the 12 non-Executive members of this place sit here dumb and allow that to occur? I have to put it to you that it is incumbent on the non-Executive members of this place, all of whom would be affected if the Chief Minister simply declined to make another determination, to ensure that she did. If some sort of coercive power is being exercised by the Chief Minister or her staff on this matter, they need to be aware that coercive power is a two-edged sword. There is a thing called a motion of no confidence. I am not threatening that such a motion would be moved, but I am simply drawing it to members' attention that if anybody feels threatened that their staffers are not going to be paid because the Chief Minister might decline to make a determination there is always that recourse. Since 12 members of this place would be affected by it, I think 12 beats five any time. If we are getting into the area of coercive power or threat of retribution, then the members of this place have the biggest stick in terms of the power of coercion that exists in this place. I do not think we should allow that sort of rumour mongering to go unchallenged. I do not think we should allow it to be left that somehow we are all going to accept this cudgel and we are all going to sit down and take whatever is handed out to us.

Another possibility floated a little while ago was that if the Assembly, by whatever means, agrees that the four crossbenchers should receive an equal amount of staff salary resources - I would argue that that situation ought to be incontrovertible fact - then three will have their staff salary allowances reduced to allow the fourth one to be brought up to parity. Again, that is a threat of punitive action if people do not come to heel. Again, I do not think that ought to be allowed to pass unchallenged. Some of these things that have been done to damp down the likelihood of any motion such as mine succeeding are unworthy of this place. There is no room, as I have already pointed out, for discriminatory determinations. There is even less room for threat of punitive action if one dares to object to a discriminatory determination.

I just do not think that there is any argument that could counter the proposition that the Chief Minister herself has determined the appropriate quantum for staff salary for crossbenchers. I am - the facts speak for themselves - a crossbencher. On what legitimate grounds does the Chief Minister argue, if she does, that I should not receive the same staff salary allocation as everybody else? There seems to me to be a flaw in the logic.

As I say, I think this is probably an error. If it were other than an error, I do not think we should allow the Chief Minister or any other Minister to use their discretionary powers to reward some members of the Assembly who do what the Minister wants and to punish other members of the Assembly who do not. If that is the basis for the discrimination

in this case, I have to say it is most reprehensible and it is not something that the 17 members of the place ought to countenance. Not just myself, not just four crossbenchers, but every member of this Assembly could do nothing else but support this motion and make it clear that that kind of action is unacceptable.

MS CARNELL (Chief Minister and Treasurer) (11.15): Mr Deputy Speaker, I do not plan to speak all that long on this motion, because I think I have made my position and the position of government very clear on numerous occasions. The Government will be opposing this motion. As Chief Minister, I take the responsibility for setting staff allowances for non-Executive members very seriously. I have thought long and hard about this kind of request from Mr Kaine both in the past and in this motion he puts before us today. Let us cut to the chase right here. Mr Kaine believes that he is entitled to an increase in his staff allowance and wants the Government, or the taxpayers, to find the extra \$28,000 a year that this would cost somewhere else in the Assembly budget. I would be very interested to find out from the Clerk where he planned to find it. I do not think that is a fair thing to do to any person who looks after a budget - all of our budgets are pretty tight - but that is what this motion boils down to. Mr Kaine has a seat in this Assembly for one reason only, and that is that he was a member of the Canberra Liberal team that contested the ACT elections in February this year. In fact, in the seat of Brindabella Mr Kaine received only the third highest number of first preference votes out of the five Liberal candidates who stood.

Mr Kaine: I got more than Mr Humphries or Mr Hird.

MS CARNELL: I am talking about in Brindabella.

Mr Kaine: And I think more than Mr Cornwell as well.

MS CARNELL: Mr Deputy Speaker, I was absolutely silent during Mr Kaine's speech.

MR DEPUTY SPEAKER: True, yes. Order!

MS CARNELL: The Minister for Urban Services, Brendan Smyth, received 8,956 votes, Louise Littlewood received 3,918 votes and Mr Kaine received 3,422 votes. Mr Kaine did not attract a quota in his own right. He was elected with the help of preferences - - -

Mr Berry: I will have salary allocations based on my vote then.

MR DEPUTY SPEAKER: Order! The first speaker was heard in silence. That procedure should continue.

MS CARNELL: He was elected with the help of preferences from his Liberal colleagues at the time, one of whom, Ms Littlewood, missed out on winning Mr Kaine's seat by approximately 50 votes. Mr Kaine stood as a Liberal, he campaigned as a Liberal and he was a Liberal when he entered the Assembly, whether it was in 1989 or after the election this year. Somewhere upstairs in my office I have a poster that identifies him - shock, horror - as one of Kate Carnell's Canberra Liberals, hard to believe.

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Mr Humphries: That is the one, Chief Minister.

MS CARNELL: That is the one, yes. There he is, right there. Voters who gave him either their first or second preferences clearly knew when they did so that they were supporting a member of the Canberra Liberals team, not an Independent. For heaven's sake, Mr Kaine had been a Minister in the Liberal Government for 13 months leading up to the last election, so I do not believe there was one voter in Brindabella who was in any way confused - - -

Mr Berry: But - - -

MR DEPUTY SPEAKER: Order! The debate will be continuing. Members may respond during the debate.

MS CARNELL: Thank you very much, Mr Deputy Speaker. Mr Osborne, who did stand as an Independent, received 8,273 first preference votes, more than double those of Mr Kaine. Based on this evidence, there is no doubt whatsoever that had Mr Kaine stood as an Independent in the last election he would not be sitting here today. Mr Kaine, for his own reasons, chose to resign from the Liberal Party and to move to the crossbenches. He did not do this prior to the election campaign. He did not do this during the election campaign. He did not do it even directly after the election campaign. He did this some time after Liberal preferences had already assured him of a seat in the Assembly. The reasons for Mr Kaine's resignation, I think, are totally irrelevant to this debate, as Mr Kaine has already said. What is relevant is the fact that he entered this Assembly as a member of the Liberal Party. Only subsequently did he resign from the Government. He was not forced to leave the party or the Government. He chose to leave. He had every right to do that. How now would taxpayers feel if I, as Chief Minister, were to allocate the same resources to Mr Kaine as to other Independents just because he and nobody else, not the voters, decided that he should move to the crossbenches? What if Mr Hird decided now that he would like more staffing resources? Mr Hird, as our only backbencher, is on just about every committee known to man. He has a workload significantly higher than that of Mr Kaine. If we were doing it on a non-discriminatory basis, maybe we should be giving Mr Hird significantly more money because he is working significantly harder simply because of the number of committees that he is required to be on. That is not the approach that has been taken.

What if members of the Labor Party were suddenly to call themselves Independent Labor members for the purpose of getting more for staff salaries? That is quite possible to do. On Mr Kaine's argument, if they want to be Independents today, that is fine. We will give them a bit more money. I do not think that is appropriate.

Should taxpayers fund Mr Kaine simply because he did a bit of a dummy spit and decided to move to the crossbenches? Should the taxpayer pick up the tab for that? I am not in any way arguing Mr Kaine's total right to do what he did. He does have a right to do so, but should the taxpayer pick up the tab for that? This side of the Assembly says no. The taxpayers should not pick up the tab. Quite clearly, Mr Kaine was elected as a member of the Liberal Party. That is the basis on which he entered this Assembly.

Now if he chooses to change that balance, fine. It is his right to do so. But I do not believe and the Government does not believe that the taxpayer should fund such a decision. Remember that it was not a decision made by the taxpayer or the voters but a decision made by Mr Kaine and Mr Kaine alone, again a decision that he had a total right to make.

I think it is really important to look at this motion and what it does. I think that what Mr Kaine says in this motion - and I think it has been somewhat clarified by Ms Tucker - is that the idea is that \$28,000 extra should go to Mr Kaine but everybody else's staff salaries should stay exactly the same. That is fine, except that then the Clerk has a \$28,000 problem in his budget. Does that mean that the money will come from committee secretaries? I do not know where that money will come from in that budget.

The thing that is fascinating here is that we have known about this for months. We knew a long time before we debated the budget, a long time before estimates. How many people argued that line in the budget? How many people opposed the appropriation line for the Assembly? They knew perfectly well that this was an issue. They knew perfectly well the Government's position on this issue. Not one. Everyone supported it, in fact supported it without debate. In estimates, what happened? As far as I know, absolutely nothing.

The issue here - and I know those opposite are becoming embarrassed - is that they passed the line in the Appropriation Bill for the appropriation to the Assembly. That line stands unless there is a second Appropriation Bill. That is not something that can be argued; it is just the reality. I do not know whether members of the Assembly are suggesting a second Appropriation Bill to handle Mr Kaine's staff salary. I would suggest that it would be a very unwise approach, simply because I am sure that the taxpayer would feel very - -

Mr Hargreaves: This is a threat.

MS CARNELL: No, these are the rules. This is the case. This Assembly passed a line in the Appropriation Bill knowing exactly what they were doing. If this Assembly allocates \$28,000 to Mr Kaine from the Assembly budget - members cannot actually do that; they can ask me to do it - that will not change the Assembly budget by \$1. It just means that the Clerk has to find \$28,000 from somewhere else. Because the members of this Assembly are so magnanimous, not only are they saying that Mr Kaine should get \$28,000 extra but they are saying that it should not come from them. Great! They are saying, "He should have more, but it should not come from us". That means it has to come from somewhere else. It is all very well to make those comments, but the fact is that that means it will come from somewhere else in the Assembly budget. The only way the Assembly budget can be changed is with a second Appropriation Bill.

If Mr Kaine stands for the next election and is elected as an Independent, there will be no problems with him being treated as an Independent, or as a party leader, if that is the basis upon which the taxpayer puts him into this place. The fact is that that is not the case this time, and it is taxpayers' money.

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For these reasons, I will not support this motion. The Government will not be supporting this motion. I finish by suggesting to the Assembly that they should think very seriously about suggesting to the Clerk that he prune \$28,000 from somewhere else within his Assembly budget, because that is what he will have to do.

MS TUCKER (11.27): I am supportive of Mr Kaine's motion but I propose an amendment to it. The timing of this motion has been a result of how business has been managed in the house and it has not been avoidable. The last time that we tried to do it I think Mrs Carnell was not here. Obviously this has to be completed today, which is a bit of a problem, because I would have liked Mr Moore to have been here, seeing as he has expressed support for the concerns that people in this place feel at the way Mr Kaine was treated when he moved from his position in the Liberal Party to be an Independent. We have had a number of moves from various parties to different positions. Obviously, the voters thought they elected Mr Moore as an Independent, but he became a Minister. The voters thought Mr Rugendyke was part of a grouping which had a similar policy approach. Mr Rugendyke, of course, is now not associated with that Osborne group. He apparently explains himself to be as a group, different from a party.

Mrs Carnell thinks Labor should be embarrassed. I would suggest that this whole place should be embarrassed at the arguments that have been put by Mrs Carnell and by what has actually happened in this place. The question about whether the taxpayers want to foot this bill or not is the question Mrs Carnell insists on continually asking. The question I want to ask is: What are the responsibilities of an Independent member in this Assembly, particularly in light of it being a minority government? Are the responsibilities of Mr Kaine any different from the responsibilities of myself as a lone member of the Greens Party or Mr Rugendyke or Mr Osborne? They are no different. We have the same responsibilities as Mr Kaine. We can all be in the position of being the critical number, although not as often as we might like, on any given issue in this place. The community expects that we be resourced adequately and equally to deal with that task. That is the issue that we are discussing here.

On the issue of how this would be paid for, Mrs Carnell said that we would have to have a second appropriation. I did understand that there were ways of dealing with extraordinary expenses and that this could be done. Honestly, the things that we see done by this Government at the drop of a hat for a lot more money than this are amazing. It just does not carry any weight at all when Mrs Carnell says that she cannot do it. Of course she can do it.

Mrs Carnell said that we do not want to give up our funding. If that seems extraordinary to Mrs Carnell, some of us in this place do respect the people we work with. We have a commitment to them. We have made contractual agreements with our staff to work with us. They often work very long hours. There is no way that it is acceptable for me as an employer to say suddenly, "Sorry, I am going to have to renegotiate all your contracts because the Chief Minister has decided not to offer equal resourcing to everyone in the Assembly who has the same responsibilities as Independents. We have to change your contract so that Mr Kaine will be adequately resourced". That is an absolute scandal. I suggest it is an insult to the people who work in this place, most of whom work extremely hard and are not particularly well paid.

I am very keen to support this motion and I hope to see it get up, because I think it makes Mrs Carnell and her Government look very petty and mean. It also makes them appear not to have any respect for, or understanding of, the responsibilities of people on the crossbenches. They might think they have always got Mr Osborne and Mr Rugendyke and it does not matter how well Mr Kaine is resourced, but in fact that will not always be the case. Even if it was, there is a principle here which must be respected. Maybe they did not like Mr Kaine leaving the Liberal Party, but that is not what is at issue here. What is at issue here is whether or not people are equally resourced in this Assembly for the work.

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

ADMINISTRATION AND PROCEDURE - STANDING COMMITTEE
Inquiry - Committee Evidence

MS TUCKER (11.33): I move:

That, noting the two recommendations of the Standing Committee for the Chief Minister's Portfolio Report No. 2 concerning the Draft Principles and Guidelines for the Treatment of Commercial Information held by ACT Government Agencies, the Standing Committee on Administration and Procedure inquire into and report on:

- (1) the procedures to be followed by the Assembly or an Assembly committee, where a committee request for the provision of information is met with a claim of commercial-in-confidence, confidentiality or public interest immunity; and
- (2) the provision of in camera evidence to Assembly committees and the use of that evidence.

The Chief Minister's committee recommended to the Administration and Procedure Committee that it look at their report on this issue. The committee has considered the report and recommendations and has agreed to undertake this reference.

Question resolved in the affirmative.

TERRITORY SUPERANNUATION COMMITMENTS -
PROPOSED SELECT COMMITTEE

MR STANHOPE (Leader of the Opposition) (11.34): Mr Deputy Speaker, I ask for leave to amend the notice on the notice paper.

Leave granted.

MR STANHOPE: I amend the notice by omitting paragraph 2(c) and substituting the following paragraph 2(c), “two Members to be nominated by the four Members of the cross benches”. I now move the motion, as amended, standing in my name on the notice paper, which proposes the establishment of a select committee to inquire into and report on the Territory’s superannuation debt and related matters:

That:

- (1) a Select Committee be appointed to inquire into and report on the Territory’s superannuation commitments, with particular reference to:
 - (a) the adequacy of the Towers Perrin reports, entitled Report on the Development of Alternative Superannuation Arrangements for the Australian Capital Territory Public Sector and Report on the Financial Management of ACT Government Financed Superannuation Liabilities as a guide to the magnitude of the Territory’s superannuation commitments;
 - (b) the efficacy of the proposed one-off funding option to settle the Territory’s unfunded superannuation liability;
 - (c) any alternatives to the proposed one-off funding option;
 - (d) the potential downstream impacts on the ACT economy of each of the alternatives identified for meeting the Territory’s unfunded superannuation liability;
 - (e) in relation to the proposed sale of ACTEW, the effectiveness of any regulatory regime in achieving:
 - (i) consumer protection mechanisms;
 - (ii) fair and just price setting mechanisms;
 - (iii) adequate service standards; and
 - (iv) an adequate level of maintenance of system infrastructure; and
 - (f) any other related matter.

- (2) the Committee be composed of:
 - (a) one Member to be nominated by the Government;
 - (b) one Member to be nominated by the Opposition; and
 - (c) two Members to be nominated by the four Members of the cross benches

to be notified in writing by 3 pm on Thursday, 19 November 1998 and duly appointed by the Assembly;

- (3) the Committee report by the first sitting day of February 1999, and the Government take no action in relation to the sale of ACTEW until the Assembly has considered the Government's response to the Select Committee report; and
- (4) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

As most members are aware, the Labor Party has been involved in negotiations with Mr Osborne and Mr Rugendyke about proposals to establish a select committee to inquire into certain aspects of both the proposed sale of ACTEW and the issue of the ACT's unfunded superannuation liability. In the context of the debate in which this Assembly and the community are engaged in relation to the proposed sale of ACTEW, Mr Osborne in particular has indicated a very strong view that his concerns about the ACT's unfunded superannuation liability do impinge on his ability or willingness to make a decision about the wisdom of the Government's proposal to sell ACTEW.

As a consequence and in recognition of Mr Osborne's concerns about the superannuation liability, a concern that I think everybody in this place and perhaps in the community who has thought about it shares in the context of the difficulties that it does represent for a government, the Labor Party and Mr Osborne have had fruitful discussions about the terms of reference for a select committee that might inquire into those issues. As a consequence of those discussions we have, with Mr Osborne and Mr Rugendyke, developed terms of reference that, to the extent that they deal explicitly with the superannuation liability, have been endorsed by Mr Osborne. I do not know specifically about Mr Rugendyke, but I believe so.

The Labor Party remains of the view that any select committee that might be established by this Assembly should take the opportunity to look at some aspects of the proposed sale of ACTEW that anybody coming to a considered and educated view about the wisdom of the sale of ACTEW would wish to have some advice or knowledge on. To that extent, the Labor Party is concerned that we have some understanding of the downstream economic impacts of the sale of ACTEW. It is notable that ABN AMRO, in their report on ACTEW, specifically state that their report does not actually canvass some of those downstream economic impacts.

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The ALP is of the view that it would be quite derelict and reckless to propose the sale of ACTEW in a circumstance in which one did not understand the full economic implications of the sale of our largest asset. It seems to us reckless in the extreme to proceed with a sale without a full understanding of the global implications for the ACT economy. The Labor Party, in that regard, has proposed in this motion that the terms of reference deal with the question of the downstream impacts on the ACT economy of the sale or of utilising the sale of ACTEW as the basis for meeting the unfunded superannuation liability.

Another issue of major concern to everybody involved in this debate is the nature of the regulatory regime that would be established to regulate a privatised ACTEW. There are a number of aspects of the regulatory regime that, it seems to the Labor Party, a committee established to actually look at some of the overall implications of the sale and some of the issues involved in the superannuation liability would wish to look at, some of those regulatory issues going to consumer protection, fair and just price setting, adequate service standards and the arrangements for the development and adequate level of maintenance of system infrastructure.

As I have said, the proposed sale of ACTEW is easily one of the most significant issues, if not the most significant issue, to come before the Assembly. ACTEW has been fundamental to the establishment and the running of the ACT. It has a fundamental role in the provision of our electricity, water, sewerage and stormwater facilities. It is fundamental to the wellbeing of the ACT; not just the ACT economy, but to our health, to our environment, and to a whole range of other issues of day-to-day significance to every person that lives in the ACT. It is a significant generator of jobs and work. It is a significant generator of dividends and moneys for the ACT Government.

ACTEW is a bulwark. It is the major publicly-owned asset in the ACT and we, the 17 of us, are involved in a proposal that it be sold. We should not do that without investigating absolutely and fully every aspect of the wisdom or otherwise of that proposal. To contemplate selling an asset of this order without fully understanding all the implications is simply untenable. That we should not take every opportunity available to us to explore all the options and all the implications is just derelict, absolutely derelict, and each of us, as a member of this place involved in the making of this decision, would be derelict, would be seen to be derelict and would be held to have been derelict if we did not make that decision on the basis of all the information potentially available to us. It would be absolutely derelict for us to do that.

The mechanism is the establishment of a select committee of this place to take that objective advice, to take expert opinion on the superannuation liability and on the methods available to us to meet that other than just the simplistic proposal that we sell our major asset and devote its funds to a liability that we can otherwise meet, perhaps - and those of us on this side believe we can certainly meet it - using other stratagems. It is just nonsense that we should charge down the path of the sale of that asset with, it seems now, the only justification being a significant other liability.

It is a fact that some people are not prepared to look at the sale of ACTEW on its merits. They need to look at the sale of ACTEW not on the merits surrounding the sale, but on the need to meet some other policy imperative, some other financial imperative. That is just nonsense. It is just nonsense that you would deal with an asset of this order without a full inquiry or investigation as a basis to meet a completely dissociated other policy agenda, namely, the superannuation liability. That is just not tenable. It is not tenable that we should make that sort of decision, that sort of judgment, without every member of this place having an opportunity to determine whether that associated policy issue cannot be better dealt with in some way other than by abandoning our major public asset.

It is on that basis that Mr Rugendyke and Mr Osborne have expressed their willingness and their desire for a select committee to look at the superannuation liability. In some quarters there has been a disinclination for this Assembly to look, through its committee process, at any aspect of the sale of ACTEW as an isolated issue. The Labor Party rejects that position. We believe that the establishment of this select committee would give us an opportunity to look at the superannuation aspects, which are now frightening the Government to death, and which are of concern to the Osborne Group, Mr Rugendyke and Mr Osborne.

As well as that, however, it does allow us, if we are going to the trouble of establishing a select committee, the opportunity, which we should take - there is no reason not to take the opportunity - to look at other aspects of the sale of ACTEW at the same time. Why would you not do that? What possible justification can there be for not even opening your mind to the arguments for the sale of ACTEW, your No. 1 asset, the asset that is close to the lives of and has a very firm place in the hearts of most Canberrans?

Canberrans do not want ACTEW sold. They do not want ACTEW sold. We know that. We all know that. Yet we are prepared to go ahead and approve the sale of ACTEW without looking at even the intellectual or firm arguments for why you should not do it. We need, at least through this process, to debunk the myth that there is only one way to settle the superannuation liability, namely, through the sale of that sterling asset of ours. It is just a nonsense to allow the scare campaign conjured up on superannuation to go unanswered. It is just a scare campaign; we know that. There are other methods. No other jurisdiction in Australia has felt the need to go around flogging off successful public assets in order to meet their superannuation liabilities. No other jurisdiction in Australia has felt that need. No other jurisdiction in Australia has gone weak at the knees, has lost its bottle, has thrown up its hands and said, "We can't manage".

Ms Carnell: Yes, they have; all of them have.

MR STANHOPE: They have not done so. None of them have done it. It is only this weak-kneed Government that sees no way forward, that is prepared to run a callow scare campaign as a basis for justifying the sale of that asset.

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MR DEPUTY SPEAKER: Order! It being 45 minutes after the commencement of Assembly business, the debate is interrupted in accordance with standing order 77.

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

That the time allotted to Assembly business be extended by 30 minutes.

MR STANHOPE: I will draw my comments to a conclusion, Mr Deputy Speaker. Just to reiterate the point, the Labor Party has responded to concerns expressed to it and, more broadly, by Mr Osborne and Mr Rugendyke that they would wish to see the superannuation issue explored by a select committee. The Labor Party supports Mr Rugendyke and Mr Osborne in that absolutely. We think it is a very wise thing to do. The Labor Party's view is that that discussion, that that investigation, that that inquiry should be conducted in concert with other aspects of an inquiry into the sale of ACTEW.

The two issues are not inextricably entwined. The sale of ACTEW is certainly a different issue. We should not allow the sale of ACTEW to be subsumed by a scare campaign about superannuation, but we are prepared to face that. We are prepared to face up to it in a public process and say, "Yes, the superannuation liability can be met". We do not have to run amok, throwing our arms up, pretending it is all too hard. There are ways of achieving it, just as other jurisdictions have. We commend this motion to the Assembly. We seek the support of everybody in relation to the establishment of this select committee to look at superannuation, to meet the aspirations and the wishes of Mr Osborne and Mr Rugendyke in relation to such a committee, and, at the same time, to look at aspects of the proposed sale of ACTEW that are of major concern to everybody in Canberra. We owe it to everybody in Canberra to ensure that we get it right before we take any precipitate action that actually sends us down a path from which there is no return.

MS CARNELL (Chief Minister and Treasurer) (11.48): The Government will oppose Mr Stanhope's motion. Mr Deputy Speaker, I found that the most convoluted speech I have heard for a long time. In one breath Mr Stanhope was saying that the sale of ACTEW and the unfunded superannuation liabilities were, to use his words, not linked and should not be seen as such, that this was a totally inappropriate approach, and then he heads up his motion, "Unfunded Superannuation Liability - Proposed Select Committee". The fact is what we have here now is far from a narrow, focused inquiry into superannuation liability. These terms of reference would establish a broad-ranging and far-reaching committee to look at anything anybody particularly wanted to look at.

It is clear that this is designed as a stalling tactic, Mr Deputy Speaker, nothing more and nothing less. The Labor Party and Mr Stanhope have said categorically that they will oppose the sale of ACTEW no matter what. Ms Tucker has said that she will oppose the sale of ACTEW no matter what. What is the point of having a select committee if the majority of the committee have told everybody exactly what they are going to do no matter what? They are not exactly open-minded, not exactly even slightly interested in those downstream effects or any of the other things that Mr Stanhope is talking about. They have made their position clear, absolutely clear, Mr Deputy Speaker.

I thought that what we were going to see today from the Labor Party was a proposal for an inquiry into unfunded superannuation. I heard that from Mr Osborne. But we have here things such as the downstream economic impacts of the various options - not exactly anything to do with unfunded superannuation - and the inevitable "any other related matter", in other words, anything at all. It does not have to be related directly to superannuation or directly to ACTEW; basically, just related to something or other. Mr Deputy Speaker, let us get serious here. The ACT's unfunded superannuation liability currently represents about \$2,500 of superannuation debt for every resident of the ACT. It is a deferred cost, deferred to another generation. Those opposite do not seem to care. Mr Stanhope in his speech just said, "It is not a real problem".

Mr Stanhope: I take a point of order, Mr Deputy Speaker. That is not true. The Chief Minister is simply - - -

MS CARNELL: What did you say? Tell me what you said.

Mr Stanhope: What I did say was that everybody in this place and in the community acknowledges this as a significant problem. I said no such thing.

MR DEPUTY SPEAKER: Order! There is no point of order. Mr Stanhope, you have the right of reply.

MS CARNELL: Mr Deputy Speaker, what Mr Stanhope said was that no other government was panicking about this matter, going weak at the knees; in other words, he was suggesting that there really was no requirement to make the sort of commitment that this Government is making, that there are other options and we really do not have to worry too much. That is certainly what anybody would have thought from Mr Stanhope's speech. That is simply not the case, Mr Deputy Speaker.

Mr Stanhope: That is your interpretation. That is your spin, but it is not true.

MS CARNELL: Mr Deputy Speaker, I was absolutely quiet.

MR DEPUTY SPEAKER: Indeed. Order!

Mr Stanhope: Yes, but I did not malign and misinterpret things that the Chief Minister said, Mr Deputy Speaker.

MR DEPUTY SPEAKER: Order! If you wish to rise to your feet, you need to take a point of order and you have not given one to me.

MS CARNELL: It is true. Mr Deputy Speaker, at the moment the ACT taxpayers have an asset worth about \$1 billion and an unfunded superannuation liability of about \$700m. In other words, ACTEW is worth about \$1 billion and our unfunded superannuation liability is about \$700m. In a few years' time, if nothing is done, the \$1 billion ACTEW asset will be worth, according to the information that we have, about \$500m and our unfunded superannuation liability will be close to \$1 billion.

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Can anyone seriously suggest that we should stick our heads in the sand and pretend that this is not a real problem? Or worse, having recognised that it is a real problem, as Mr Stanhope says he has, is it okay to say, "That is for a future generation of Canberrans to worry about. We will be right. We will be collecting our healthy superannuation benefits while a new generation of taxpayers faces increased costs and reduced services to pay for it."? This Government does not accept that as an appropriate way to go. The Government might be persuaded to see a further examination of this problem, but we do wonder why it is necessary when the matter has already been rigorously researched and reviewed by the Government, most recently in the Towers Perrin report. The Auditor - - -

Mr Stanhope: How many options did they have? How many options did Towers Perrin have?

Mr Hird: I rise to a point of order, Mr Deputy Speaker. I draw your attention to standing orders, in particular standing order 202. Standing order 202(a) relates to persistently and wilfully obstructing the business of the Assembly. The Leader of the Opposition is doing that in respect of the Chief Minister's address. Standing order 202(b) relates to being guilty of disorderly conduct. The Leader of the Opposition is guilty of that.

Mr Corbell: On the point of order, Mr Speaker: It is a frivolous point of order.

MR DEPUTY SPEAKER: Order! I think the main point to consider is that this debate began in relative silence. Therefore, it ought to continue in that way which, in any event, is in accordance with the standing orders.

MS CARNELL: Thank you very much, Mr Deputy Speaker. By contrast the Opposition have said glib things like: "We should simply fund the liability over 40 years", but they have no idea where they would find the money to fund it. There is no new money. Mr Deputy Speaker, over the next 40 years the ACT Government will have to meet close to \$3 billion in superannuation payouts just to members of the current CSS and PSS schemes - nearly \$3 billion in today's dollars. So, when the Opposition blithely asserts that the solution to the superannuation problem is to manage it over 40 years, that is what they will have to find - \$3 billion. And where will they find it? I have to say that they have no idea.

To put that into perspective, we raise just over \$600m a year from taxes, fees and fines. So, that is five years' worth of taxes. That is a lot of money. Looking at it in another way, this year we will pay out \$20m in superannuation benefits for emerging liability. In 20 years' time, we will have to find \$120m just in benefits under the CSS and PSS schemes. That does not include new entrants to the Public Service from 1 July under the accumulated benefits scheme. That is an extra \$100m, once again in today's dollars. That is not taking into account inflation factors; that is in today's dollars. Where would the Opposition find the money? The fact is that they have no idea.

To put that \$100m into some sort of context, that is the equivalent of doubling our rates. That is the equivalent of everyone in the ACT paying double their rates - again, something that people cannot afford. I do not think there would be one Canberran who would argue with that. Anyone with a home mortgage knows that the more money you pay off now the shorter the term of the loan and the lower the total amount over the life of the loan. Everybody knows that. The same principle applies to our unfunded superannuation liability. It was spelt out quite clearly in major reports done by the Government's superannuation advisers, Towers Perrin, earlier this year.

Those reports showed that by investing the money now we can save, and save heavily, in the long run. The effect of investing the lion's share of the ACTEW sale proceeds in superannuation is that we cut the cost virtually in half over 40 years, with only modest contributions from government. Instead of \$3 billion, the cost is just \$1.5 billion, and after 40 years approximately \$800m of that remains in the investment account to cover the ongoing superannuation costs. In other words, after 40 years that ACTEW money is still there, generating returns and paying those superannuation costs.

How does this happen? Quite simply because investing that money now earns a steady flow of returns that cover most of the emerging costs of the unfunded PSS and CSS schemes into the future. It is a prudent plan that converts the value that taxpayers have invested in ACTEW into a superannuation investment that will reduce costs for decades to come. In the 1998-99 budget, the Government put forward an alternative plan that increases funding for superannuation over the forward estimates to \$70m in year 4. Maintaining \$70m per year for 25 years or so would also reduce the costs over 40 years, but finding that \$70m per year is no easy task. Indeed, it would be a major financial constraint over the next 2½ decades - a level of financial discipline that history tells us the Labor Party is simply not capable of.

Mr Quinlan has often used that \$70m, saying, "If you can find it in year 4 of this budget, why can you not find it in the future?". The fact is that that money is available then because - wait for this - of the streetlights sale and the \$100m that the ACT has already taken out of ACTEW. That is the reason it exists. If we had not taken that money from ACTEW, a move that those opposite opposed, we would not have the money to put into superannuation. You cannot have it both ways.

Mr Smyth: You can in the Labor Party.

MS CARNELL: It would appear so. The fact is that the only way you can maintain those levels of payments into our unfunded superannuation account is by raising taxes or cutting services. I have to say that that is not something that this side of the house believes is appropriate. Our tax rates are at the same sorts of levels as the States now and we cannot afford to have a high-taxing regime in the ACT, not as an island in the middle of New South Wales. This is a very real problem.

We have the Quinlan option, of course, of pulling \$250m out of ACTEW now and investing it in superannuation. The problem here is that we currently have an unfunded liability of about \$700m and it does not take a genius to work out that \$250m does not cover \$700m, even when you add the money that we have already got in the superannuation scheme, no matter how you look at it. That is ignoring completely the

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liability that we will rack up next year, the year after and the year after that. Yes, you can put \$250m into the superannuation account, but what does that do to ACTEW? It does exactly what Mr Quinlan said would happen when we took the \$100m out last year, except 2½ times worse. It reduces the ACTEW dividend to government. It makes life for ACTEW significantly tighter. That would be a good thing for ACTEW; there is no doubt about that. But it certainly would reduce the dividend to the ACT Government. That would make it just that much harder for us to find the money that we have to put in every year, and on it goes, Mr Deputy Speaker. So, it simply does not work. We would not be able to rely on a major dividend stream from ACTEW because dividends are falling, not rising. The dividends would fall even faster if \$250m were pulled out of ACTEW.

Mr Deputy Speaker, the time for action is now. That is why this Government has chosen to go down the path of a complete sale of the ACTEW electricity business and a combined sale and franchise of the water business, with most of the proceeds being invested for superannuation, some money being paid off long-term debts and \$100m going into a community fund and invested for future generations. Mr Deputy Speaker, the difference is that we are investing for the future and those opposite are passing a debt on to our kids. I do not believe that that is an appropriate approach.

Mr Stanhope said in his speech that no other government is worried, that no other government is going, I think he said, weak at the knees. Mr Deputy Speaker, he is wrong. In a media release just this week in New South Wales, Mr Egan, the Labor Treasurer, indicated that they were going to have to borrow \$3.5 billion to put into their unfunded superannuation scheme. That is a huge amount of money. He is saying that he has to do that because he cannot sell off any assets as they will not let him. Here is the big choice, Mr Deputy Speaker: We sell ACTEW, an asset that is reducing in value, hopefully at the top of the market and we avoid major borrowings or we end up like Michael Egan, who would love to sell some of his electricity assets but cannot. (*Extension of time granted*) Michael Egan, a Labor Treasurer, said:

... instead of selling off assets of the defined benefit schemes to fund the transfers, the State Government will undertake a once-off borrowing.

The \$3.2 billion loan will be paid straight to the trustees of the defined benefit schemes ...

Mr Deputy Speaker, guess what that achieves? That achieves after three years a 10 per cent reduction of \$13 billion in the superannuation liability of New South Wales. So much for other States not having problems! So much for other States saying, "Look, she'll be right, mate"! I have to say that I think the \$3.2 billion borrowing by Michael Egan to put into the defined benefit scheme to achieve a 10 per cent reduction in the unfunded liability over three years shows the lengths to which you have to go if you do not take the approach that we are putting forward here. Mr Egan has already made it very clear what he would prefer to do. What he would prefer to do is sell his electricity assets. Unfortunately, there are some of the same ideological views in New South Wales Labor as there are here; views that, no matter what, we will not sell, that it is better to borrow \$3.2 billion than to sell an asset.

I would like to finish by just making the point to Mr Rugendyke and others in this Assembly that we have a choice here and it is very stark. We have any amount of information on the table. Whether it be ABN AMRO or Towers Perrin, we have reports from lots of consultants. A lot of work has been done in the States. It is real. We have a choice. We have a \$1 billion asset that is going to be worth half a billion dollars in a few years' time. We have a \$700m superannuation liability that will be over \$1 billion in a few years' time. Once we allow that to happen, there will be no capacity to pay our unfunded superannuation liability with a lump sum because we simply will not have any way to do that.

Is that what this Assembly wants? Does this Assembly want to give, I suppose, a dividend to our kids? Do we want to produce an economic situation for our kids where not only are we not giving them a debt but also we are passing on to them things like a \$100m community fund that will provide dividends to the community not just now but forever? Do we want to give our kids no long-term debt or do we want to give them a debt that they simply cannot pay back? I have to say that, while I am in this Assembly, I will continue to argue, and argue strongly, that our job here as members of this Assembly is not just for tomorrow or next week; it is to ensure that the financial situation that we pass on - again, not just for this week, next week or next year - to our kids is the best we can and is one that will ensure that they will be able to enjoy the services and the quality of life that we have now. If we do not do that, we have simply let them down and let ourselves down. The fact is that those opposite cannot tell us how they would do it. We all know that the unfunded superannuation liability is going to cripple us. They are saying, "Yes, but she'll be right, mate". Let us not do that.

I finish by making a point about timeframes. The ABN AMRO report, David Hughes and others have made the point that, if we are to do something, let us do it quickly. Let us make sure that we do not just put it off. The Labor Party have said that they are not going to change their mind. Let us not just put it off. Let us make a decision. Let us not use a committee structure where half the members have already said what they think about it - in fact more than half; 80 per cent of the members have already said what they think about it. Let us not put it off. Mr Stanhope says, "Why should we hurry?". The figures show that, if we do not get this sale through by 1 July next year, it will cost us in lost interest \$1m a week; yes, Mr Deputy Speaker, \$1m a week.

If the money we would get from ACTEW passed over to the ACT on 30 June next year, it would be invested and it would produce \$1m a week. Mr Quinlan is talking about the ACTEW dividend. This year, I think we would be very lucky to pick up \$30m. Certainly, it would be down again next year. So, it is not \$1m a week at all. The reality here is that if we do not go ahead quickly we will lose money in interest and the value of ACTEW will continue to reduce. So, what we could get for it would reduce and the money we could get in interest obviously would be lost, and lost for what purpose? None. So, there is a reason to hurry, there is a reason to use the information that is already on the table, and there is a reason to make a decision sooner rather than later. If the Assembly decides not to go ahead, so be it, and be it on the head of members of this Assembly on what we do about unfunded superannuation and other things. But let us make a decision.

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

HEALTH AND COMMUNITY CARE - STANDING COMMITTEE
Proposed Inquiry - Public Hospital Waiting Lists

MR RUGENDYKE (12.11): Mr Deputy Speaker, I move:

That the Standing Committee on Health and Community Care inquire into and report, by the last sitting day of June 1999, on public hospital waiting lists (both surgical and non-surgical) with particular reference to:

- (1) the factors contributing to the fluctuations in the current waiting lists;
- (2) the acceptability of the current clearance times, given the presence of two public hospitals in Canberra and the Territory's population;
- (3) the measures that are required to achieve the acceptable clearance times; and
- (4) any other related matter.

I rise to outline my reasons for proposing an inquiry into public hospital waiting lists and ask my fellow members to support this effort to obtain and interpret quality information for the benefit of both the Assembly and the community. The purpose of setting up an inquiry into public hospital waiting lists is to try to obtain some concrete answers to a topic which has caused and continues to cause a lot of confusion in the ACT. Ever since the formation of self-government almost a decade ago, waiting lists have been a recurring source of debate. Unfortunately, this debate just goes round in circles. Whenever the issue of waiting lists enters the public forum, doctors, nurses and government all tend to blame each other for the fluctuations. The debate never seems to be anything but a finger-pointing exercise, and I do not see this as a satisfactory manner to tackle the issue. I see the inquiry as a way of trying to take the issue forward.

Waiting lists are an issue which is not unique to the ACT, but I feel that it is time to be proactive and make a genuine attempt to assess how well our hospital system is dealing with waiting lists. Are the fluctuations that we have acceptable when you take into account our population and the medical services available? If they are not acceptable, what levels are and what measures do we have to implement and achieve them? On the August figures tabled in the Assembly, the elective surgery waiting lists at Canberra and Calvary hospitals were close to 5,000. In fact, the figure was 4,934, to be exact. I do not think that we have ever been this close to the 5,000 mark. Two years ago we were down around 3,500. I would like the inquiry to consider evidence from key parties to establish what factors contribute to the variations.

I see it also as a priority to address clearance times. A study released by the Council of Australian Governments last year showed that the ACT had the second longest clearance times in Australia, rating ahead of only the Northern Territory. I think it has to be assessed whether this is an acceptable rating or whether we should be doing better. I am also proposing that the committee consider surgical and non-surgical waiting lists, because I have received strong representations from my electorate that they are experiencing delays in accessing services such as physiotherapy and rehabilitation.

It is also evident that one of the confusing factors for the public is the fact that waiting list debates are often tangled up in election campaigning or industrial disputes. Setting up an inquiry will allow us to isolate the issue and gather independent evidence that will be beneficial for the public, the hospital system and the Assembly. Mr Deputy Speaker, I believe that it is time to stop the finger-pointing on this issue and make a concerted effort to review our progress and see whether we are headed in the right direction. I commend this motion to the Assembly and seek the support of members.

MR DEPUTY SPEAKER: I think there is a proposal to adjourn the debate because Mr Stanhope has some amendments he would like to consider and we are about out of time for Assembly business.

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

URBAN SERVICES - STANDING COMMITTEE
Reference - Placement of Moveable Signs in Public Places -
Draft Code of Practice

MR SMYTH (Minister for Urban Services) (12.16): Mr Deputy Speaker, for the information of members, I present the draft code of practice for the placement of moveable signs in public places to be made under the Roads and Public Places Act 1937. Pursuant to standing order 214, I move:

That the draft code of practice be referred to the Standing Committee on Urban Services.

MR CORBELL (12.16): Mr Deputy Speaker, this is a sensible referral. Obviously, the issue of moveable signs has been one that has caused some interest since the Assembly discussed it earlier this week. I think it is only appropriate that an Assembly committee - the Standing Committee on Urban Services - take the opportunity to explain exactly the context in which the Assembly has made its decision, because there has been some confusion on the matter, there has been some concern expressed following the Assembly's decision to approve the Bill from which the code of practice emanates as to what that will mean for community organisations in publicising their activities around town. I think that some people have gained the impression, perhaps ill-informedly, that this means that you are no longer able to put up a sign advertising your school's local fete, advertising a garage sale and so on. Clearly, that is not the intent of the legislation. Clearly, that is

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not what the legislation actually enables people to do. It simply provides that only in certain areas is it inappropriate to place signage. Obviously, the development of a code of practice will give people clearer information on exactly where they can or cannot place a sign. I think it is important to understand why we allow this practice in the first place.

Obviously, community groups need to be able to communicate their activities, they need to communicate what they are doing, and it is a legitimate way of advising other citizens of what activities they are undertaking and trying to get them to come along. The code of practice will obviously allow for a range of things to do with the content of signs, whether a group has to meet insurance requirements, how many signs you can have, and those sorts of issues. Quite clearly, this is a sensible process to go through. It is also important, I think, that the code of practice be able to tell people exactly why signs are not allowed in certain areas. That is where I think we need to have the debate with the community. That is where we need to have the community having some input through the Urban Services Committee on where and when these activities can take place.

I think it is a sensible move by the Minister. I think it will address the concerns raised by the community following the Assembly's passage of the Bill earlier this week. I look forward to the standing committee's consideration of the draft code of practice.

MR HIRD (12.19): I was not going to speak, Mr Deputy Speaker, but my colleague Mr Corbell, who is a member of the Standing Committee on Urban Services, has chosen to say a few words and I wish to echo some of the concerns that Mr Corbell has identified. I would like to thank the Minister for referring this matter to the committee. It is an appropriate way of dealing with a concern which another member of the committee identified in this place earlier this week as to signs, in particular, on bridges and out the front of businesses and the responsibilities thereof. I think that members of the business community and the community generally would want to have an input. I believe that the appropriate way, as the Minister has indicated, is through my committee. I would like to give an undertaking to the Minister that my committee will be as active and diligent as it possibly can and will respond to his request as quickly as possible.

MR RUGENDYKE (12.21): Mr Deputy Speaker, I welcome the opportunity to discuss this important issue in our Urban Services Committee. I must say that this code of practice and the legislation surrounding it have generated a large degree of interest in the media. I put that down to the fact that I took a stance and decided not to vote with Labor, Liberal or the crossbenches.

Mr Berry: Some of whom were known formerly as the Osborne Independent Group.

MR RUGENDYKE: Yes, that is right. I welcome the opportunity to see whether my stance was correct, as I suspect it might have been. I do wonder - I hope we will find out - whether this legislation will bring about the clinical, surgically attractive city that the NCDC had hoped to achieve and whether we need \$5m of public liability insurance for people advertising their garage sales.

Question resolved in the affirmative.

ASSEMBLY BUSINESS - PRECEDENCE
Suspension of Standing and Temporary Orders

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

That so much of the standing and temporary orders be suspended as would prevent Assembly business having precedence over all other business at the conclusion of Question Time, today, 19 November 1998, until the conclusion of consideration of the following Assembly business:

any order of the day relating to the disallowance of Instrument No. 189 of 1998;

any order of the day relating to the proposed establishment of the Select Committee on the Territory's Superannuation Liability; and

any order of the day relating to the referral of a matter to the Standing Committee on Health and Community Care.

Sitting suspended from 12.24 pm to 2.30 pm

QUESTIONS WITHOUT NOTICE

Centrelink - Job Losses

MR STANHOPE: Mr Speaker, my question is directed to the Chief Minister. Given the decision by workers at Centrelink to walk off the job today in protest at the Commonwealth's decision to reduce staffing levels, can the Chief Minister say how many Canberrans will lose their jobs?

MS CARNELL: I do not know that the beginning of that sentence and the end of it went together particularly. I think the decision of the Federal Government with regard to Centrelink downsizing is totally atrocious. I have been making those comments in the media and in public. I do not think that the ACT should have been targeted, as it appears to have been, unfairly. It appears that the number of redundancies coming out of the ACT is significantly higher, or potentially higher, than is the case for the rest of Australia.

The argument put by the Commonwealth is that - and I will attempt to help members of the Assembly understand this - over the last few years Centrelink and the Department of Social Security have been working on a new computer system to bring both DSS and what were the CES files together. That is a very sensible approach. I think everyone would agree that the situation in the past where clients ended up with a different file at CES and DSS was an inefficient approach.

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I totally agree with the approach that the Federal Government is taking to bring these two together with one database so that a client will have one file. Apparently, that approach does produce some redundancies in the IT area. I have to say that, if that was all it was, I would not be so concerned because I know that right at the moment there are a huge number of unfilled IT jobs in the ACT and I am absolutely confident that anybody with IT skills would be picked up immediately.

I have to say, however, that at this stage I am not convinced that that is where it stops. I would agree totally with, I think, members on both sides of politics in the ACT who have made the point very clearly that any reduction in service from Centrelink is simply unacceptable. In fact, the problems with the Centrelink service have been real. In other words, the service is not good enough. It should be getting better, not worse. I have spoken to the Prime Minister, I have spoken to Jocelyn Newman, the senior Minister, and I will have a meeting with Warren Truss, the junior Minister responsible, in the next couple of weeks to discuss this matter more fully.

As members would be aware, the redundancies fall into, I suppose, a number of bits. The number of redundancies for the first year has been announced, or the first part has been announced, and I certainly hope that we will be able to convince the Federal Government that the number of redundancies in the ACT is simply too high.

MR STANHOPE: I ask a supplementary question, Mr Speaker. Can the Chief Minister tell the Assembly when she became aware of the job cuts at Centrelink and whether or not she has had any responses to the representations that she has made and the discussions she has had with the Prime Minister and Senator Newman? Can she tell me whether or not she believes that any significant steps can be taken to mitigate the effects of the staff cuts?

MS CARNELL: I can say I am not just going to sit on my hands and say, "Oh, well, you know, the decision has been made". I became aware of it, I think, when the *Canberra Times* printed, a few days before the announcement of the numbers, that there would be an announcement. At that stage, I lobbied Jocelyn Newman's office to ensure that the ACT was not going to be treated unfairly. I have to say that at that time I was assured that that would be the case, but that is not what happened in the end. I have certainly made my position on that very clear.

I would be the first to admit that, so far, we have not convinced the Federal Government to change their mind. Mind you, Bob Carr has not managed to make the Federal Government change their mind with the downsizing in New South Wales, Peter Beattie has not managed to get the Federal Government to change their mind with the downsizing in Queensland and Jeff Kennett has not managed to make the Federal Government change their mind on the staff cuts in Victoria. So, I have to say, it does not make us unique.

DISTINGUISHED VISITORS

MR SPEAKER: Order! Before I call Mr Hird, I inform members of the presence in the gallery of members of a parliamentary delegation from Nara's Legislative Assembly, led by Mr Horita, the director of the Construction Planning Division of the Assembly. On behalf of members, I bid them a warm welcome. I would also like to acknowledge the presence in the gallery of a former member of the ACT Legislative Assembly, Peter Christie. Welcome to your Assembly.

QUESTIONS WITHOUT NOTICE

ACTEW - Sale

MR HIRD: My question is addressed to the Chief Minister. When the Government first announced its intentions to sell ACTEW's electrical services and franchise its water and sewerage operations, the Leader of the Opposition called for an open and honest debate. Earlier this month, Mr Stanhope accused the Government of misleading the community by what he called "scaremongering" about the ACT's unfunded superannuation liability. Chief Minister, has the Government attempted to mislead Canberrans in the debate over ACTEW?

MS CARNELL: Thank you for the question, Mr Hird. Mr Speaker, I will address my remarks through you, of course, unlike those opposite, but I think there may be some people listening to this debate outside this chamber who will be interested in what I have to say. This Government has been entirely up front in its approach to the debate over ACTEW's future. For a start, we commissioned separate reports by Fay Richwhite and ABN AMRO and released both of these studies publicly. We were the first government to commission a totally independent analysis of our unfunded superannuation liability and we released this report publicly.

Mr Corbell: Selectively.

MS CARNELL: And we have based our arguments on this information - on facts, not emotion and ideology.

Mr Corbell: Selective ideology.

MR SPEAKER: The collective ideology of this place may remove you if you continue to interject, Mr Corbell.

MS CARNELL: Mr Speaker, the Opposition claims that the unfunded superannuation liability is a bogeyman that we have conveniently wheeled out all of a sudden. I can recall sitting in this chamber back in, I think, 1994 when the Liberal Party was questioning the Labor Government about superannuation liability. So it is not something that has just come up recently. And do you know what Labor had to say then, Mr Speaker? Let me quote:

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... the approach that the ACT Government has taken to the management of superannuation liabilities has been an extremely responsible one.

An extremely responsible approach? They have got to be joking! Do you know what the Labor Party said between 1995 and 1997, Mr Speaker? They continued to claim that it was not a problem, that this Government was trying to scare Canberrans, and that was something that future governments needed to worry about, not this one. In fact, as I think we would all remember, the Auditor-General has raised the issue on a number of occasions. Suddenly, even Mr Stanhope and Mr Quinlan have finally realised - and Mr Stanhope reinforced it this morning - that there is a major problem with unfunded superannuation, despite the fact that, for six years, Labor has been telling Canberrans that there was nothing to worry about.

Mr Speaker, I am worried about this problem, and I hope all members of this Assembly are, because I do not want to be the Chief Minister who left behind a billion dollar problem for the next generation of Canberrans, knowing it would cripple our finances. I hope, Mr Speaker, that not one member of this Assembly wants to be part of an assembly that leaves that legacy. It is because we are the first government to actually think strategically that we decided to look at what we want to do with our superannuation problem, and the future of ACTEW itself, taking into account that those opposite have extremely ideological approaches to the whole situation. It is also why we have tried to engage in an open and honest debate, as demanded by Mr Stanhope.

Let us have a look at those opposite, Mr Speaker. Let us have a look at four of the six of those opposite - more than half, Mr Speaker. First of all, we have Mr Corbell. On 8 October - - -

Mr Berry: Mr Speaker, I raise a point of order. I did not hear Mr Hird asking Mrs Carnell to look at the four of us. I thought he had asked her a question about whether she had misled the ACT community. I would like her to answer that one.

MS CARNELL: That is not a point of order, Mr Speaker.

MR SPEAKER: Order! There is no point of order.

MS CARNELL: Thank you, Mr Speaker. We are talking about open and honest debates and, of course, the call from those opposite to have an open and honest debate. On 8 October, in an interview on ABC radio, Mr Corbell said that Sydney Water was a franchise and somehow tried to link this with our decision to franchise water and sewerage operations. Mr Speaker, what is the reality? Sydney Water is actually a corporation owned by the New South Wales Government. In the same interview, Mr Corbell said that ACTEW could compete effectively if the Government allowed it to and if the Government allowed it to borrow money. I have to say that, last time I checked, ACTEW was quite able to borrow money. But then, Mr Speaker, it was those opposite who opposed ACTEW's corporatisation, was it not, those opposite who are now saying that ACTEW's saviour is to have total flexibility - - -

Mr Berry: I rise on a point of order. I do not mind the Chief Minister spending her time writing a biography about members of the Labor Party and their past views, but she was not asked to do that by the questioner. She was asked to answer a question about whether she has misled the Territory or not, and her answer so far has been unconvincing.

MR SPEAKER: There is no point of order. The Chief Minister is developing - - -

Mr Kaine: Mr Speaker, on the point of order: I have to draw your attention to standing order 58 which says:

A Member shall not digress from the subject matter of any question ...

I think the Chief Minister was a long way from the subject matter of the question and I have to ask you to reconsider your ruling.

MR SPEAKER: No, she is - - -

MS CARNELL: Mr Speaker, the question was about Mr Stanhope's call for an open and honest debate on this issue. This is totally relevant.

MR SPEAKER: Order!

Mr Berry: I think you should get Mr Hird to read his question again. Mrs Carnell has misheard him. He asked Mrs Carnell whether she had misled the ACT community and she has not addressed that question. I can see why she would not have.

MS CARNELL: Mr Speaker, none of these are points of order.

MR SPEAKER: Order! There is no point of order. Mrs Carnell is developing her argument as she sees fit.

Members interjected.

MS CARNELL: It will be over much quicker if those opposite - - -

MR SPEAKER: Will both sides of the house please be quiet while Mrs Carnell finishes her answer.

MS CARNELL: Mr Corbell was at it again on ABC radio, claiming that ACTEW was not able to bid for interstate electricity business. An hour later - - -

Mr Berry: On a point of order, Mr Speaker: She is at it again. I did not hear Mr Hird even mention Mr Corbell.

MS CARNELL: Mr Speaker, it will not be a point of order. The last three have not been.

MR SPEAKER: There is no point of order.

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Mr Berry: Did you mislead the community or not?

MR SPEAKER: Order! We have been through this before. In fact, I recall that Mr Corbell himself took a point of order in an earlier debate. Whilst his name was not mentioned, he was associated with a matter that I think included you, Mr Berry. The effect of that was that we decided it was proper to link them. Therefore, I must be consistent.

Mr Berry: You have misunderstood my point, Mr Speaker. My point related to standing orders and the requirement for the answer to be concise, confined to the subject matter. The subject matter was whether the Chief Minister had misled the community or not. I am yet to hear an explanation for her on that call.

MR SPEAKER: I have already answered that matter.

Mr Humphries: Mr Speaker, can I address this point of order because members opposite are going to raise it continually throughout this answer? The question included the reference to Mr Stanhope accusing the Government of misleading the community by what he called "scaremongering" about the ACT's unfunded superannuation liability. I heard Mr Hird use those words, as, Mr Speaker, I am sure you did and as all of us did. The question was: Does this constitute an attempt to mislead Canberrans in the debate over ACTEW? Members had a chance to hear the question. It was about misleading in the context of what the Opposition has had to say. The answer that Mrs Carnell is giving is perfectly on the subject matter of the question.

MS CARNELL: Mr Speaker, taking into account the fact that those opposite have now spent more time on the points of order than I have on the answer, it is no wonder the answer is going to take a bit of time. On 15 October Mr Corbell was at it again on ABC radio claiming that ACTEW was not able to bid for interstate electricity business. An hour later, ACTEW's chief executive was on air, telling Canberrans that ACTEW was able to bid for interstate contracts and had never been prevented from doing so. Then, while I was overseas, Mr Corbell ventured into print in the *Canberra Times* arguing that privatisation in Victoria had caused more power outages. Very quickly we learnt that reliability of supply had actually improved in that State since privatisation.

Then we come to Mr Berry and those wonderful little pamphlets that he has been handing out in recent days. Mr Berry is very proud that he has put out in this community thousands of pamphlets that are wrong. I would be ashamed. Mr Berry claimed in his brochure and on ABC radio on 10 November that, over the last five years, ACTEW has made payments to the ACT Government of over \$450m. Between 1993-94 and last year, ACTEW actually returned about \$285m, Mr Berry, so on that one you are \$165m short.

Mr Moore: It's only \$165m.

MS CARNELL: Yes, it is only \$165m. Not to be outdone by rewriting history, Mr Berry tried to alter the future as well, claiming that ACTEW was going to make payments to the Government and profits totalling \$500m over the next four years. This appears in the brochures that Mr Berry is so proud of. There are thousands of them out there and it is absolute rubbish. Yet current financial projections estimate that,

over the next four years, ACTEW will pay the Territory \$215m if it is able to maintain its dividend targets. Again, that leaves Mr Berry \$285m short of the mark. If we take into account the past and the future, in one little brochure that Mr Berry is very proud of, he managed to be \$450m wrong. Not a bad effort, Mr Speaker!

Mr Moore: And he wanted to be Chief Minister and Treasurer.

MS CARNELL: That is an interesting thing that Mr Moore talks about. He wanted to be Chief Minister. It is actually not a bad effort for a man who produced - and it is the anniversary today - "Working Capital".

Mr Corbell: I raise a point of order. Mr Speaker, I draw your attention to standing order 118(b), which states:

The answer to a question without notice:

... ..

shall not debate the subject to which the question refers ...

The Chief Minister is doing just that and I would ask you to direct her to comply with the standing orders.

MR SPEAKER: I have to uphold the point of order. The Chief Minister is answering the question, I believe, quite adequately from the Chair's perspective - not necessarily the Opposition's. What I am saying is that she does not need assistance from other members in the Government.

Mr Berry: But you could order her to wind up, Mr Speaker.

MR SPEAKER: Yes. I am sure she is coming to an end.

MS CARNELL: I have to tell you that you have taken longer in your points of order than I have taken on the answer so far. Mr Speaker, that is not a bad effort, I would have to say, from Mr Berry when today is the anniversary of "Working Capital". It is an interesting document, and one that Labor Party's own sources - - -

Mr Corbell: I rise on a point of order. Mr Speaker, the Chief Minister is again debating the subject. I did not hear "Working Capital" referred to at all in Mr Hird's question.

MS CARNELL: I can understand their embarrassment, Mr Speaker.

Mr Corbell: On a point of order, Mr Speaker: The Chief Minister is still debating the point and I would ask you to direct her not to do so.

MR SPEAKER: Please, Chief Minister.

MS CARNELL: I am not at all.

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Mr Berry: Order her to wind up, Mr Speaker. This is ridiculous.

MR SPEAKER: Develop the point. There is no point of order.

MS CARNELL: Mr Speaker, they have just taken 10 minutes in points of order.

MR SPEAKER: I know. We are getting to a situation which is fast becoming absurd.

MS CARNELL: Mr Speaker, I will move to Mr Quinlan - right back to the issue here - who issued a media release on 26 October claiming that the people of Canberra benefited from a stream of income tax equivalents from ACTEW. Last time I checked - Mr Quinlan, you are wrong again - income tax equivalents were not paid to the ACT Government and would not be paid under the accelerated depreciation schedule agreed with the corporation. So the \$20m a year that Mr Quinlan claims we receive from ACTEW simply does not exist. That leads me to Mr Stanhope - - -

Mr Humphries: Mr Speaker, I rise on a point of order. The Opposition have taken points of order about how long this is taking, but they have spoken almost continuously while Ms Carnell has been speaking. There has been continuous talk, interjections, backchat, points of order and so on over the last 10 minutes. I think we deserve to hear Ms Carnell's answer with some clarity.

MR SPEAKER: I uphold the point of order. We will get through this a lot faster without the interjections.

MS CARNELL: Absolutely, Mr Speaker. That leads me to Mr Stanhope, the leader of the new Labor Party. But on the Internet site Mr Berry is still leader. So much for a clever capital, Mr Speaker, or a clever Labor Party. In Mr Stanhope's drive for that open and honest debate, on 14 October Mr Stanhope told ABC radio that the level of unfunded superannuation liability in New South Wales was actually the same as the level of unfunded superannuation liability in the ACT. How does this statement stand up against a recent report by the Productivity Commission which found that the New South Wales Government's superannuation liabilities averaged about 10 per cent of salary costs, while the ACT's liabilities were 21 per cent? That is more than double, Mr Speaker. We could go on and on about this because those opposite continue to mislead the people of Canberra in a situation where they want an open and honest debate. We would like an open and honest debate, but those opposite - - -

Mr Corbell: What about the UMS study? What about the latest IPARC submission? You are not willing to release any of those documents because you know they reveal that your argument is wrong.

MR SPEAKER: Order! Mr Corbell, the length of the Chief Minister's response has certainly been assisted by the interjections. If you want the Chief Minister to wind up, stop interjecting, which is out of order anyway.

MS CARNELL: Mr Speaker, I have to say that this response is actually no longer than a normal response. It is just that those opposite are making it longer. We then had a situation where Mr Stanhope suggested, I think, that the electricity arm, or the retail arm, of ACTEW accounted for only 3 per cent of the corporation's business. The fact is that it was 3 per cent of ACTEW's total business value. You would have thought that Mr Stanhope would have known the difference. In fact, last year electricity retail accounted for some 30 per cent of ACTEW's gross revenue. So again, Mr Speaker, they are wrong.

This morning we heard Mr Stanhope say that no other government was having to take these sorts of actions to fund their unfunded superannuation liability. Yet just a couple of days ago, the New South Wales Labor Government had to borrow \$3.2 billion to put into their unfunded superannuation liability. Again, Mr Speaker, those opposite, who would be embarrassed - I understand why they are embarrassed - got it wrong. I suppose what I should do is finish by congratulating Mr Wood and Mr Hargreaves on being the only two that have not misled the people of Canberra.

Mr Speaker, I have an absolutely wonderful little brochure here from Mr Berry. Mr Berry put in those documents of which he is proud things that are absolutely wrong. Mr Speaker, I table them. Recorded in *Hansard* today we have comments from Mr Berry that he is proud of the fact that he put out untrue information.

MR HIRD: Mr Speaker, I have a supplementary question. I am delighted to see that Mr Wood has a sensible, rational and honest approach. From what I could hear when the Chief Minister was replying to my question, it would appear that those people opposite, with the exception of Mr Wood and Mr Hargreaves, have got it wrong once again. If anything, they are the ones that are misleading the people of the ACT. Are they scaremongering also? Is this correct, Chief Minister?

Mr Corbell: Let's hear it all again.

MS CARNELL: I would be happy to read it again.

MR SPEAKER: Order! I recall that the word was used at the beginning of your question, Mr Hird. I thought, Chief Minister, that you had adequately answered that question.

MS CARNELL: Mr Speaker, I think I have adequately answered it. I would just like to - - -

Mr Berry: Well, nobody was listening. We don't know.

MR SPEAKER: Order! The Chief Minister cannot be responsible for what the Opposition says.

MS CARNELL: Thank goodness for that, Mr Speaker. I would finish by saying that an open and honest debate on this particular issue is in the community's interest. It is certainly not in the community's interest to see people use facts, or use a lack of facts, with such gay abandon.

ACTEW - Sale

MR QUINLAN: Mr Speaker, my question is directed to the Chief Minister. Is the Chief Minister aware that one interstate publicly owned firm looks likely to buy out a privately owned power company in Victoria, and also that ACTEW seems to have negotiated a very sweet purchase deal with Delta Electricity? Specifically, Chief Minister, you may be aware that publicly owned Integral Energy is considered to be the likely purchaser of the privately owned Citipower in Victoria and that Integral's chief executive had publicly stated that it has solid bank backing for the \$1.6 billion purchase. The reason cited, as reported in the *Financial Review*, was that the "willingness of the banks was based on the fixed 'monopoly' charges available to electricity distributors in their network business". Chief Minister, isn't ACTEW's network business in the same position? Does this not confirm that that large and asset-owning element of ACTEW is not subject to the risk that you have been ascribing to it - speaking of misleading?

MS CARNELL: Mr Speaker, I am very pleased, and I cannot believe, that Mr Quinlan has brought up these issues. The fact that Integral Energy needs to maintain its position in its marketplace in New South Wales to buy another electricity distributor or another electricity entity in Victoria, I think, says - - -

Mr Quinlan: And the bank's backing them.

MS CARNELL: There is no problem with the bank backing them. Again, this shows the problem. Integral Energy is significantly bigger than ACTEW. In fact, from memory, Integral Energy has something like 750,000 clients, Mr Speaker. But Integral Energy do not believe that is enough, so they have to expand to maintain their position in the marketplace. How are they looking at expanding? By buying other entities. How are they buying? By borrowing over a billion dollars. Is Mr Quinlan saying that, for ACTEW to maintain its position, it has to grow? I agree with that. But to grow you have to be willing. There is no problem getting the money, but you have to be able to pay it back. So what Mr Quinlan is saying is that what ACTEW should do is buy an entity in Victoria, which is actually bigger than ACTEW itself, and borrow over a billion dollars that the taxpayer of the ACT ends up underwriting if the market does not go very well. That is what Mr Quinlan is saying. This just shows why - - -

Mr Quinlan: I rise on a point of order, Mr Speaker. Mr Quinlan never said anything of the kind. Mr Quinlan asked a question about the network business of ACTEW and asked about the risk associated with it compared with the risk of the retail business. That is what Mr Quinlan asked.

MS CARNELL: Mr Speaker, I understood that Mr Quinlan went on for quite a long time about Integral Energy buying a Victorian private power company, an arrangement that may be signed in the near future, I hope, between Delta Electricity in New South Wales and the ACT Government, and the issue of risk surrounding all of these issues.

I was actually going through risk. Mr Speaker, if those opposite think that ACTEW borrowing a billion dollars so that they can buy another power company or a distributor and the deals that are being done, say, between Delta and ACTEW have no risk involved, I think it shows quite categorically why we cannot trust those opposite with the Treasury. It shows what would happen if we did. We would end up with significant borrowings for the ACT Government.

Mr Quinlan: I raise a point of order, Mr Speaker. I did not in any way suggest that ACTEW would go out and buy another business.

MS CARNELL: Mr Speaker, why did he talk about Integral Energy if he was not talking about that?

Mr Quinlan: Mr Speaker, on a point of order: In my question I cited the fact that the bank was prepared to back this purchase because of the monopoly position of the network business and its security - not that ACTEW had to buy anything, but it was a demonstration that the network business was a solid risk-free business.

MR SPEAKER: I take your point, except - - -

MS CARNELL: Mr Speaker, it is not a point of order.

MR SPEAKER: I understand what you are saying, but I must uphold what the Chief Minister is doing. She is simply making the point that, whether the bank is willing to lend money or not, there is still a risk involved.

MS CARNELL: Mr Speaker, can I finish by saying that any bank will lend a government corporation money. Guess why? Because the taxpayer underwrites it. It is not about whether the business is a good business. It is not about the risk, Mr Speaker. I have to say that ACTEW could go out and borrow a billion dollars tomorrow too - no problems - because, at the end of the day, whatever happens to ACTEW is underwritten by the Government and the ACT taxpayer, and at this stage we actually have more assets than a billion dollars. So there would be absolutely no problems. These are not stand-alone companies. They are underwritten by the taxpayer. That is why any bank will lend into that market. I cannot understand why Mr Quinlan, who should understand these things, would ask a question that so definitely illustrates why ACTEW, in a market of these sizes of competitors, simply cannot compete unless we go down the path that Mr Quinlan is suggesting; that is, allow ACTEW to expand significantly with loans underwritten by the taxpayer.

MR QUINLAN: The question was not about expanding; it was about keeping. My supplementary question, Mr Speaker, is this: Can the Chief Minister advise this Assembly what she knows of the detail of the deal that has been done between ACTEW and Delta Electricity? I heard numbers like 40 per cent lower prices. I heard five-year contracts. It looks like they are doing all right in the market as they are.

MS CARNELL: I do not personally - and I do not think Mr Humphries, as the other shareholder - have anything to do with commercial negotiations on contracts between ACTEW and - - -

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Mr Quinlan: Well, you say a lot about them.

MR SPEAKER: You asked for information and the Chief Minister is answering.

MS CARNELL: Mr Speaker, one thing I do know about it is that it has not been signed at this stage and I would hate to do anything to undermine that deal. I understand that, yes, it looks like it will be a very good deal for ACTEW if they could sign it. But let us be fair, Mr Speaker; so was Yallourn for the first four weeks until electricity prices fell below where we were hedging at. That is the problem with all of these deals. They come with risks. You enter into long-term - - -

Members interjected.

MR SPEAKER: Order, please! Do you want an answer?

MS CARNELL: I am trying to give one. You are asking for details and I am trying to give them. The problem with long-term agreements is they are absolutely essential in this market to give some confidence, but equally, if you take, as we did with Yallourn, a three-year agreement or whatever at a particular price and the price of electricity falls below it, you lose money. If it is above it, you make money. It is quite simple. It is not as if this is a way to remove the risk of the market. What it does is minimise the risk because obviously you have power at a particular price over a period of time, but you cannot guarantee that the market will not fall below your hedge price, as it did with the Yallourn deal.

I am very hopeful that the Delta arrangements will come to pass. I hope that they are the best possible deal that ACTEW can do in a very difficult marketplace. I am confident the people who are negotiating that deal will keep the best interests of their owners, the people of Canberra and the taxpayers, in mind when they do that deal.

ACTEW - Sale

MR RUGENDYKE: My question is to the Chief Minister, Ms Carnell. Chief Minister, in relation to the proposed sale of ACTEW, I understand that the model suggested for the sale of the water business entails the ACT Government retaining ownership of the water resource, the dams, and the water and sewage treatment plants but also includes a lease contract that would be granted to the owner of ACTEW for a period of 50 years and the water and sewerage pipes being relinquished as a part of the sale. Are there any other water utilities in the world which operate under this model, particularly with a 50-year concession?

MS CARNELL: Mr Speaker, there are other models that are very similar to this one. The general approach worldwide is for multi-utilities. That seems to be the way things are going. Instead of having a water utility, an electricity one and a gas one, utilities are becoming multi-utilities. As you know, ABN AMRO suggested that we sell the whole lot, sell water and so on and keep them in one entity. We believed that it was essential for the ACT to maintain strategic assets - water testing facilities, sewage testing facilities, the dams and water generally.

A lot of work is being done right now looking at the sorts of things operators under similar water franchising arrangements offshore, particularly in Europe, have had to address over time, to make sure that when we put the statement of regulatory intent on the table next week, leading to full-scale legislation next year, we get it right so that the people of Canberra can be sure of water quality, access to water, environmental issues and so on. I think it is absolutely essential that those things be in place. We are looking at overseas models to make sure that ours is state of the art.

MR RUGENDYKE: I am not sure whether it was a yes or a no answer but my supplementary question applies to both. Why has 50 years been chosen for the lease contract period when most water utilities appear to favour a period of 15 to 20 years?

MS CARNELL: Mr Speaker, I understand that 50 years was chosen to give the successful tenderer confidence in the market and to maximise return to the ACT Government. The shorter the period of time, obviously the less that we will get. It is about balancing the issues - length of time, return to government and confidence that we can maintain the asset in the marketplace by making sure that any proposed manager of the system keeps up the maintenance. All of those sorts of things need to be built into the whole equation. Again, Mr Rugendyke, that was the recommendation of ABN AMRO and those people. I understand that that was the balance they took into account.

Electricity and Water - Regulatory Framework

MR CORBELL: My question is also to the Chief Minister. Is the Chief Minister aware that the New South Wales regulatory framework for electricity and water is currently under review and that this review is not likely to report until after this Assembly is asked to support the sale of ACTEW on the basis of what ABN AMRO itself has identified as a similar regulatory framework? Will the Chief Minister acknowledge that it is foolish to base an ACT regulatory framework on the New South Wales system before the effectiveness of that system is tested or reviewed? Will the Chief Minister admit that serious concerns raised in the course of the New South Wales review of their regulatory framework will have implications for any decision by this Assembly to support the sale and franchise of ACTEW?

MS CARNELL: Mr Speaker, I can tell Mr Corbell that the extensive work that is being done on the ACT regulatory framework is not in any way looking at mirroring New South Wales. We do not believe that New South Wales is good enough, and I think that has been shown. But of course anything that comes out of the New South Wales report that we believe is better than what we have on the table we can adopt. There are no problems with that at all. The approach that we have taken is unique. It really is significantly more - - -

Mr Corbell: You are making it all up, are you?

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MS CARNELL: Mr Speaker, do I have to put up with them all the time interrupting?

MR SPEAKER: The question has been asked, Mr Corbell. It is being answered.

MR CORBELL: I ask a supplementary question, Mr Speaker. Chief Minister, are you drawing on the New South Wales structure in any way currently in your development of a regulatory framework? Do you maintain the view that this whole process could be out of the way in the next few weeks, or even by February, with the uncertainty in the national debate both on regulation of electricity and water and on the future structure of the national electricity market?

MS CARNELL: Mr Speaker, I do not know of any debate about the future structure of the national electricity market. We had a Premiers Conference last week where every Premier, particularly the New South Wales Labor Premier, came out very strongly in favour of the current situation and suggested that no change was the approach for the national regulatory framework. I do not know of any changes that are being proposed to the national electricity grid or, for that matter, to the approaches that are being taken in other areas.

Mr Speaker, with regard to running off New South Wales, we are looking at New South Wales and Victoria and other places for the good bits, the bits they are doing well. We are not using New South Wales as the model. We are developing our own best practice where necessary. I suppose you could arguably say that New South Wales is looking to run off us, because ours is looking to be the best practice in Australia.

Delta Electricity

MR OSBORNE: Mr Speaker, my question is to the Chief Minister regarding the Delta Electricity deal. I did not hear the answer to the question from Mr Quinlan, so I may be covering the same ground. The proposed deal, Chief Minister, which according to your Liberal colleague in Sydney Ron Phillips is about to be signed, is a five-year deal at \$26 per megawatt hour, a price nearly 40 per cent cheaper than that at which Delta sell to their own residents. Are you able to provide us with a comparison of how this proposed deal stacks up against our present contract with Yallourn? Does any of the electricity produced by Delta involve the use of brown coal?

MS CARNELL: Thank you very much, Mr Osborne, for the question. At this stage I cannot stack up the two deals against each other, because the Delta deal is not signed and not finished, and I think it would be unfortunate for any of us to undermine what looks like a good deal. I do not know where the electricity comes from, Mr Osborne, but, taking into account that it is generated in New South Wales, I would be very surprised if it did not come from coal-fired power stations.

With regard to the comments that have been made about the Delta deal and the arrangements that are being entered into, my understanding from what ACTEW have told me this morning is that what Ron Phillips said was possibly a little simplistic; that it was not as simple as being able to say that this was the amount we would pay for all power.

Apparently there are sliding scales, and it is quite a complicated deal. But, at least at this stage, it looks like a good deal for ACTEW. I suppose you could equate it to the arrangement we have with the ANZ customers that we supply. We are providing ANZ power at significantly cheaper prices than we are charging our own consumers. That again shows you what is wrong with this market and why it should not have government involvement.

MR OSBORNE: I ask a supplementary question, Mr Speaker. Chief Minister, as you said, this appears to be a great deal for the people of the ACT. In publicly criticising Delta for proposing this contract, has your New South Wales Liberal colleague effectively put this contract at risk? Have you contacted him and asked him to pull his head in?

MS CARNELL: Yes.

Police Driver Training Track

MR HARGREAVES: Mr Speaker, my question is to the Minister for Justice and Community Safety. In today's *Canberra Times* there is an article on the closure of the AFP's driver training track at Majura Road. Can the Minister advise why it was closed down and returned to the Federal Government? I understand it was their land anyway. Was it the decision of the AFP and was the ACT Government consulted on it?

MR HUMPHRIES: The decision to close down the driver training track, I understand, stemmed from a decision by the Federal Government to relinquish some assets that the AFP operated, not necessarily just assets in the ACT but certainly including some in the ACT. As a result, they announced that decision without prior consultation with the ACT Government. I had discussions with officers of the Federal Government about that decision, and I expressed my concern that that decision would leave the ACT in a position of not being able to adequately cater for its own policing needs. As well as the driver training facility being at that location there were also some buildings used by Special Operations for training and also, I think, some accommodation for the dog squad. Those things were all being put at risk, apparently, by the decision to sell off that site.

We obtained an assurance from the Federal Government that they would consult us before the decision was taken forward and before we were put in the position of having to vacate the site. At this stage I am not sure where the discussions with the Federal Government have reached, but I understand that the AFP have been advised that they will need to make arrangements, at least on a temporary basis, perhaps otherwise, for some driver training to take place at Goulburn. What arrangements have been made in respect of the Special Operations accommodation or buildings there and the dog squad I am not yet able to say.

I regard the decision with some concern. The ACT obviously has relied on those facilities. It is, I would suggest, a further argument for us having some greater measure of control over our police than we experience in our contract with the Federal Government and a very good reason for us to put those issues in contention when we come to renegotiate the contract with the Federal Government over the use of policing by the AFP.

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MR HARGREAVES: I thank the Minister for that response. My supplementary question is: Can the Minister confirm that it is going to cost us \$1,200 per student for five days' training at Goulburn? Will the ACT budget have to bear the initial cost? How much per annum have we provided for that?

MR HUMPHRIES: Mr Speaker, I do not know what the costs, if any, will be. I do not know whether the arrangements have been finalised as yet, but I will find out. As to whether the ACT will bear those costs, this again is one of the uncertainties about the present arrangements. We notionally buy a police service with the various things that come with it, including the training of police, but some of the on-costs of changes in operations flow on to the ACT. From my perspective, it is not clear when we are supposed to bear those costs and when they are supposed to be supplied to us as part of our \$54m contract with the Federal Police. That will certainly also have to be an issue in the renegotiation with the Federal Government. As to what costs we might bear and whether the ACT will have to budget for them separately, I will advise Mr Hargreaves when I have the answer.

ACTION - Palmerston School Service

MS TUCKER: My question is to the Minister for Urban Services. He has had notice of this question. Minister, is it the case that ACTION cancelled the afternoon school bus service returning to Palmerston from the Gold Creek senior site, Gold Creek junior site and the Holy Spirit Primary School for 1999? Why has the afternoon service been cancelled when, according to parents, 124 students who live in Palmerston will be attending Holy Spirit next year but will have no afternoon school bus home next year? Is the Minister aware also that parents are extremely concerned for the safety of many young children who would be forced to catch non-school buses home if their parents were unable to pick them up in 1999?

MR SMYTH: Mr Speaker, I thank Ms Tucker for notice of the question and I thank her for the question. Services for the Gold Creek Senior School have not been cancelled. The afternoon service to the Gold Creek Junior site has been withdrawn in the knowledge that an additional service route, route 50, will be available for students to travel to Palmerston in the afternoon. This service transports students directly from their school to their nearest bus stop. There will be no interchanging required. During 1998 the dedicated school service operating for Holy Spirit has averaged only 13 students from Holy Spirit and one student from Gold Creek Primary. These numbers do not justify a dedicated service, particularly when a route service is available. The Holy Spirit School finishes at 3.10 and the route 50 comes past the school at 3.21. Currently no other Gungahlin primary school receives a dedicated service, apart from Ngunnawal Primary, whose students access the high school's dedicated service. It is not uncommon for primary school students to use route services.

Mr Speaker, it is proposed that ACTION will monitor student patronage on the route services and, if the numbers justify it, they will consider providing a dedicated service. This review is carried out every year at the start of the school service.

MS TUCKER: I ask a supplementary question. You are saying that there have not been any complaints to ACTION about overcrowding this year, on both the morning and afternoon buses to Gold Creek junior and senior campuses and Holy Spirit? You are saying they are actually underpatronised, are you?

MR SMYTH: The advice I have is that they are underpatronised. The advice I have is that on the afternoon service there are 13 students from Holy Spirit and one student from the Gold Creek Primary School. I do understand - in fact, a note came down after question time commenced - that the Catholic Education Office has now been in contact with ACTION and has quoted figures similar to those you have, indicating that there is the potential next year for something like 125 students wanting to go to the Holy Spirit School. The school transport liaison committee did not know of that concern, but we review the services in the lead-up to the school year and, based on those numbers, we will certainly provide some sort of service for the start of the school year. If patronage is there and patronage warrants the service, we will provide the service.

Legislative Assembly - Members' Staff Allowances

MR KAINÉ: I direct a question to the Chief Minister. Chief Minister, in the debate this morning in connection with the proposed disallowance of a determination you said that a member could not be given an increased staff salary allowance because no provision was made in the budget and you did not know where the money would come from. Chief Minister, about eight months ago you issued a determination, I presume, increasing the staff salary allowances of the then four crossbenchers to the tune of \$10,000 each - \$40,000. That was two-thirds of the way through the fiscal year. Obviously, no budgetary provision had been made. What were the financial arrangements made to accommodate that \$40,000?

MS CARNELL: Mr Speaker, I will have to take that question on notice to find out what the financial arrangements were at that stage. It is always possible for the Government to use the Treasurer's Advance when the issue could not have been foreseen. In this particular case, we have known since a long time before the budget was even debated in this place that Mr Kaine was unhappy about his staff allocation. I just make the point that the Treasurer's Advance would not be available in this situation, because the situation was foreseen.

MR KAINÉ: I ask a supplementary question, Mr Speaker. I can assure the Chief Minister that the Treasurer's Advance was not used eight months ago. I can inform her, if she is uninformed, as to what the process was, but I would like the Chief Minister's assurance that the same arrangements as applied eight months ago can be set in place today to accommodate this new change in the determination.

MS CARNELL: Mr Speaker, it is a debate. You cannot ask that question.

Mr Berry: You do not want to answer it.

MS CARNELL: I can say no, but it is a debate.

Aboriginal and Torres Strait Islander Consultative Council

MR WOOD: My question is to the Chief Minister. It is about the Aboriginal and Torres Strait Islander Consultative Council. During the July Estimates Committee hearings you said that the council was “very close to being appointed, very much at the conclusion, really”. Perhaps I have missed an announcement about this important body. Can the Minister tell the Assembly whether the council has been appointed at this stage, and perhaps why it has not if it has not been? What demands on the time of council members are envisaged? Will they be offered remuneration for their time and effort?

MS CARNELL: Mr Speaker, the term of the last Aboriginal and Torres Strait Islander Consultative Council expired on 31 March this year. Members of the indigenous community have expressed concerns about the operation of the consultative council. The indigenous community was asked for expressions of interest to be on the new council, but unfortunately the expressions of interest were very low. I think there were five or six altogether. We decided that we needed to approach it in a different way, and we have had discussions with various members of the indigenous community with regard to how that may be achieved.

A review of the role, the membership and the operations of the council is under way with members of the indigenous community to try to come up with a model that people are interested in being part of. The Government cannot and should not make people be on a consultative council if they do not want to be. I think it is really important that the indigenous community be consulted on the role and decision-making processes of the representative body, and I think it is really important that the indigenous community generally be happy with the model that is in place.

As I said, we have been consulting with members of the Aboriginal and Torres Strait Islander community, with organisations and with community members. The review should be completed about now. We were looking at mid-November. A report will be prepared on the outcomes. I am very happy for Mr Wood to be as much a part of that as possible. I think it is important for all members of this Assembly and the community to have a consultative council that works and is active.

MR WOOD: I ask a supplementary question, Mr Speaker. That answer seems a bit at odds with the earlier statement that it was very much at the conclusion. Nevertheless, as we have had earlier debates in this Assembly about the reconciliation process, as another initiative towards reconciliation will the Chief Minister, perhaps by way of ministerial statement, indicate other initiatives towards reconciliation?

MR SPEAKER: I will allow that.

MS CARNELL: If members would like a ministerial statement on reconciliation, I am more than happy to give one.

Canberra Institute of Technology

MR BERRY: My question is to the Minister for Education. Minister, is it correct that you have now received a detailed paper on performance indicators for the CIT which demolishes the justification provided for the internal reductions to the learning services division and human resources area of CIT, cuts which included draconian attempts to reduce employees' work conditions?

MR STEFANIAK: Yes, it is correct that I have received a paper. I do not know whether it is quite in the terms that you put, Mr Berry.

Mr Humphries: Certainly not.

MR STEFANIAK: It is certainly not in those terms. I received that yesterday. I certainly disagree with some of your statements like "demolish" and nonsense like that, Mr Berry.

MR BERRY: Would you like to table it?

MR SPEAKER: Mr Berry, are you asking a supplementary question?

MR BERRY: For the information of the Assembly, would you table the document to which you refer? Now that you are in possession of a more positive, and accurate, view of performance indicators over the last year, will you now review the funding allocation for the CIT for this year and the forward estimates, since those cuts were based on flawed indicators?

MR STEFANIAK: Mr Berry, I would not necessarily agree with you in relation to that. I received a - - -

Mr Berry: Will you table the document?

MR STEFANIAK: I do not see that there is any need to. You probably have it yourself, Mr Berry. It is a document which relates to another document. No doubt you have both of them. From what I have seen, Mr Speaker, it makes a number of comments in relation to a study that was done. I would disagree with Mr Berry about forward estimates. Mr Berry, I refer you to something you can get your hands on too, and that is the ANTA documents, which are in fact audited and on which this Government bases a lot of what it does. The CIT is going through some reorganisations, just as a number of other government departments do.

I think it is always important that we review our operations; we make sure that we not only deliver our services as efficiently as possible - which might well mean sometimes, Mr Berry, that some areas have some cuts - but also try to improve those services, and that is what I understand the CIT is doing. Mr Berry, I am going to go through - - -

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Mr Berry: Will you give us a copy of the document?

MR STEFANIAK: I have answered that part already, Mr Berry. I am going to go through that document, along with a number of other documents. Mr Berry, I would also refer you to the ANTA figures, because those are audited figures and relate to part of the question you have asked.

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

Stamp Duty - Property Development

MS CARNELL: Mr Speaker, yesterday Mr Stanhope asked me a question in relation to stamp duty waivers for the Waldorf Apartments. The question was:

... can the Chief Minister confirm that the stamp duty forgone would be approximately \$710,000?

Mr Stanhope also asked, as a supplementary question, whether the Government's stamp duty waiver was conditional upon the developer completing the project within an agreed timeframe and, if so, what that timeframe was. Mr Speaker, the ACT Government has introduced a range of innovative incentives aimed at assisting the revitalisation of Civic and the Northbourne Avenue corridor. The central objective of the incentive measures is to encourage the reuse of commercial office space, of which there is a current significant oversupply in Canberra. This objective is in keeping with the Government's commitment to maintain Civic as Canberra's city heart and to maintain an attractive entrance corridor to the north of the city. Generally, developments in the Civic-Northbourne Avenue area which result in a change of use so that offices can be converted to another use consistent with the Territory Plan - - -

Mr Quinlan: I raise a point of order. We had the general propaganda yesterday. Can we just have the numbers, please?

MR SPEAKER: The Chief Minister is answering Mr Stanhope's question. Proceed, Chief Minister.

MS CARNELL: I am happy just to table it if that is what everyone wants.

MR SPEAKER: If that is the wish, table it, Chief Minister, if you want to.

MS CARNELL: If you just want me to table it, I am happy to do so.

Mr Quinlan: Good.

MS CARNELL: Okay. I am very happy to have it incorporated in *Hansard*, Mr Speaker.

MR SPEAKER: Thank you. That will settle that. Is leave granted? There being no objection, leave is granted.

Document incorporated at Appendix 1.

Supported Accommodation for People with Mental Illness

MR MOORE: Mr Speaker, in an answer I provided on Michelle's and the Work Resources Centre for Mr Rugendyke on Tuesday, I gave a date on which the contract was due to be completed and I said I had some doubts about it. My advice was that it was due in 1998. I was correct. It is June 1999. I want to make sure that that is clear on the record.

LEGISLATIVE ASSEMBLY (MEMBERS' STAFF) ACT - INSTRUMENT NO. 189 OF 1998 Motion for Disallowance

Debate resumed.

MR RUGENDYKE (3.34): This motion is similar in content to the motion of Mr Berry which appears on the notice paper in his name. On the occasion when that motion was first mooted, the Chief Minister stated that she could not increase staffing allocations without decreasing the allocations of other members. When that concern was put to Mr Berry, he stated that he would come back to me with his suggestion as to how Mr Kaine's allocation could be increased without decreasing my allocation and those of Mr Osborne and Ms Tucker. Mr Berry has not approached me since that conversation with his suggestions as to how this may be achieved. But then Mr Berry has nothing to lose. So I must question his motive in proposing that motion.

While I sympathise with Mr Kaine's plight, I am yet to be advised how his staffing allocation can be increased without detriment to others. I believe that it is incumbent on the Labor Party to show us how that can be done. It has been mentioned that - - -

Mr Kaine: On a point of order, Mr Speaker: I am not too sure what Mr Rugendyke is addressing; but the motion on the paper is, in fact, a motion from me and I cannot quite see the relevance to my motion of asking the Labor Party to explain how it would solve the problem. I think Mr Rugendyke is thoroughly confused.

MR RUGENDYKE: On the point of order, Mr Speaker: Since this motion is quite similar to the one that Mr Berry would have proposed, I think it is relevant to record conversations that we had in relation to that motion and relate them to this motion.

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MR SPEAKER: Mr Rugendyke, I have had consultation with the Clerk. The motion that Mr Berry put down is not being debated at the moment. This is not a cognate debate. We have not decided on this particular motion. It is possible that, once this is resolved either way, Mr Berry will have to withdraw his motion anyway, because it is too similar. Please confine yourself to Mr Kaine's motion at the moment.

MR RUGENDYKE: Mr Speaker, it seems that it has also been noticed that Mr Osborne and I stood at the recent election on the same ticket - yes, that is correct - as the Osborne Independent Group. You may also have noticed that on the first day of sitting both Mr Osborne and I stood in this chamber and declared our independence in this place, prior to any Assembly business being conducted. It seems that the conflict here between Mr Kaine and the Government is due to the acrimony of the fallout between the two. I would encourage that that falling out be rectified so that this matter can be fixed up properly.

MS TUCKER: I seek leave to speak again on this matter.

Leave granted.

MS TUCKER: I actually neglected to move the amendment that I had circulated. Therefore, I now move:

Paragraph (2), after "determination", insert the following words "which increases the staff salary allocation for Mr Kaine to equal that of Mr Osborne, Mr Rugendyke and Ms Tucker without decreasing the allocation of any other Member."

I will take this opportunity to speak on the topic a little bit more. I was very concerned to hear Mrs Carnell this morning giving the very clear impression to members that, in fact, the Clerk would have to find this money; that somehow the Assembly budget would suffer as a result of the imposition of any extra expense to give Mr Kaine equal resourcing to other crossbench members. I am sure that Mrs Carnell did not mean to mislead the Assembly; but I would like her to clarify that. As we are all well aware, salaries are not departmental; they are a Territorial part of the budget. They are seen to be out of the control of the manager of the particular area - the Clerk, in this case - and, if there has been some variation on a staffing allocation, then of course it is regarded as a Territorial expense, and OFM would be asked to accommodate that extra expense. So I would like to see that clarified by the Chief Minister.

It is entirely possible and appropriate for this extra amount of money to be found to support equity in this Assembly. I will not repeat the arguments I have already put, except to say that I could not understand the logic of Mr Rugendyke's argument at all. He just seemed to be saying that, because he declared himself an Independent immediately after election, that was somehow different from Mr Kaine, who declared himself an Independent some time later.

MR CORBELL (3.40): Mr Speaker, there seems to have been something missing from a large part of this debate, and that is a matter of principle. The principle, I think, was stated very clearly by Mr Kaine; but it seems to have been missed by many other members during this discussion. The principle that we are missing is the one which says that the Executive - the Chief Minister, in this case - should not be in a position to intimidate and punish other members of this place for the political decisions they make by a withdrawal of resources. But that is exactly what this Chief Minister has done, purely and simply.

You can judge it as a vindictive move. You can judge it as a move based on some political animosity. But what is at stake here is the principle that members of parliament can stand up and voice their opinions and act on their conscience, indeed, on a matter of principle, without the fear of the Chief Minister punishing them by a withdrawal of resources. That is exactly what has occurred in this place. I think we have sunk to that level in this place. We are saying that it does not matter how much money people receive; it does not matter about any of those other things; it is all down to where we can find the money. The principle is what is important here, and it is something that, quite clearly, members of the crossbenches and the Government have not understood.

Kate Carnell punished Trevor Kaine because he resigned over a matter of principle, not on a whim. Unlike the reasons of other crossbench members, he did not make his move because he wanted a different allocation. The same perhaps cannot be said of Mr Rugendyke, when he stood up in this place and changed his mind from being a member of the Osborne Independent Group to being an Independent member.

Mr Berry: The difference is that there was not a fallout, though.

MR CORBELL: My colleague Mr Berry points out that perhaps the difference is that there was not a political fallout. Is that the criterion? Is the criterion whether or not there was animosity? That is not a criterion; that is not even a half-hearted attempt at a criterion. So we cannot put it down to that. Mr Rugendyke made the point that perhaps it has something to do with the timing - that his changing his status on the first sitting day was different from what Trevor Kaine did, because he did it a couple of months later. How is that different? Surely the thing that we have to remember here is not when the person changes their status but what they change to and what everyone should be equally entitled to.

If Mr Kaine becomes a crossbench member, he should be entitled to the same as other crossbench members, and his reasons for doing so should be of no concern. If they are, then this Government is using its executive power to intimidate and punish members of this place whom it disagrees with. It is that simple. It is blatant; it is vindictive; it is politics at its worst. If in this place we are going to make a judgment about allocations based on how people behave rather than on what their role is, then that is a very sad day for this Assembly. It indicates all too sadly that, when it comes down to it, just as this Government has done with public servants who disagree with it, just as this Government has done with community groups whom it disagrees with, it will pull their funding. That is the way this Government operates. We cannot afford to let it stoop to the level where members of parliament are threatened, intimidated and punished for the political decisions they make, through the withdrawal of resources, because that is exactly what has happened here.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (3.45): Mr Speaker, in this debate the Chief Minister has already explained the arguments for not increasing the determination in respect of one particular member, and I do not propose to add greatly to those arguments. I will pose a question first of all. I see that Mr Kaine is otherwise engaged, so he cannot answer my question. As with so many of the motions that we encounter in recent days, it is a bit hard to tell whether this motion is actually advisory or directory to the Government - "that the Chief Minister make a new non-discriminatory determination". I think the Government would regard this as a directory motion, but I am open to persuasion as to different views from other members of the Assembly if they disagree with that.

So, Mr Speaker, what we have been presented with here is a motion instructing the Government, directing the Government, as the Assembly has the power to do, to make a new determination. I simply want to draw attention to the precedent that that sets in this place. There have, of course, been disputes over the last 10 or so years of self-government about levels of allocation to different members. The comments that Mr Corbell has made about the government of the day, the Executive, being vindictive with respect to its use of that power to set levels of staffing are not the first such remarks to have been made. They have been made, in fact, quite a few times in the past in respect of decisions made by executives on both sides of politics with respect to the way in which they have used that particular power.

Mr Corbell: They have never been focused on an individual before, though.

MR HUMPHRIES: Indeed, they have been focused quite expressly on individuals in the past, Mr Corbell. If you care to stay in the chamber, you will hear about those particular cases. But, of course, he chooses not to. Mr Speaker, the difficulty is that if we pass this motion today, however, we have done for the first time what has never happened before in respect of such disputes or such arguments about levels of staff allocation setting - - -

Mr Berry: That is because of your behaviour. We have never behaved like this before. Nobody has ever behaved like this.

MR HUMPHRIES: I think we have, Mr Berry. We have behaved like this before. I will come back to that in a moment. I will make my point in a minute about that. We are reacting to a government decision for the first time by directing the Government - as I say, I think this is a motion about direction - to make a new determination in a particular way.

Mr Speaker, I am not sure that there is any clear legal or constitutional precedent preventing the Assembly from doing that. I am not aware of any. I do not cite any in this debate. But, Mr Speaker, when such precedents are set, they do create good and bad opportunities. They create good paths and bad paths for future years by members of this Assembly. By that I mean that, although I oppose the motion here today, if the Assembly sees fit to pass it, it will be, I imagine, a very useful precedent to be used in the future.

I do not imagine that the Liberal Party will remain in government forever. In fact, I am quite certain that we will not. I think it will be useful once again for us, in the position of being on the opposition benches, to have a greater degree of control over what salaries are set for us and other members of the Assembly by the Executive of the day.

I state very clearly that I believe it is appropriate for the Executive to set the staffing allocations, as every Executive before us has set staffing allocations. But let me say that, if the Assembly decides today that it wants a new regime, if it wants the Assembly to set those allocations, we will live with that precedent. We will adapt to it and we will be very pleased to use it when next we find ourselves on the opposition benches. I think it is a bit much to expect that the glass barrier can be broken and then somehow put back together again when next the Opposition finds itself in government and vice versa.

Mr Stanhope: You have broken that barrier with this vindictive discriminatory action. You have already broken it. You have set the precedent.

MR HUMPHRIES: Mr Speaker, the precedent will be that the Assembly decides to exercise power in this area where previously it has not exercised power and where previously the Executive had the right to make a decision. There is a shift - only one, I might say, among many such shifts - from the Executive to the legislature in terms of the exercise of power. It has happened on a number of occasions before, and it has been a gradual process that has continued throughout the life of this Assembly from almost the very first day it sat. This would be one further step in that transition.

Mr Speaker, as I said, I reject the assertion that this is about punishing other members. It is not. The Chief Minister has laid down the criteria that she feels are appropriate for the decision to be made. Mr Speaker, if members consider that the treatment of individual members in this sort of way is punishment, as I said, it is not the first time that it has occurred. In fact, I recall a case that affected me personally in the past. In the middle of 1993, I approached the then Executive about extra staffing allocation to the Opposition Whip, which position I held at that particular time. I argued that there ought to be special recognition of the Opposition Whip's position in managing opposition business.

The request for increase in assistance was not processed by the then Government for 18 months. It took a year-and-a-half for the then Government to make a decision about what should be the appropriate allocation of staffing for the Opposition Whip. It decided, 18 months or so later, that there should be no increase in staffing for the Opposition Whip. Interestingly, just a few months later, after the Government had changed and those same people found themselves in opposition, the request for an increase in staffing was revived. They came back and said, "We think on reflection you were right. There ought to be extra money for the Opposition Whip", Mr Speaker. If that was not punishment of the Opposition - punishment of an individual member, if you like - how was it different from what is happening in this particular case? I am not sure that it is very different.

Mr Speaker, I come back finally to the argument about money. It is necessary to find money from somewhere else to do this. We will have to find resources from somewhere to meet this allocation. If we do so, then there will be a precedent set. As I say, I am very happy in the long term with the consequences of that precedent. I think it is a bad precedent; but it is one that I will, as member of an opposition one day, touch wood,

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be very happy to exercise if the Assembly sees fit to pose that precedent. Perhaps it is a reflection of the long time it is since members of the Opposition in this place have sat on the government benches that they are prepared to make these sorts of precedents. I am sure that they will have cause to regret them one day; but, if they choose to, they can be certain that they will not see us siding with them when it comes to any winding back of the clock.

MR MOORE (Minister for Health and Community Care) (3.54): Mr Speaker, I think this motion actually highlights a much more significant problem than the one about money that we are dealing with at the moment. The problem that it highlights is one that, I must say, I have had some concern about for quite a number of years; that is that the Chief Minister has the responsibility for setting the staffing allowances for members. I have always been of the view - and I think it is something that we need to revisit - that, in fact, the Speaker should be the one that is setting these allowances and the Speaker should make those allocations from within his budget. That is my view of it.

I have just spoken to the Chief Minister. I said to her, "That has always been my view. Do you mind my presenting that view now, and is it something that we ought to consider as an Assembly?". Mrs Carnell said, "No. That is a reasonable thing to put on the table". I think what this motion does is actually highlight a much more significant problem. It is a good time for the Assembly to look at its budget and how it does its budgeting. If, indeed, the motion were to pass, in my view, it would be entirely inappropriate for the Assembly to order the Government to spend money. I have opposed that sort of motion from the crossbenches for many years. However, I think there is some merit in some of the arguments put forward. It is a matter that ought to be dealt with within the Assembly budget.

Ms Tucker: It is a Territorial expense, Michael.

MR MOORE: Ms Tucker interjects, "It is a Territorial expense". Everything that the Assembly spends is a Territorial expense; but remember, Ms Tucker, the way our budget works is that there is an allocation of money to do certain things. If I want to do something new and different within Health, then I find the money within Health. If the majority of non-Executive members decide that they want to redistribute the money that they have - not just in staff allocations, but perhaps in travel or the amount of security that is provided in the Assembly, or whatever - then that is a matter that I believe ought to be the direct responsibility of the Speaker. He, in turn, would do what he always does, which is consult the Administration and Procedure Committee on these sorts of matters. I have been a member of that committee for quite a number of years.

It seems to me, Mr Speaker, that those are the choices that people have to make here. They ought not to be expecting the money to come out of thin air, because money does not come from thin air. The choice ought to be that the money comes out of the Assembly budget, if they believe that Mr Kaine deserves this extra funding. The one thing that we ought not to be doing, as I see it, as a matter of principle, is, on any issue, directing the Executive to spend money in a particular way.

Mr Wood: You did.

MR MOORE: That is the task of the Executive. Mr Wood, I successfully lobbied your Government - - -

Mr Wood: You did not do it down here.

MR MOORE: I successfully lobbied your Government in a very effective - - -

Mr Wood: “Lobbied” might not be the word, but anyway - - -

MR MOORE: I successfully lobbied your Government in a very effective way at the time. Indeed, Mr Kaine has not been as effective as that on this particular issue at this particular time. But I think the issue is that, if it is going to be resolved in the Assembly like this, then the money should come from the Assembly budget.

MR HARGREAVES (3.58): Mr Deputy Speaker, we have debated fairly extensively the fairness of this matter. I think it would be very wrong of anybody to try to suggest that Mr Kaine provides a lesser service to this Assembly, to his constituents and to his standing committee than other members do. Indeed, I would argue that he probably does a lot more. Mr Deputy Speaker, it is a question of equity, certainly; but what has been raised as the major question is: Where is the money going to come from? It is an absolute furphy to say that the money is not available within the Government’s pocket. The money can be provided. We all know that departmental secretaries do not always hit the target of their salaries allocation. I have never known departmental secretaries to meet their salaries allocations in 29 years of service in the ACT Government.

It is also true to say that the Government provides a certain amount of money for redundancies; so we have a contingency bucket lying around the place. However, if people take their packages in July instead of in December, then there is very little money required for that redundancy package, because the base allocation has already been provided. It is a fact. What happens is that, where you actually provide money for redundancies, you can be providing it twice; and a good management practice with redundancies is to get people to take them in July or August instead of in April or May, because you do not have that doubling up. You would have a considerable saving. That means that the money is there. It merely means that the salaries allocation to the Assembly can be boosted through interdepartmental transfer. It is very simple and is very easily done. It is done all the time.

Mr Deputy Speaker, I would ask: If it is not possible, why is it that we can recruit SES officers like picking poppies and still afford to pay them? We do not necessarily have it in the base budget, but we always seem to find the money. Over the years that I have been associated with the ACT Government, there have been many occasions when a department has increased its budget to take care of a need for salary allocation. It is not always done within that particular salaries line. It is done because there is an interdepartmental transfer of funds, using the OFM as a vehicle for effecting that transfer.

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We also know that often elements of a particular Public Service department section's activities are transferred to another section. Often it goes around and around. Mr Deputy Speaker, every time it goes around the loop, somebody loses money to somebody else in it. That has been the game for 30 years. I would not like it to change because, in fact, there is money to be gained, and the money is there. So to say that this Government cannot find something like \$20,000 to enable Mr Kaine to perform his job in the same way as the other three crossbenchers do I think is grossly wrong. We can find the \$25,000 if the Chief Minister and Treasurer has the will to do so. That is what it comes down to - whether the Chief Minister has the will to find it. She has indicated to us today, and by her actions previously, that she is not prepared to do that. I want this Assembly to tell her to do it. The money is available. It is a fair and equitable thing to do.

It is also known, Mr Deputy Speaker, that one of the Government's six members is a backbencher. He gets paid exactly the same as I do. One would argue that he does not have quite the same role as I do; but I do not scream and jump up and down because I am getting less pay than he is, because we have different jobs and we have different roles. But Mr Kaine has exactly the same role as Ms Tucker has and, now that the members of the Osborne Independent Group are Independents, he has exactly the same role as those other two. So, Mr Deputy Speaker, it is patently unfair to deny Mr Kaine access to the same staffing resources as these other three members have.

Mr Deputy Speaker, I urge the Assembly to consider the fairness of what we have before us and to consider that it is an easy exercise to find \$20,000. If you can find that kind of money to go on trips around the place regularly, you can find that kind of money to do this. It happens all the time with the recruitment of SES officers in this town. If we can find the money to pay those people, why can we not find the money to have people support our members of the Assembly? I am not seeking any increase in the allocation I have. I do not believe that I have a case - - -

Mr Quinlan: But you would not knock it back.

MR HARGREAVES: I would not knock it back, but I am not seeking it. I believe that Mr Kaine does have a case, and I would urge members very strongly to consider this. It is an absolute furphy that we have not got the money and it is just plain unfair that Mr Kaine does not get that support.

MR QUINLAN (4.04): I will be very brief, Mr Deputy Speaker. The money that the Osborne Independent Group members get has been set up by a contrivance, and I congratulate them on being clever and doing a deal that optimises their staff.

Mr Osborne: On a point of order, Mr Deputy Speaker: Mr Quinlan has accused me of doing a deal with the Government. I would like that withdrawn, because I did not do a deal with the Government on anything.

MR DEPUTY SPEAKER: Mr Quinlan, you may respond, if you wish.

MR QUINLAN: Thank you, Mr Deputy Speaker. I am not trying to impugn the Osborne Group in any way - - -

Mr Osborne: Just withdraw it.

MR QUINLAN: I will withdraw it, happily. However, by some accident of principle, the Osborne Group, who sit together and work together but who are still Independents, earn more. They have a greater staff allocation. For that I congratulate them.

I congratulate Michael Moore on the accoutrements of ministership that he has and that he obviously enjoys. But you cannot congratulate the Government on this particular exercise with Mr Kaine. It is vindictive and all those things that have already been said, and I am not going to labour it any longer. I just want to refer to a point that the Chief Minister was making and remade during her speech this morning when she said that the Clerk of this Assembly would be left with a hole in his budget.

I think this has been alluded to already, but I just want it repeated. As I understand it, there is a departmental budget. That is not affected. There is a Territorial budget, which would be affected to the massive sum of \$20,000 or \$30,000, and that would not leave the operation of this Assembly with a hole in its budget. I think it is important that that misinformation be corrected.

I would finally like to say that it would appear from Mr Moore's summation that this ain't about principle; never is. It is about power. It just so happens that Mr Kaine is an individual whose support the Government cannot rely upon and does not particularly need and who is therefore not paid a fair allowance compared to his counterparts in this place.

MR OSBORNE (4.07): Mr Deputy Speaker, that was a very interesting addition to the debate from Mr Quinlan. There are a couple of things that I would like to say. I think what Mr Quinlan finished off with was interesting. It would appear that the Government can rely on Ms Tucker's vote in the Assembly because she receives the same allocation as Mr Rugendyke and I. I am sure that Ms Carnell is very pleased to hear that. Mr Kaine has certainly indicated since he left the Liberal Party that he is an Independent. He has voted against the Government on many occasions. So there are certainly some grounds for him to receive more funding.

Mr Deputy Speaker, I had an amendment, which I will not move, because it appears that Mr Kaine does have the numbers on this. But let me just give members a short history lesson. In the four years that I have been in this Assembly, I have never supported a motion which has forced the Government to spend more money. I have never forced the Executive to spend money one way or the other. The only thing that has ever come close to it has been the issue of the Downer Preschool; but we did not force the Minister to spend any more money there. They are just going to have to reallocate their resources in another way. The conversation I had with the Minister at the time indicated that he was quite happy to do it anyway.

As I said, over the four years that I have been here, I have never supported a motion which has forced the Government to spend an extra dollar. So I do have a problem with forcing Ms Carnell to make more funds available for the Assembly. What I am prepared to do, though, Mr Deputy Speaker, is to give up some of my allocation to go towards Mr Kaine. That was the main thrust of my amendment. I will give you a history lesson

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on how we arrived at this figure on the crossbench. I did some work with Mr Moore around election time. We added up the salary allocation for the Leader of the Opposition and the other five members of the Labor Party, divided it by six and came out with a figure of about \$100,000. Mr Deputy Speaker, given that it is widely accepted that the crossbench members were the real Opposition in the last Assembly, we thought it only fair that we should receive a similar remuneration for staff to that of the Labor Party. That is why we came up with that figure.

Mr Deputy Speaker, as I said, I am quite happy to give up some of my staffing allocation, as I think other members should do, to accommodate Mr Kaine's move to the crossbench. I would encourage other members to consider that. The money that we have is already set aside. I think it is fair that we all put some money in to assist Mr Kaine. As I have said, Mr Kaine does have the numbers on this. I think it is regrettable. But I do not think that it forces Ms Carnell to throw any more money into the Assembly budget. So it appears that we are all going to have to make concessions. I am prepared to do that, to bring Mr Kaine into line with us.

When I spoke to the Labor Party and said that I was going to move my amendment which restricted the money to go to Mr Kaine to money coming from within our own salary allocation - I think it would have been about \$1,500 each - Mr Berry said, "Oh, I am not supporting that. I want nothing to do with that - no way". It is just appalling.

Mr Hargreaves: But be fair, please, Paul.

MR OSBORNE: I would like to finish. Mr Hargreaves said that he was quite happy to do it; but I am talking about Mr Berry. Mr Deputy Speaker, I think that is the fairest way to go, rather than going through this exercise of moving disallowance and really attempting to force the Government. I will not force the Government to spend money. I have been consistent in that in the four years that I have been in here.

I would just like to finish on one point, Mr Deputy Speaker. What I do not appreciate in this Assembly is being abused by members' staff, which happened to me within the last half an hour in relation to this issue. I do not appreciate it, Mr Deputy Speaker, and I think it was completely uncalled for. However, it appears that Mr Kaine does have the numbers. I think it is regrettable that we have had to take this action. I do think it is unfair to Mr Kaine that the Chief Minister has not made more funding available; but I will not support forcing her to do it. I will accept giving up some more money from my staffing allocation.

As I said, I thought I had achieved a fair compromise in suggesting that we all give up about \$1,500 to bring Mr Kaine into line with the six Labor Party members and the other members of the crossbench. But, Mr Deputy Speaker, it has been very disappointing to have been abused by members' staff and then, as I said, to have seen the hypocrisy of Mr Berry, who, when I offered him a solution where we all gave up a little bit, said, "No, I am not doing that. I want nothing to do with it". But, as I said, Mr Deputy Speaker, it appears that Mr Kaine has the numbers. I accept that. I am quite happy to give up a little bit of money myself to go towards Mr Kaine's staff.

MR STANHOPE (Leader of the Opposition) (4.14): Mr Deputy Speaker, I will just make a short contribution to the debate to reiterate some of the issues that have been covered fairly broadly, but not particularly well or clearly at times. I come back to the point on which Mr Corbell began his contribution to this debate. I think we are overlooking the significant question of principle involved here, and I think this comes down to a consideration of that issue of principle - that an individual member of the Assembly has been targeted for different treatment. Under any definition of discrimination that any of our watchdogs on discrimination use, Mr Kaine is being significantly discriminated against as a result, basically, of a decision that he made. Mr Kaine is being treated differently from those of exactly the same characterisation and description, with whom he sits in this place. It is, to me, completely unacceptable that an individual member of this place can be singled out for treatment different from that which is available to like-situated members of the Assembly.

As has been explained, Mr Kaine's position in this place is no different from the position of Ms Tucker, Mr Rugendyke or Mr Osborne. Their positions are identical. It may be that at one point in time - namely, on 3 March, or at the time of the first sitting - their positions were different. But as of this moment their positions are no different. It is simply not possible to draw the longbow that was drawn, that Mr Kaine of his own volition left the Liberal Party, moved to the crossbench and established himself as an Independent and as a performing member of the crossbench.

Once you do that, you really have to draw the parallel with the situation of Mr Moore and you have to draw the parallel with the situation of Mr Rugendyke and Mr Osborne. Their situations are no different. Is anybody here going to seriously suggest that, if Mr Moore moved back to the crossbench, he would not receive the same staffing allocation as Mr Osborne and Mr Rugendyke? If Mr Moore took the decision that, as a matter of principle, he could no longer perform as an Independent member of the Cabinet and he would move back to the crossbench, is anybody seriously suggesting for one minute that Mr Moore would go back to the salary allowance that Mr Kaine has now? It is simply not sustainable to suggest that that would be the case.

So we come back to the bottom line here. The bottom line is that this is a discriminatory action. One is forced to the conclusion that it was made for reasons of petty mean-spiritedness; it was made out of vindictiveness; it was made out of genuine spitefulness to a colleague who basically abandoned a political philosophy that he had held and abandoned the party that he had been a member of for a long time.

Mr Moore: The word that Labor usually uses is "rat".

MR STANHOPE: I choose to concentrate on the motives that might have led the Chief Minister to discriminate against her ex-colleague in the way she has, and I have no option but to regard it as an expression of very extreme pettiness, vindictiveness and spitefulness. The bottom line is that it is just not fair. It is simply not fair that Mr Kaine should be discriminated against in this way.

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Mr Humphries, in his contribution to the debate, dwelt at some length on the dangerous precedent that would be set if this motion were passed. There is a far greater precedent that has been established here by the separate treatment that has been meted out to Mr Kaine. That is the precedent that bothers me. The precedent that bothers me is that an individual member of this place can be discriminated against on the basis of where they sit in the place. The dangerous precedent here is that this Government believes that a person's salary allocations should be determined on the basis of where they sit in this chamber. That is an extremely dangerous precedent.

If I were Mr Humphries and I were worrying about precedents and worrying about what future governments might do, rather than threaten us with the action that he might take in opposition, I would be thinking with a little more clarity about the precedent that this Government has established in relation to staffing allocations, that they are not made on the basis of fairness and equity. That is the precedent that I would be worried about.

It is also absurd to suggest - I think Mr Kaine very effectively debunked this - that it is simply impossible to find this money other than by raiding the staffing allocations of existing members. I accept the pretty attraction of Mr Osborne's generous offer, but it is simply not acceptable that, in a response to a spiteful action by the Chief Minister, every other member of the Assembly should cough up and make a contribution to the staff salary of that person who is so severely discriminated against. That is just ridiculous. In previous instances when the Chief Minister chose to raise the staffing allocations for the crossbench, she had absolutely no difficulty in finding a process for achieving that. Mr Kaine very effectively debunked the Chief Minister's argument on that in question time today.

The Chief Minister places enormous store in the fact that she had not anticipated this motion so therefore other avenues available to her suddenly went up in smoke. That can be very effectively debunked by acknowledging that as late as yesterday Mr Kaine himself probably did not know that he was going to move this motion today. The Chief Minister suggests that we have had months in which to consider the fact and prepare for the fact. Mr Kaine gave notice of this motion yesterday. How much less notice of the issue do you need?

I conclude by repeating the point that I commenced this contribution with. This is all about the question of principle involved in discriminating severely against a member in this place because he moved from one bench to another, because he moved from one party to another. That is seen to be sufficient justification for taking this discriminatory, spiteful, mean action against him. It is the action that one does not expect in the ACT Assembly. It is the sort of action that one does not expect from any operating democracy. It is certainly action that I do not think we would have seen in any other legislature in Australia at any time. It is the sort of action that one expects from jurisdictions that do not have the benefit of democratic systems or heritage. It is truly outrageous. The Chief Minister should repair the discrimination that she has perpetuated and forced on this Assembly through her mean and nasty action, her personal spite against Mr Kaine. Because he dared to change his philosophy, dared to change his seat and dared to disagree, he is being punished for it.

MR BERRY (4.23): I want to go back in time a little bit and give a version of events which people may not have wanted to come up in this Assembly. I think it is a good thing that we are debating this issue, because very little is ever heard about the staff salary allocations of Assembly members, and they are an issue for those in the ACT who pay their taxes. The first Independents to approach a government for an increase in a salary allocation - it was in the days of the Follett Labor Government - were Mr Moore and Ms Szuty. Mr Moore and Ms Szuty wanted a bigger staff salary allocation; otherwise, they could not guarantee that the then Labor Government's legislative program would be able to get through. They said they would need more staff to help them scan all of the legislation. You can read that as code for: "If you do not want your business held up, pay up". I suppose you can look back on the decision the then Government made to pay up and say that that might have been the start of the rot. On balance, it was felt that if one wanted to get their business through, Mr Moore and Ms Szuty would have to be paid an extra staff salary allocation. It was agreed to. I do not recall that Mr Moore ever worried about where the money was coming from, though he was worrying about it in a rather pious way today.

Subsequently the issue of salary allocations for Independents has spread. Later, or at about the same time, Mr Moore and Ms Szuty, who were elected on the Moore ticket, separated to call themselves each Independents so they could be entitled to a larger salary allocation. This has become a practice. After the last election the Osborne group, effectively a political party for all presentation purposes, came to this Assembly, and in the very early days of sittings of this Assembly Mr Moore, Mr Osborne and Mr Rugendyke declared themselves as Independents. I should say that Mr Moore ran with a running mate in the last election as well. But this Independent status was to get hold of the bigger staff salary allocation. Mr Osborne reminds us that he, his colleague Mr Rugendyke and Mr Moore got together and, in a most scientific way, worked out how their staff salary allocation should be improved. They averaged out other people's and judged that theirs should be equal. They went and did a deal, with the Chief Minister. They said, "We think we are entitled to this", and the Chief Minister agreed. The deal was consummated and they had an extra \$40,000 or so between them.

Did they ask the Chief Minister then where the money was coming from? I think not. I think they just said, "We want it". Did the Chief Minister say, "This is conditional on whether I can find it and whether I can judge whether this could have been anticipated before I go to the Treasurer's Advance or some other place."? No, of course she did not. She just paid up. That was part of a deal. It is interesting that today in question time Mr Kaine raised that very issue about where the money came from.

The Chief Minister protested that she could not provide the money for Mr Kaine because, as she interjected later on, it was anticipated because I had put a motion on the notice paper. Curious indeed! My motion has not come up, and it will not. These curious reasons why Mr Kaine cannot be paid have come up. Indeed, the Chief Minister even argued that Mr Kaine could not get more because he did not get as many votes as other people. Does that mean that people who get more votes than Mr Kaine should get more money? No, of course, that is not the case at all. It was a silly argument. It was grasping at straws.

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The fact of the matter is that the basis for the increased salary allowances for Independent and crossbench members has always been that they are part of a deal. We need not be ashamed of that. We need not hide it either. You should ask yourself what the proper way to work out the staff salary allocation or the proper way to work out the responsibilities of members is. The only proper way that is available to us is the way that our salaries are determined by the Remuneration Tribunal. The Remuneration Tribunal say the Chief Minister, the Leader of the Opposition, Ministers and other people around the place are worth a certain amount. As is the case with wages and salaries across the country, they look at the position and they come up with a picture about the responsibilities of individual members. Has that ever been used as a basis for staff salary allocation here? No, never, because that does not suit the politics of the place.

Let us not deny that deals are done. They are deals which make governments comfortable, and that is why they are done. I will bet that Mr Moore, in his application to get a more expensive motor vehicle, never said to the Chief Minister, "I am worried about where the money will come from". I will bet that Mr Osborne, in his application to the Chief Minister for a bigger motor car, did not say, "I am worried about where the money will come from". I will bet that Mr Rugendyke, in his application to the Chief Minister for a bigger motor car, never said, "I am worried about where the money will come from". But all of a sudden some are worrying about it now. Mr Moore is worrying about it now in respect of other people.

This issue arises because Mr Kaine offended his cohorts in the Liberal Party and there was a backlash, quite a vindictive one. It is not in my interests or the Labor Party's interests to increase Trevor Kaine's staff salary allocation - quite the contrary. When I put my motion on the notice paper, I felt so strongly about the unfairness. That is why I put my motion. I thought the matter was worth pursuing. I regret that I had not put it on the notice paper earlier. I must say that I lost sight of the day by which a disallowance motion had to be moved. I have to admit to a bit of a muck-up in timing there. That is why Mr Kaine has had to put his motion forward. Of course yesterday was an extremely busy day in private members business, and we might not have got to it. That motion has nothing to do with this debate. This is not my motion. This is Mr Kaine's motion. Let us stop that nonsense.

I go back to Mr Humphries' comments earlier. He was lamenting the fact that this matter had been raised in the Assembly. Nobody, I guess, wants to have this debate about staff salary allocations out in the open, because it can get to the point where you describe the full history of these matters. Some people would be embarrassed at that because of the deals that have been done - deals that have been kept quiet, but nevertheless deals that have been done. The deals were done to keep the Government comfortable. I do not recall ever a hue and cry amongst the people who did these deals, worrying about where the money would come from.

Mr Osborne said a moment ago that he was going to offer some of his staff salary allocations and that everybody else should too. What he did not do was ask his staff whether they minded some of their salary allocation being given away in this most generous and political way. No, of course he did not. Neither did he ask any other

members in this place whether they had spoken to their staff about their salary allocation being undermined. Mr Osborne, all of us have our staff on some sort of contract, and you just cannot wave it around like that. This has not been well thought out. This was a cheap political move which should be discarded immediately. It is a silly move. It has been done without thought and it has not been calculated properly. (*Extension of time granted*)

I am taken by the vindictiveness of the Chief Minister's approach which emerged when this first happened. That is what I thought was most unfair. I understand the tension that would have occurred between Mr Kaine and the Liberal Party, but it was not worthy of this approach. We have all been through a staff salary allocation organised by the Chief Minister, under the bodgie Prasad report. The Prasad report was about Assembly members, but the consultant did not even come here on a sitting day. Yet the Government was able to work out staff salary allocations on the basis of it. What a joke! People blush and exhibit mock indignation when people talk about deals being done. That is quite over the top.

Clearly, by the Government's own standards, Mr Kaine ought to get an extra staff salary allocation. He is in no different a position from any of the other crossbench members, nor is he in a different position from Mr Moore. I get back to Mr Moore. Did Mr Moore complain about where the money was going to come from when he became a Minister? Did he say, "I wonder where this is coming from."? No, of course he did not, and it was found. This indignation about these issues I find repulsive.

Mr Humphries complained that this is the first time that this has ever come into the Assembly. Yes, it is. I do not have any difficulty with a public debate about my staff salary allocation, but the reason that it is here is that it was mismanaged in the first place. It has been mismanaged in a most unfair way, and that is why it has come to this. Surely, when my motion first appeared on the notice paper, the Chief Minister should have been able to determine that something had gone wrong. Surely, she would have said, "This is the first time in the life of this Assembly that a motion has been put on notice in relation to staff salary allocations. Something is wrong. I should fix it." There was no attempt to do so.

Mr Humphries: Mr Deputy Speaker, I rise on a point of order. Listening to this debate upstairs, I heard Mr Berry make claims about a deal being done between the Government and other members. He made references which are unparliamentary. You can wave me aside, Mr Berry, but I am entitled to make a point of order, if you do not mind. Those references were earlier ruled as unparliamentary by Mr Cornwell, and I ask that you similarly rule that those comments should be - - -

MR BERRY: I will withdraw them. I will use the word "arrangement" in future, so that you are not so offended, Mr Humphries.

MR DEPUTY SPEAKER: The word "deal" is nevertheless debatable, and there was no instruction to withdraw earlier today.

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MR BERRY: It has been used before. I will withdraw it if it upsets you, Mr Humphries, just to make sure the flow of the debate continues. "Arrangement", in the scheme of things, has all the necessary connotations. I heard Mrs Carnell complaining about not being able to get the money because she could not anticipate this move today. My colleague Mr Stanhope made a correct point. It is a silly argument, because Mr Kaine could not have anticipated it two days ago. He was not sure that he was going to put his motion forward. It is a silly argument for the Chief Minister to say that the reason that she cannot go to the Treasurer's Advance is that this was anticipated. Clearly, it could not have been.

I have some questions about the staff salary allocation system that the Government has adopted, but, given that they have established a principle for some crossbenchers, I do not think they can avoid the fact they have to provide a standard and non-discriminatory approach to these sorts of things. Mr Kaine is entitled to a staff salary allocation along the same lines as that which applies to other crossbenchers. When talking about this, everybody has to understand that in the past arrangements have been entered into to keep the Government comfortable. If you enter into those sorts of arrangements and set a standard, you have to apply the same standard to people of the same ilk.

MR OSBORNE: I seek leave to move the amendment circulated in my name, Mr Deputy Speaker.

Leave granted.

MR OSBORNE: I move the following amendment to Ms Tucker's amendment:

Omit all words after "which" and substitute the following words: "sets the staff salary allocation for Mr Kaine at the same level as that of Mr Osborne, Mr Rugendyke and Ms Tucker in such a way that would not increase the level of funds currently allocated to staffing for non Executive Members."

As I said in my speech, I am not prepared to force the Government to spend any more money, but I am prepared to give up some money from my allocation, as is Mr Rugendyke, to go towards Mr Kaine. I think this is a more reasonable solution to this whole issue than trying to play the games that we are playing at the moment.

MR DEPUTY SPEAKER: Mr Osborne, is that the amendment you circulated earlier?

MR OSBORNE: Yes, it is, Mr Deputy Speaker.

MS CARNELL (Chief Minister and Treasurer) (4.40): I am speaking to Mr Osborne's amendment. Mr Deputy Speaker, comments were made before that somehow money was found from elsewhere in the Territorial budget the last time that salaries increased. That is not the case, according to my advice. The Assembly budget is territorial in nature.

The last Assembly budget was for an election year. Assembly budgets are higher in election years because of the extra expenses. My advice is that the extra money was able to be found inside the budget. I would like to reiterate for members' benefit that any extra money that would be required this time will also be found within the Assembly budget. No new dollars will be allocated.

Mr Berry: They will be if you are forced to.

MS CARNELL: No. No new money will be allocated, full stop, to the Assembly budget, Mr Deputy Speaker. I would suggest to members that if they do want a different approach here, a non-discriminatory approach, as many people have said, the obvious way for the extra money to be found is for everyone to contribute along the lines of Mr Osborne's amendment.

Mr Berry: Everybody pay for your vindictiveness.

MS CARNELL: Mr Deputy Speaker, those opposite have talked a lot about discrimination. I am quite happy for everybody to get the same amount. What I am not happy about is for extra dollars to be made available - - -

Mr Berry: Except if it is for Mr Moore or Mr Osborne.

MS CARNELL: No. As I am advised, the money was found from within current resources. There are no buckets of money out there in the ACT budget that are not allocated, apart from the Treasurer's Advance. The Treasurer's Advance is quite specific in what it can be used for and it has to be for unforeseen circumstances. I have to tell you that this was very foreseen.

Mr Hargreaves: Well, if you have foreseen this then - - -

MS CARNELL: Everyone foresaw it.

Mr Berry: Did all the Executive staff have to offer up for Mr Moore?

MS CARNELL: Regardless of anything else, the money will be found within existing resources if the Assembly chooses to go down this path. May I also make the comment that in the past, regularly, Chief Minister's allocations have been argued with. I think that Mr Cornwell was less than impressed with an allocation at one stage. Mr Humphries spoke earlier about us, when we were in opposition, being less than impressed with an approach that Rosemary Follett took. This is not unusual. What is unusual here is the Assembly choosing to direct the Chief Minister. Okay. That is fine. But, if that is the case, why would the Chief Minister be involved in salary allocation at all? Why do we not go to a situation where non-government members can decide for themselves? We will give you a budget and you can all decide for yourselves.

Mr Berry: Don't you like the heat?

MS CARNELL: No, I have no trouble in taking the heat. I have no trouble whatsoever.

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Mr Humphries: You don't like it, obviously.

Mr Moore: She said no, Wayne. It is clear. No more money.

MR DEPUTY SPEAKER: Order! There is too much cross-talk.

MS CARNELL: Mr Deputy Speaker, I have no trouble in taking the decision and taking the heat, no trouble at all. What I have a problem with - I assume that anybody would in this situation - is then having the Assembly overturn that decision. If the Assembly is going to do that - that is, potentially, an approach for the future - then the Assembly should decide on salary allocations. I have to tell you I do not think it would be a very good outcome because at the end of the day I have no idea how you would do it. You have to have it one way or another. You cannot have a situation where the Chief Minister makes the allocations, takes the heat, but the Assembly then decides to change it. It is obviously unworkable.

I am comfortable in supporting Mr Osborne's motion. Certainly it ensures that there is no discrimination, as those opposite would say. Everybody ends up, I suppose, funding Mr Kaine's increase. The taxpayer does not pay. My concern was that the taxpayer would end up paying for Mr Kaine's decision to sit on the crossbenches. I do not think that is appropriate.

I do not think, by the way, it is appropriate for the Assembly to set a new precedent that really does mean that Chief Ministers in the future, whoever they may be, will have their decisions in this area overturned. Again I would make the point that I do not know why, if that was the case, a Chief Minister would be involved in setting salary allocations for non-Executive members at all. The Speaker could do it. You could have some committee of non-Executive members to do it. You could do all sorts of things. If any of you who have been here for a while like to think about that option, I think you would agree with me that it would not be a great option for the non-Executive members of the Assembly.

I will finish by saying that, if members feel this is the way to go, we will certainly support Mr Osborne's amendment. It does at least achieve the outcome that the taxpayer will not bear the bill for what I believe was a very individual decision by Mr Kaine after the election.

MS TUCKER (4.46): I will speak to this amendment. I want to respond to a couple of the things that have been said. I think it is really a shame when what appears to be a majority of members stand in this place and talk about the principle of the Chief Minister's right to make decisions about such things as staff allocations for members as if it were sacrosanct, the Holy Grail, the most important principle that we must respect and consider in this debate. What that implies is that it does not matter what the Chief Minister of any government might do if it means that we challenge her right to fund whatever that action is. We do not challenge it. It does not matter what other principle is at stake. What we have at stake here, and what we are discussing, is another principle, which is discrimination on political grounds. That is basically what the Chief Minister has done. She has discriminated against a member of this place for political actions that he has taken.

I think, as elected members of this place, the community would expect us to be offended by that. The community would expect us to make a decision about which principle is more important here. Do members like Mr Osborne, Mr Rugendyke and Mr Moore get away with saying, "This is such a dangerous precedent. We cannot possibly challenge the Chief Minister's right to make these budget decisions. This is the sacrosanct principle that is at stake here."? I am sorry, it is not.

I think the principle here, as I said, is about discrimination on political grounds. I believe that as members we have a responsibility to regard that as more important than the budget bottom dollar line which is so typical of the response from this Liberal Government and Liberal governments right around Australia continually. It is the same thread that goes through the discussions we have in this place, whether it is about competition policy or whether it is about battery hens. The thing that matters most according to those on that side of the house - and these people here seem to believe it - is the dollar. It is not the other values and principles of our society that I believe people in our community actually value more highly.

MR BERRY (4.48): Mr Deputy Speaker, noting this amendment that has been put forward by Mr Osborne and the support of it by the Chief Minister, I want to recall a few interesting things. One of those was the dash for cash which occurred immediately after the last election. People were posturing for the position of Speaker, for ministerial positions, for staff salary allocations, and all of that. Some of those people are going to vote with Mr Osborne on this if they get the opportunity. When did any of them worry about where the money was coming from? They did not worry at all.

Did the Chief Minister worry about where the money was coming from when she recently had a massive salary increase? It was found. These things can be found when it is expedient to do so. When it is not expedient to do so artificial barriers are created. We heard a list of the artificial barriers created by this disingenuous Chief Minister. These cosy arrangements which make the Government feel comfortable are fine for the Government - - -

Mr Humphries: Mr Deputy Speaker, look - - -

MR DEPUTY SPEAKER: Is this a point of order?

Mr Humphries: Yes, it is, Mr Deputy Speaker. The words "vindictive" and "disingenuous" have been used in the course of this debate, as usual by Mr Berry - who else - of Mrs Carnell. Who else would they be of? Would you care to rule on whether those words are parliamentary or not for future reference?

MR DEPUTY SPEAKER: I think they have been used before in this place, Mr Humphries. Mr Berry might listen to your point, but - - -

MR BERRY: I am sure, Gary, that you will be able to dig up something which matches it. Cosy arrangements have been agreed to for obvious reasons. Mr Osborne has persisted with this ridiculous approach of taking the staff salary allocation off others, and I raise that issue again. This tells you all you need to know. Did he ask his own staff?

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Did he give any consideration to anybody else's staff? Mr Rugendyke, I do not know whether you are going to support this mess or not but, if you are, have you had any thoughts for other people's staff and how they might be affected by these sorts of arrangements? No, of course you have not. This is expedience at its worst. The posturing that this Chief Minister has gone through here today would turn your stomach.

Mr Humphries: You really hate her, don't you, Wayne?

MR BERRY: No, in fact I quite respect the Chief Minister. I think she is a very successful Chief Minister. I have a great deal of admiration for the way that she has been able to sustain her position. I do not like it but I have a great deal of admiration for her. I think she is doing the wrong thing and I would like to see her toppled; but there is no question about it, she puts, if not every fibre of her being into what she is doing, most of it. That is not to say that I like any of it or that I would congratulate her for any of it. I think most of it is hopeless and leads us nowhere, but I admire her for her tenacity because she has certainly got some. I would hope that she would offer a similar respect for others with a similar tenacity.

This outrageous move by Mr Osborne looks as though it will succeed with the support of the Government. I think it is an outrageous move and it ought to be condemned. It is a sign of the depths to which this Chief Minister will sink in her dealings with her former colleague and other members of this place as well who are of a different political persuasion. Mr Osborne's move is no more than political posturing. After all, he has done all right out of the cosy arrangement so far, so I suppose he thinks he can afford to give up \$1,500.

MR MOORE (Minister for Health and Community Care) (4.53): Mr Deputy Speaker, Mr Berry stood up and talked about being vindictive and disingenuous, but let me say that Mr Berry is a struthioid. We can all use words if we have to, Mr Deputy Speaker. He is a struthioid. There is no question about that.

MR DEPUTY SPEAKER: You had better spell that, Mr Moore.

MR MOORE: If you do not know it, Mr Berry, it is spelt s-t-r-u-t-h-i-o-i-d.

MR DEPUTY SPEAKER: I suspect it is unparliamentary, but I do not know.

MR MOORE: Well, Mr Deputy Speaker, I will be very interested in somebody taking a point of order on it. Day in and day out his behaviour is the behaviour of a struthioid. There is no question about it.

Mr Berry raised the issue of the Remuneration Tribunal and how its recommendations are funded. I think it behoves us to clarify the Chief Minister's statement on the fact that there will be no more money. Clearly, when there is a Remuneration Tribunal determination, money is provided to the Assembly budget. That is understood. To clarify the Chief Minister's statement, no new money will be made available to the Assembly for this particular purpose. That is what we are talking about.

Mr Deputy Speaker, it seems to me that Mr Osborne's amendment will allow the Labor Party, Ms Tucker and so forth to stand by what they are saying. You are so keen to make sure there is no discrimination. This is one way to do it. It seems to me to be a very sensible way of resolving this issue.

MR DEPUTY SPEAKER: This debate may come to a conclusion at some time. Mr Kaine, are you speaking on the amendment?

MR Kaine (4.56): If everybody has finished speaking I will try to bring it to a conclusion now, Mr Deputy Speaker.

Mr Humphries: We have to have a vote on the amendments first.

MR DEPUTY SPEAKER: We are still talking to Mr Osborne's amendment.

MR Kaine: When you hear what I am about to say - I will speak to Mr Osborne's amendment if there is no other way for me to do it - I think the debate may come to an end.

MR DEPUTY SPEAKER: Well, at this stage anyway.

MR Kaine: In general terms, Mr Deputy Speaker, the debate has been an interesting one. I am astonished to discover that somebody around here believes that the allocation of such funds as this and the exercise of ministerial discretions was about securing members' votes. I have to say, Mr Deputy Speaker, that nobody has ever bought my vote and they never will. They are not going to do it today by the devious method put forward by Mr Osborne to buy my vote at the expense of the staff salary allowances of people who get two-thirds of the staff salary allowance that the people putting forward the amendment get. They are not going to buy my vote that way, Mr Deputy Speaker.

To refer to some of the matters that have been raised during the debate, the Chief Minister's opposition seems to be based on three things. The first was that the money could not be found. Well, I challenge her to produce the money. I did before and I challenge her again to produce it from the same source. The same amount of money approximately was found for the same purpose only eight months ago. There was no problem then. There should be no problem now.

Ms Carnell: I take a point of order, Mr Deputy Speaker. I answered that question. It was found within the Assembly budget last time.

MR DEPUTY SPEAKER: You may explain under standing order 46 later, if you like.

MR Kaine: As I understand it, the Clerk of the house had to find the money out of the budget at the time, but this year's budget took account of the new base. So, the Chief Minister is half right and half wrong. To say that there was no additional money is quite simply untrue because the money is being paid this year and the budget was escalated to take account of it. It could be done again next year, so there ought be no question about where the money comes from. It was found eight months ago; it could be found again now.

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The second objection from the Chief Minister seemed to be on the basis that I did not get enough votes to get elected to this place so I really should not be here. It is rather odd because I was elected under the Hare-Clark system, which is the one adopted by the Liberal Party as their policy and which everybody else in this place was elected under. In terms of first preference votes, if the Chief Minister had looked a little bit further she would have discovered that her deputy, sitting next to her, and the Speaker, between the two of them, got less percentage of votes than I did. If her argument is that I should not be here, then her deputy and the Speaker had both better stand aside. The logic escapes me, quite frankly.

The third point that the Chief Minister raised was that I was not elected as a crossbencher. Well, Mr Moore was not elected as a Minister. I have had innumerable phone calls asking me how come that Mr Moore, who was elected as an Independent, got to be a Minister. That was not what they elected him for. The Chief Minister has no difficulty with that at all; that is fine.

Through the whole thread of this, Mr Deputy Speaker, there is a double standard. The Chief Minister was happy eight months ago that money could be found. She is not happy today. It is not okay for me to be sitting here because I did not get enough votes, but it is okay for her deputy, in particular, to sit next to her and that is fine. It is okay for Mr Moore to take up a position to which he was not elected, but it is not okay for me. There is a double standard through that that confounds me.

Mr Deputy Speaker, the reason why I am saying these things is that I am seeking to close the debate. I said that I would not have my vote bought for any reason, under any circumstance, and it will not be bought by asking backbenchers to give up some of their scarce salary resources. Mr Deputy Speaker, before the debate goes any further, I seek leave to withdraw my motion under standing order 129. That should please everybody. Mr Rugendyke, who has been playing the role of a go-between today, can now deliver on the promise that he made to me that this would be fixed.

Leave granted.

MR DEPUTY SPEAKER: Mr Kaine, you have withdrawn it, effectively, at this stage.

MR KAINE: I have withdrawn my motion, Mr Deputy Speaker, because of the unfairness and discrimination that continues to rule in this place.

ADJOURNMENT

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

That the Assembly do now adjourn.

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

Question resolved in the negative.

TERRITORY SUPERANNUATION COMMITMENTS
Proposed Select Committee

Debate resumed.

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

HEALTH AND COMMUNITY CARE - STANDING COMMITTEE
Proposed Inquiry - Public Hospital Waiting Lists

Debate resumed.

MR STANHOPE (Leader of the Opposition) (5.02): I move:

After paragraph (1) insert the following new paragraphs:

“(1A) the management of the operating theatres including utilisation of theatres and the allocation of theatre time to practitioners.

(1B) the effect on waiting lists of the allocation of the Medicare bonus funding and any Commonwealth Specific Purpose Payments.”.

At the outset I wish to congratulate Mr Rugendyke for the foresight that he has shown in moving this motion. I think it is a good motion, a good idea, and I am pleased to know that the Minister for Health is at least outwardly positive and supportive of the motion, which I think is good. We all know how difficult the issue of waiting lists and waiting times is. It is an issue that very many people in Canberra are significantly concerned about and affected by.

The amendment that I have moved I believe broadens the inquiry slightly. It will allow the committee, should the Assembly support this motion, to touch on a wider range of issues of relevance to the waiting lists and waiting times and hospital procedures. I do commend the amendment to the Assembly. I spoke with Mr Rugendyke about the amendment. Mr Rugendyke has indicated to me that he believes it complements the motion that he has moved and I am pleased that he has that attitude.

I will not go into any significant detail on the issue of the waiting lists and the waiting times other than to say that throughout this year Mr Moore and I have exchanged some commentary on them on a number of occasions. I will not dwell on the issue, but we have had throughout this year the difficulty of the VMO dispute. We have had difficulties with the nurses dispute. We have had the difficulties occasioned, we are told, by the usual

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winter rush of ailments. I think there are a lot of people within the Canberra community who have been significantly disadvantaged, and continue to be significantly disadvantaged, by the lack of ready access to, particularly, the public health system. We also have the question of the application of the additional Medicare funds to the waiting list, waiting time issue. This continues to be a significant difficulty within the health system and a continuing matter of significant concern.

Mr Rugendyke's motion is very timely. I think he has shown very good foresight. Once again I commend him for bringing it forward.

MR MOORE (Minister for Health and Community Care) (5.06): I will speak on behalf of the Government to both the motion and the amendment. We welcome the motion by Mr Rugendyke and the amendment by Mr Stanhope. The issue of waiting lists and waiting times is particularly difficult at the moment. The hospitals are doing particularly well with emergencies, as they always have. People in Canberra in an emergency are dealt with. Those in the first category of waiting time, those with a clinical need, are dealt with within 30 days. Our hospitals are doing extremely well, better, as I understand it, than most places in the country. We do have problems with our category 2 and category 3 people on the waiting lists, those who ought to be dealt with within a period beyond that first category. It is something we need to deal with.

Mr Temporary Deputy Speaker, I am very keen to see that we use as many ideas as we possibly can to deal with waiting lists. When we refer specifically to the money from the Medicare bonus funding, the easy and politically astute thing would be to spend it all on reducing the specific waiting lists and getting more doctors involved and dealing with the short-term problems over the next two years. This Government could then say, "See, we reduced the waiting lists", and then, of course, they would go hiking up again in the long term.

It seems to me that we have the opportunity, through the committee and through the Assembly, to say, "No, let's spend this money very carefully to make sure that we are dealing with the systemic problems. We have the money to be able to deal with systemic problems in this one-off chance. We can resolve the issues to deal with waiting lists over the long term, not just the next three years but over the next 10 to 15 years, and see whether we can get our processes right". I hope that is what the committee will be willing to look at. I am very keen to see what they come up with. I am very keen to assist the committee in the challenges that will face it in dealing with these issues. I thank members for their contribution.

MR RUGENDYKE (5.08): Mr Temporary Deputy Speaker, I will speak very briefly to the amendment. I thank Mr Stanhope and I welcome his contribution to the motion. What I am aiming for with this motion is a bipartisan look at this problem. It has been a perennial problem for successive governments. I think that within the confines of the committee we can look at it without the normal frustration with which we look at these things. I see the amendment as strengthening the motion.

Amendment agreed to.

Motion, as amended, agreed to.

PERSONAL EXPLANATIONS

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

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

MR CORBELL: Thank you, Mr Temporary Deputy Speaker. Earlier today in question time, the Chief Minister suggested that in some way I had misled the community of Canberra through some comments I made on radio 2CN in relation to the contamination of the Sydney water supply. During her answer to a question, I think from Mr Hird, the Chief Minister suggested that I had claimed that the contamination came from the Sydney water supply under private ownership when in fact it was obviously under public ownership. I simply want to clarify that the Chief Minister is wrong again. The suggestion that I was making, which is entirely accurate, was that the filtration and treatment plant - - -

Mr Moore: I take a point of order. Standing order 46 allows Mr Corbell to explain his perspective, not to say that the Chief Minister is wrong. That is debating the issue. The standing order specifically says that he cannot debate the issue.

MR TEMPORARY DEPUTY SPEAKER: Mr Corbell, direct your remarks to the standing order and do not debate the matter.

MR CORBELL: The Chief Minister suggested that I had claimed that the contamination occurred under private ownership, when Sydney Water was publicly owned. The point that I was endeavouring to make during that interview, which I will continue to make, is that the contamination is still believed to have potentially occurred in the Prospect treatment plant, which is privately operated, indeed privately built. The Chief Minister was wrong when she made the suggestion that I in some way misled. Quite clearly, under the examination done by Sydney Water the contamination could have occurred at the Prospect treatment plant. For that reason Chief Minister is wrong again.

MR QUINLAN: Mr Temporary Deputy Speaker, I also wish to make a personal explanation under standing order 46.

Mr Moore: I raise a point of order, Mr Temporary Deputy Speaker. You indicated to Mr Corbell when he was using standing order 46 that he ought not to debate the matter. Twice after that, he repeated exactly the same thing that you had instructed him not to say. Mr Temporary Deputy Speaker, you should ensure that when Mr Quinlan is making his personal explanation he does not debate the matter.

MR TEMPORARY DEPUTY SPEAKER: There is no point of order.

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MR QUINLAN: Thank you, Mr Temporary Deputy Speaker. That is very wise of you. The Chief Minister claimed that I had misled the public by stating that income tax equivalents flowed to government and that they do not. They do. Under accrual accounting, which this Government prides itself upon - - -

MR TEMPORARY DEPUTY SPEAKER: Mr Quinlan, let us not go into a debate. Address your attention to standing order 46.

MR QUINLAN: I am explaining that my statement was accurate.

Mr Humphries: I take a point of order, Mr Temporary Deputy Speaker. If Mr Quinlan had said something different to what Mrs Carnell said, then he would certainly be entitled to rise and ask to correct what it was he had said that was different to what Mrs Carnell has said. As he has pointed out, Mrs Carnell quite accurately stated what it was that she said Mr Quinlan had said. It is just that Mr Quinlan disagrees with what it was Mrs Carnell said was different to what Mr Quinlan had to say. That is a matter of debate. Mr Quinlan has not been misrepresented. He just has a different view of the facts from that alleged by Mrs Carnell.

MR TEMPORARY DEPUTY SPEAKER: I understand Mr Quinlan was outlining where he had been aggrieved. Come to your conclusion, Mr Quinlan.

MR QUINLAN: Thank you again, Mr Temporary Deputy Speaker. The point was that the Chief Minister accused me of misleading. I did not. It was an inaccurate statement ascribed to me. Income tax equivalents flow to government in the form of liabilities to the government. They in fact - - -

MR TEMPORARY DEPUTY SPEAKER: Mr Quinlan, we do not want to enter into a debate. Where were you aggrieved? I thought that you were coming to that.

MR QUINLAN: The Chief Minister said I misled. I did not, and I can demonstrate that I did not.

MR TEMPORARY DEPUTY SPEAKER: All right. Thank you, Mr Quinlan.

MR QUINLAN: Income tax equivalents flow to the Government in terms of - - -

Mr Moore: I raise a point of order, Mr Temporary Deputy Speaker. I assume that the thank you you said to Mr Quinlan was: "Thank you, you are finished", and that you have now withdrawn your leave. A personal explanation under standing order 46 is made by leave of the Chair, and that leave can be withdrawn at any stage.

MR TEMPORARY DEPUTY SPEAKER: I understand that. Mr Quinlan, you are winding up, as I understand it.

MR QUINLAN: I am.

MR TEMPORARY DEPUTY SPEAKER: That is as the Chair recognised.

MR QUINLAN: I was about to say that I did not mislead, because the facts are that these income tax equivalents flow to government as assets. They are shown in balance sheets as liabilities but - - -

MR TEMPORARY DEPUTY SPEAKER: Mr Quinlan, you are now debating the matter.

MR QUINLAN: No, I am giving you facts.

MR TEMPORARY DEPUTY SPEAKER: You are debating the matter.

Mr Humphries: I take a point of order, Mr Temporary Deputy Speaker. Perhaps it might help if I put what I understand to be the case with standing order 46. If a member says X is black - - -

Mr Corbell: I raise a point of order, Mr Temporary Deputy Speaker.

MR TEMPORARY DEPUTY SPEAKER: Order! Mr Corbell, resume your seat.

Mr Corbell: Mr Temporary Deputy Speaker, I am sure you can get advice from the Clerk rather than Mr Humphries on interpretation of the standing orders.

MR TEMPORARY DEPUTY SPEAKER: I do not recognise you, Mr Corbell. Resume your seat. I am listening to a point of order and I will deal with that first.

Mr Humphries: I am sure members opposite would be elucidated by these comments. If a member gets up and says that X is black and another member gets up and says that Mr So-and-so said X is white, then that first member has a right to rise, under standing order 46, and say, "No, I said that X is black. You have misrepresented me". However, if the first member says that X is black and the other member says, "You might have said X is black but actually it is white", then that is a matter of debate. What Mr Quinlan is raising here is a matter of debate. If he disagrees with the statement by the Chief Minister, that is a matter for debate, but he cannot rise under standing order 46 and pretend that he has been misrepresented. The Chief Minister has accurately said what it was Mr Quinlan said to the house, but he disagrees with what she says is the fact.

MR TEMPORARY DEPUTY SPEAKER: Maybe Mr Quinlan should have used standing order 47 but he referred to standing order 46.

Mr Berry: To that point - - -

MR TEMPORARY DEPUTY SPEAKER: You are not up again, are you? I call Mr Berry on the same point of order?

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Mr Berry: On that point of order, Mr Temporary Deputy Speaker: I was just going to assist you in coming to another one of your wise decisions. Mr Humphries attempts to confuse you by saying that Mr Quinlan is involving himself in a debate. In fact, there is no motion before the chamber, so he can hardly be involving himself in a debate. What he is merely doing by your leave is pointing out where he has been misrepresented in relation to the matter. I think you should allow him to complete his explanation of how he has been misrepresented.

MR TEMPORARY DEPUTY SPEAKER: On that point of order, Mr Berry, you would be well versed with standing orders because you have been in this chamber long enough. The matter has been dealt with at question time in the house. Mr Quinlan is now going down the path, as I understand it from the Attorney, of addressing the debate that took place at question time. But, sir, what I am saying in fairness is that Mr Quinlan should look at standing orders. I understood that Mr Quinlan was addressing a grievance under standing order 46.

Mr Quinlan: Can I have a crack under standing order 47 then?

MR TEMPORARY DEPUTY SPEAKER: No. Let us get on with the business. You are trying to test me out, Mr Quinlan.

Mr Berry: Mr Temporary Deputy Speaker, I withdraw "wise".

MR TEMPORARY DEPUTY SPEAKER: Thank you, Mr Berry. I will frame that part of *Hansard* and I will hang it up.

PAPERS

MR MOORE (Minister for Health and Community Care): For the information of members, I present the information bulletins relating to patient activity data for the Calvary Public Hospital and the Canberra Hospital for September 1998.

ADJOURNMENT

National Drug Strategy

MR MOORE (Minister for Health and Community Care) (5.20): I move:

That the Assembly do now adjourn.

This morning I was at the Ministerial Council on Drug Strategy, where the Australian Ministers unanimously adopted a new Australia-wide strategy for dealing with illicit drugs based on harm minimisation. That will be released, as I recall it, in December. It is a very pleasing result. I will be able to come back to Assembly members on that information in due time.

In the meantime, the ACT is preparing its drug strategy. Of course we want it to be consistent with the national drug strategy. Until we launch our new ACT drug strategy, the current ACT drug strategy will apply. It too is based on harm minimisation. It is a strategy that we will all work on. It was fantastic to see members of the ministerial council working together to ensure that we can get the most effective possible approach to dealing with both licit and illicit drugs in our community.

Sydney Water Supply : ACTEW

MS CARNELL (Chief Minister and Treasurer) (5.20): Mr Temporary Deputy Speaker, I think Mr Corbell will want to change some of the things he said earlier with regard to statements that I made in question time. I quote from the transcript that I quoted from in question time with regard to what Mr Corbell said. Mr Corbell said on the Alex Sloan program:

Well, very clearly, Sydney and I think Kate Carnell failed to mention the fact that Sydney Water is a franchise, which is exactly what she's proposing for the ACT.

Those are exactly the words I used. Sydney Water is not a franchise, Mr Temporary Deputy Speaker. It is owned by Sydney Water Corporation. A corporation totally owned by the New South Wales Government owns and operates Sydney Water. There was no comment about Prospect. From my knowledge anyway Prospect is a BOOT project. It is owned by the private sector. It is not a franchise either. So on either basis Mr Corbell has misled the house. That is quite serious.

Mr Quinlan: It is in the private sector then. Good. I am glad we cleared that up.

MS CARNELL: Well, it is serious. That is a straight mislead. There is not even a different way of looking at it on this one. I am giving Mr Corbell an opportunity to get up and apologise because, as you know, these things are very serious. Members have to apologise and right the record as soon as they know they have misled the house.

Similarly, Mr Quinlan, on 26 October, said, and I will quote exactly:

The people of Canberra also benefit from a stream of Income ... Tax equivalents which this government would happily allow to flow to the Commonwealth Government once Actew is sold off.

I will now also quote Mr Stanhope on the same issue:

... and handing the Commonwealth the taxation equivalents the corporation now pays to the ACT Government - 36 per cent of its net profit, or about 20 million a year.

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In both circumstances the people of Canberra will benefit from a stream of income tax and sales tax equivalents. Mr Quinlan just said, and rightly so, that the money is retained by ACTEW. There is no stream of revenue, not one dollar. Again, it was a straight mislead. I do not think there is any doubt about this. I am giving those opposite an opportunity to hop up, say they are sorry, correct the record, or, I have to say, take the consequences.

Mr Corbell: I take a point of order, Mr Temporary Deputy Speaker. The Chief Minister suggests that both Mr Quinlan and I misled the Assembly. She can do that only by way of substantive motion. I would invite you, Mr Temporary Deputy Speaker, to request her to withdraw that suggestion.

MR TEMPORARY DEPUTY SPEAKER: Mr Corbell, I do not uphold your point of order. The reason I do not uphold your point of order - - -

MS CARNELL: Mr Temporary Deputy Speaker, to make it easier, I am happy to withdraw those comments; but I ask members opposite to read the *Hansard* carefully and respond at the next sitting period. Taking into account the lateness of the hour, I withdraw any view that either have misled, but please read the *Hansard*, because there are very strict rules and requirements in this area.

MR TEMPORARY DEPUTY SPEAKER: Thank you, Chief Minister, for doing that. Let me finish with this point of order of Mr Corbell's. The reason I ruled the way I did is the fact that we are now into the adjournment debate and under the standing orders members can traverse any number of subjects they wish. As I understand it, the Chief Minister has withdrawn the words you took issue with. The consequences, if any, are up to individual members.

Mr Berry: Mr Temporary Deputy Speaker, can I just speak on that point of order? That ruling sets a dangerous precedent. I do not mind if - - -

Ms Carnell: I withdrew.

Mr Berry: Yes, I know you have withdrawn, but the Temporary Deputy Speaker is on the record as ruling in a certain way in relation to Mr Corbell's point of order. I just ask you to reconsider that ruling, Mr Temporary Deputy Speaker.

MR TEMPORARY DEPUTY SPEAKER: Thank you, Mr Berry. I think the alignment of members is what Mr Corbell took issue with. That part was withdrawn by the Chief Minister.

ACTEW

MR QUINLAN (5.26): For the record, ACTEW has accumulated something in the order of \$55m of liabilities in its balance sheet, payable to the ACT Government as income tax equivalents. It has also paid a stream of sales tax, I think in cash. Is that right?

Ms Carnell: The stream of income from sales tax flows but income tax does not.

MR QUINLAN: Those liabilities are on the balance sheet as payable to the Government. Those liabilities have been retained under accrual accounting. They have been accounted for. They have been retained by ACTEW, which obviates the need for ACTEW to borrow to perform its capital works. It therefore follows that the Territory has benefited from those moneys. They remain within the ACT government sector. If ACTEW is privatised, the new owner will pay real tax, and the tax will flow to the Federal Government. I stand by my claim.

Sydney Water Supply

MR CORBELL (5.28): I think what we have to understand here in this exchange that has been occurring in the chamber for the past 10 minutes is the sense of meaning that members have been trying to get into their words. For the sake of the record, if there is any confusion in the Chief Minister's mind, or indeed in any other member's mind, about the use of the words "franchise", "private contract" or "private ownership model", then I withdraw and I apologise. The point I was endeavouring to make in that interview on 2CN, a point which I will continue to endeavour to make, is that the filtration plant which has been seen as a potential area for contamination of the Sydney water supply is privately operated and privately owned.

The point I was making, and the point I will continue to make, is that the ACT Government is proposing to enter into a private contractual arrangement with a private operator to supply water to the Territory through a franchise agreement. That, I believe, will result in the real potential for the breakdown of maintenance and the effective, safe and efficient supply of the Territory's water. If the Chief Minister thinks that in some way I have misled the house, if she has some misunderstanding about the use of the terms "franchise" and "contract", then I apologise for that and withdraw those comments. The point I want to make is that a private contractual arrangement could threaten the supply of the Territory's water.

MR TEMPORARY DEPUTY SPEAKER: Order, Mr Corbell! Under standing order 34, the house now stands adjourned until Tuesday, 24 November 1998, at 10.30 am.

Assembly adjourned at 5.30 pm until Tuesday, 24 November 1998

19 November 1998

ANSWERS TO QUESTIONS

ACT LEGISLATIVE ASSEMBLY

QUESTIONS ON NOTICE NO 47

Heavy Motor Vehicles - Licence Testing

Mr Hargreaves asked the Minister for Urban Services - in relation to licence testing of heavy vehicle drivers -

- (1) Has the Government outsourced part of its licence testing service for heavy vehicles.
- (2) Can you confirm that at least one of the outsourced heavy duty licence inspectors is (a) a resident of NSW and (b) conducting the Driver Training School at Sutton. If so
 - i) does this person possess an ACT heavy vehicle licence; and
 - ii) is it Government policy to allow assessments of privately contracted licence inspectors to be assessed for competency whilst they, the inspectors, are assessing learner drivers.

Mr Smyth - The answer to the members question is as follows:

- (1) Yes, all heavy vehicle licence assessments are currently conducted by Transport Industry Skills Centre (TISC) at Sutton Road, Majura.
- (2)
 - (a) Yes.
 - (b) Yes.
 - (i) Instructors hold appropriate licences and fulfil the requirements of the National Certificate III (Motor Vehicle Driving Instruction), consistent with current proposals for the development of a national system of driver training and licensing initiatives.
 - (ii) Instructors/assessors are audited to ensure that driver assessments are conducted in a safe and proper manner and to the required standards. Between 5 and 10% of all heavy vehicle driver assessments are audited by a Government Quality Assurance Assessor.

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

QUESTION ON NOTICE

QUESTION NO. 49

Law Reform Commission

MR STANHOPE: Asked the Minister for Justice and Community Safety in relation to the Law Reform Commission -

- (1) Is the Commission serviced by a dedicated Secretariat, and if so, what is the size of the Secretariat staff?
- (2) How many current references does the Commission have before it?
- (3) Does the Commission meet regularly, and if so, how often?
- (4) In the past 5 years, how many reports by title has the Commission delivered?

MR HUMPHRIES: The answer to Mr Stanhope's question is as follows:

- (1) No. The General Law Group within the Department provides limited secretariat support in relation to particular references. The level of the support varies depending upon the issue at hand.
- (2) Currently, the Commission has five references before it which include:
Bail
Rules of Court
Sexual Assault
Residential Tenancy Law
Succession.
- (3) Generally, the Commission attempts to meet on a quarterly basis; but it does meet more regularly if circumstances require. The Commission has met on six occasions this year. Much of the Commission's work is done by its members individually or in informal subcommittees between Commission meetings.

- (4) The Attorney-General tabled in the Legislative Assembly the following 11 reports finalised within the period October 1993 to October 1998:

Mandatory Reporting of Child Abuse, 1993
Residential Tenancy Law, 1994
Domestic Violence, 1995
Defamation, 1996
Domestic Violence - Civil Issues, 1996
Peaceful Assemblies, 1997
Rules of Court: Preliminary Considerations, 1997
Appellate Structure of the ACT Supreme Court, 1997
Street Offences, 1997
Residential Tenancies: Public Housing, 1997
Artificial Conception (Amendment) Bill, 1997.

**APPROVED FOR TABLING
GARY HUMPHRIES
MINISTER FOR JUSTICE AND COMMUNITY SAFETY**

**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

QUESTION ON NOTICE

QUESTION NO 51

Corrections Officers

Mr Stanhope: - Asked the Minister for Justice and Community Safety - In relation to corrections officers

- (1) How many such officers work in the ACT Government Service.
- (2) Can you confirm if there are enough corrections officers in the ACT to effectively deal with those people on (a) probation, and (b) those offenders eligible for probation.”

Mr Humphries - The answer to Mr Stanhope’s question is as follows:

- (1) I assume from the context of Mr Stanhope’s question that he is referring to community corrections staff. There are currently 17 Probation and Parole Officers and 4 Senior Probation and Parole Officers.
- (2) The Community Corrections Unit experienced a 65% increase in workload in the first quarter of this financial year, compared with the previous year’s first quarter. At this stage it is difficult to conclude whether the increase is likely to be sustained in the longer term. Changes to work practice, organisational structure and staff numbers have allowed the increase to be absorbed.

There has been some difficulty in responding quickly to the escalating workload; however, ACT Corrective Services has addressed this issue, and now has sufficient staff to cope with current demands. Given the trend in increasing workload, the situation will require careful monitoring.

APPROVED FOR TABLING

**GARY HUMPHRIES MLA
MINISTER FOR JUSTICE AND COMMUNITY SAFETY**

MINISTER FOR JUSTICE AND COMMUNITY SAFETY

LEGISLATIVE ASSEMBLY QUESTION

QUESTION NO. 52

Tobacco - Sale to Minors

MR STANHOPE: Asked the Minister for Justice and Community Safety -

In relation to the *Tobacco Act 1986* and the sale of tobacco to minors - Noting your answer to Question on Notice No. 39, in which you state that 8 convictions have resulted from prosecutions in respect of section 4 and section 5 of the *Tobacco Act 1986* during the years 1995-1998, what are the details of the penalties given in each of the prosecutions.

MR HUMPHRIES: The answer to Mr Stanhope's question is as follows -

1995: Nil.

1996: One person was fined \$100 each for four offences under section 4.

A second person was convicted for 3 offences under section 4 on different dates and was fined \$50, \$100 and \$150.

1997: One person was fined \$150 for an offence under section 4.

1998: Nil (as at 3 September 1998).

CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY

LEGISLATIVE ASSEMBLY QUESTION

Question No. 53

Development - Inner City

MR STANHOPE - Asked the Chief Minister upon notice on 29 October 1998:

In relation to inner city revitalisation -

- (1) What criteria are used to assess applications for assistance for inner city revitalisation projects such as the three mentioned in evidence given to the Select Committee on Estimates 1998-99 on 21 July 1998 by the Chief Minister and her officers (the Waldorf Apartments, the Melbourne Building and the Holiday Inn);
- (2) Were any such proposals refused by the Government, and if so, what were they.

MS CARNELL - The answer to the Member's question is as follows:

- (1) The objective of the inner city revitalisation project is to encourage the reuse of commercial office space, of which there is a current oversupply in Canberra, to maintain Civic as Canberra's city heart as well as an active and attractive entrance corridor to the north of the city.

The criterion used to assess applications for assistance is that the proposed changed use for an existing office building in Civic, or in the Northbourne Avenue Corridor is consistent with the Territory Plan.

Assistance available for approved projects may include:

- remission of the change of use charge, applicable until 30 June 1999;
 - waiver of stamp duty on the sale of residential units valued at less than \$250,000 and on the sale or sub-lease of space in buildings for other uses (applicable to 30 June 2001, subject to the building application being approved by 30 June 1999); and
 - waiver of any lease variation component of the Development Application fee (to cease on 30 June 1999).
- (2) No formal proposals concerning assistance for projects in the relevant area have been refused.

**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

QUESTION ON NOTICE

QUESTION NO. 54

Drugs - Statistics

MR STANHOPE: Asked the Minister for Justice and Community Safety -

- (1) Has the Minister's attention been drawn to several numerical disparities contained in the ACT Administration of Justice Statistical Profile (Vol 6: April - June 1998); and
- (2) Could the Minister outline:
 - (a) The difference between a "drug matter" and a "drug incident".
 - (b) Whether there is a disparity between Table 1, where the QTY is 208 and QLY is 243, compared to Table 6 where the QTY is 208 and QLY is 282.
 - (c) Whether there is also a disparity between Table 6 and Table 7 where the number of separate drugs seized on Table 6 is 253 and QLY 300 compared to Table 7 where the QTY is 253 and QLY is 253.
 - (d) Whether the increase in Table 7 LSD figures from 0 to 2 warrants a corresponding percentage increase.
 - (e) The measurements used to measure the individual substances listed on page one in Table 7.
 - (f) Whether the number of errors on this page, indicates that the data is unreliable.

MR HUMPHRIES: The answer to Mr Stanhope's question is as follows:

- (1) Yes, my attention has been drawn to the matters referred to in questions 2(b) and (c) in a briefing prepared by the Department for Estimates. The briefing also indicated that the data series maintained on the internet had been amended. I note that the front sheet of the Profile indicates that

the Profile may change from time to time and corrections will be posted on the web version of the sheet.

- (2) (a) The terms are synonymous.
- (b) Chart 6 dealing with “Drug summary information” contains a line of data headed “QLY” (Quarter Last Year). Due to a transcription error, the information in this line contains data from 1996 rather than 1997 (the line of data should read: 243, 253, 64, 124, 153).
- (c) See answer 2(b) above.
- (d) Arithmetically, it is not possible to calculate a percentage in the circumstances specified (where the divisor is zero). In future, increases from a base of zero will contain either, where appropriate, a note drawing the reader’s attention to the increase or the symbol “-”.
- (e) Table 7 lists the type of drug seized. The measurement refers to the number of each drug type seized. The drug seized data includes drugs seized in the Jervis Bay Territory but excludes seizures involving the National Crime Authority. The figures include seizures awaiting analysis to confirm the presence of an illegal substance. For each type of drug seized the ‘confirmed’ drug type is used where available otherwise the ‘suspected’ drug type has been used.
- (f) No.

The Profile is in the process of being upgraded in the light of discussions with the Australian Federal Police and the Magistrates Court earlier this year.

APPROVED FOR TABLING
GARY HUMPHRIES
MINISTER FOR JUSTICE AND COMMUNITY SAFETY

**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

QUESTION ON NOTICE

NO 55

Belconnen Remand Centre

Mr Stanhope: - Asked the Minister for Justice and Community Safety - "In relation to indigenous detainees at the Belconnen Remand Centre (BRC) -

- (1) What liaison process exists between the Centre and Winnungah Nimmityjah Health Service to ensure that the service is informed when Indigenous detainees are admitted to the BRC; and
- (2) Has Winnungah Nimmityjah been informed every time an indigenous prisoner presents at BRC; if not, will you ensure that processes are put in place to ensure the service is informed."

Mr Humphries - The answer to Mr Stanhope's question's is as follows:

- (1) On induction to the BRC, the Winnungah Nimmityjah Health Service (WNHS) is notified of anyone identifying as coming from an Aboriginal or Torres Strait Islander (ATSI) background. There have been difficulties with the notification process in the past, but following a meeting between the WNHS and ACT Corrective Services (ACTCS) staff in August this year, these have been addressed.
- (2) The present system is that the WNHS is faxed every time an ATSI identified detainee is inducted into BRC and copies of these faxes are placed on detainees' dossiers.

ACTCS has also initiated a process to develop a protocol between ACTCS and WNHS, and a meeting between the ACTCS and WNHS medical officers has been arranged.

The Director of ACTCS has recommended to the ACT Corrections Health Board (ACTCHB) that the Chief Executive Officer of WNHS be invited to join the Board, and an invitation has been issued by the Chair of the ACTCHB.

APPROVED FOR TABELING

**GARY HUMPHRIES MLA
MINISTER FOR JUSTICE AND COMMUNITY SAFETY**

19 November 1998

APPENDIX 1: Incorporated in Hansard on 19 November 1998 at page 2701

QUESTION WITHOUT NOTICE - TAKEN ON NOTICE

Mr Speaker, yesterday Mr Stanhope asked me a question in relation to stamp duty waivers for the Waldorf Apartments

The question was:

“Can the Chief Minister confirm that the stamp duty foregone would be approximately \$710,000”.

Mr Stanhope also asked a supplementary question:

“is the Governments stamp duty waiver conditional upon the developer completing the project within an agreed time frame and if so what is the time frame?”

Mr Speaker, the ACT Government has introduced a range of innovative incentives aimed at assisting the revitalisation of Civic and the Northbourne Avenue Corridor.

The central objective of the incentive measures is to encourage the reuse of commercial office space, of which there is a current over supply in Canberra. This objective is in keeping with the Government’s commitment to maintain Civic as Canberra’s city heart and to maintain an attractive entrance corridor to the north of the city.

Generally, developments in Civic/Northbourne Ave which result in a change of use so that offices are converted to another use consistent with the Territory Plan are eligible to apply for the incentives for that development project.

Under the Government’s Civic Revitalisation Policy the incentives are:

- the remission of the change of use rights charge (applicable until 30 June 1999);
- the waiver of stamp duty for the sale of residential units valued at less than \$250,000 and for the sale or sub lease of space in buildings for other uses (applicable to 30 June 2001, subject to the building application being approved by 30 June 1999); and
- the waiver of the lease variation component of the Development Application fee (to cease on 30 June 1999).

In relation to the waiver of stamp duty, it is a once only waiver for the first sale or sublease of a building. It is not the developer who gets the stamp duty waiver but the lessee or purchaser and the incentive would apply irrespective of who the developer is.

Yesterday, I mentioned three developments, the Holiday Inn, the Melbourne Building and the Waldorf Apartments.

To date, stamp duty waivers approved for the Waldorf apartments are:

Development	No of units	Total value
Waldorf Apartmts	3	\$ 15,320

In estimating how much stamp duty that might be forgone, it is important to bear in mind that there is a cap on the value of residential units of \$250,000. For units priced above this amount, no waiver of stamp duty will be granted.

There are units in the Waldorf development which are priced over \$250,000. Therefore, any estimate of the total amount of stamp duty likely to be waived which is based on a price average of the units is likely to result in an overestimate.

The Commissioner for ACT Revenue estimates that the likely amount of stamp duty foregone in respect of the development is as follows:

Development	Number of units	Estimate of s. duty
Waldorf Apartmnts	133	\$ 615,000

This is based on pricing information available to the Commissioner at this time.