DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

1 July 1999

Thursday, 1 July 1999

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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.

ESTIMATES 1999-2000 - SELECT COMMITTEE
Report on the Appropriation Bill 1999-2000 - Government Response

MS CARNELL (Chief Minister and Treasurer) (10.32): Mr Speaker, for the information of members, I present the Government's response to the report of the Select Committee on Estimates 1999-2000 on the Appropriation Bill 1999-2000 which was presented to the Legislative Assembly on 22 June 1999. I move:

> That the Assembly takes note of the paper.

The Government has accepted 43, that is, 33 in full and 10 in part, of the committee's 68 recommendations and we have provided comprehensive reasons why we are unwilling to support the other 25 recommendations contained in the report.

Mr Speaker, I have to state at the outset that the Government is disappointed with many aspects of the committee's report. Our disappointment arises from not only what is included in the report, but also what is not included in the report. Mr Speaker, in its discussion on the aims of the budget at paragraphs 2.1 to 2.9, the committee has asserted that the Territory is facing a growing social deficit. The committee has attributed that to "the Government's single focus on a balanced budget regardless of the social implications". That is disappointing, Mr Speaker. The Government categorically disagrees with those assertions.

The facts are that this Government has a proven record in addressing social issues in a positive manner. This Government has a proven record in balanced policies and visions. Just look at our key result areas - all of them, not just the first one of the 11. Just look at the measures of success against which we will measure ourselves. Mr Speaker, these certainly do not lack balance. The facts are, Mr Speaker, that no hard evidence was produced by the committee to support these assertions. It is untrue to assert that the Government's commitment to eliminate the burden of an operating loss for future generations is its sole preoccupation. In fact, the Government has been conscious to provide additional services in areas of critical need and to improve the efficiency of existing services.

Mr Speaker, the committee was to examine the Appropriation Bill and the budget for 1999-2000. A budget is a financial plan of a government and not an articulation of its social plan. I find it surprising that the committee would show so much concern that the 1999-2000 budget papers place an emphasis on the budget. It should be no surprise to the committee that the information presented in the budget papers, or that provided to the committee, is predominantly financial in nature.

Mr Speaker, it is disappointing that there is no acceptance of the significant achievements in improving the Territory's financial position and the commitments towards, and achievement of, a healthier social environment as a result of the Government's management. Mr Speaker, for the first, all the information was provided to the committee. For the second, the committee did not need to look very far. Mr Speaker, in 1995 we made a commitment to eliminate the operating loss of the Territory and get the Territory's financial affairs in order. This budget delivers on that commitment four years ahead of schedule. Mr Speaker, this budget more than halves the estimated operating loss for 1998-99 of $150m - to $63.7m. It also reduces the operating loss to one-fifth of the loss of 1995-96 and lays the groundwork for eliminating the operating loss in 2000-01. For 2000-01 the forecast is a surplus of $2.2m. Mr Speaker, in 1995-96, when we came to government the operating loss was $344m. There has now been a turnaround of almost $350m in the operating result.

In achieving this turnaround and in delivering its commitment the Government has not lost sight of the need for improved social and community outcomes. In fact, the Government has sought to carefully balance its approach to realising its goals for encouraging a clever, caring community while at the same time striving to deliver the services that Canberrans need in a more efficient and cost-effective manner. Mr Speaker, the budget targets additional resources to improve many of the services that are essential to the goal of being a clever, caring community. I am sure that the committee is aware that the budget provides additional resources and support for Canberra's school and college students, for Canberrans needing medical treatment, for people with disabilities and for increased protection for children who are at risk. The budget recognises the need for greater effort to improve our corrective services, our public transport system, our public housing and our city's general appearance. This budget has also provided funding to modernise the Government's information systems so that it can deliver services quickly, conveniently, accurately and more efficiently.

Mr Speaker, the Government's budget approach has continued to be based upon expenditure constraint; modest revenue growth from an increasing base; supporting and strengthening the economic base, where appropriate; and efficient and effective delivery of services to the community. The extent to which this approach has delivered positive economic and financial outcomes can be judged by the following: Unemployment in the ACT is now 6.2 per cent, an historically low level; we have now enjoyed nine quarters of economic growth - nine quarters; the ACT's budget is heading towards a surplus and we are set to achieve a turnaround of $350m in the operating result next year; and we have a AAA credit rating, the highest available. Mr Speaker, that sounds like a pretty good outcome, but it was very hard to find mention of it in the Estimates Committee report.

The Government's management has resulted in some significant achievements which indicate an improving and healthier social environment. Despite Federal cutbacks, there are more Canberrans in jobs now than at any time since the Howard Government came to office. There are more jobs advertised every week in the *Canberra Times* than at any time since 1991. Average weekly earnings have increased by 16 per cent under Carnell governments - since the March quarter 1995 - compared with a national increase of just 11 per cent over the same period.

Mr Humphries: Look at the long faces over there about it all. Anyone would think that it was the worst news you could hear.

Mr Stanhope: What was that? Is this true?

Mr Moore: No wonder you have got to lie about it, Jon.

MR SPEAKER: Settle down. I cannot hear the Chief Minister.

Mr Stanhope: Did you just call me a liar, Mr Moore?

MS CARNELL: You call me that all the time.

Mr Quinlan: On the basis of facts. There is a difference.

Mr Stanhope: I take a point of order, Mr Speaker. Mr Moore has started the day today by calling me a liar. I know that he cannot contain himself.

Mr Humphries: You started yesterday by calling her a liar.

Mr Berry: But that is true.

MR SPEAKER: Please contain yourselves. I did not hear it.

Mr Stanhope: I did.

MR SPEAKER: Mr Moore, please withdraw it, if you did say so. I did not hear you say it.

Mr Stanhope: He did, but he has not got the integrity to acknowledge it.

Mr Moore: Mr Speaker, I am not speaking. Mrs Carnell is the one on her feet. I am just sitting here minding my own business. If Mr Stanhope sees himself as a liar, I can understand that.

Mr Stanhope: I take a point of order, Mr Speaker. Mr Moore called across the chamber to me, "You're a liar". He has now just stood up and denied it.

Mr Moore: No, I did not.

Mr Stanhope: His denial is another lie.

Mr Moore: I did not deny it. I did not deny it at all, Mr Speaker. I said that I do not think anybody heard it other than Mr Stanhope.

MR SPEAKER: I did not hear it.

Mr Moore: You did not hear it, Mr Speaker.

MS CARNELL: I think we should have a big debate on whether Mr Stanhope is a liar.

MR SPEAKER: Gentlemen, we have got a lot of business to do today and I think we should get this issue out of the way as fast as possible. Would you mind withdrawing, Mr Moore, and settle the matter and then the Chief Minister can get on with telling us the good news.

Mr Moore: Mr Speaker, because I recognise that this sort of statement has to be made in a substantive motion, I will withdraw it for the time being.

Mr Humphries: Mr Speaker, I have a point of order as well. Both Mr Berry and Mr Quinlan in the course of that exchange said that the comment that Mrs Carnell was a liar was true and I therefore ask them to withdraw that reference.

MR SPEAKER: Gentlemen, withdraw, please.

Mr Quinlan: Yes, I will do it happily.

Mr Berry: I withdraw whatever upsets Mr Humphries.

MR SPEAKER: Thank you.

Mr Moore: Is Mr Stanhope going to withdraw now, Mr Speaker? As you would be aware, Mr Stanhope used the opportunity, after demanding that I withdraw calling him a liar, of doing exactly the same thing himself. So, he is setting a different standard for everybody else. But we are used to that.

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

Mr Moore: I am just wondering whether he is going to withdraw the fact that he called me a liar. The point of order, Mr Speaker, was whether Mr Stanhope should remain duplicitous or whether he should withdraw calling me a liar.

Mr Berry: Can I move a motion, Mr Speaker, that we are all as pure as the driven snow?

MS CARNELL: It would not get up.

Mr Humphries: Who would second it? There is no-one who would second it.

MR SPEAKER: I am sure that you would breach standing orders, Mr Berry.

MS CARNELL: Has he withdrawn?

Mr Humphries: Come on, you insisted on Mr Moore withdrawing. You have to withdraw as well.

Mr Stanhope: I was waiting for the Speaker.

MR SPEAKER: Very well, will you withdraw?

Mr Stanhope: Mr Speaker was treating the issue with the scorn that it deserves.

MR SPEAKER: Order!

Mr Stanhope: Mr Speaker, I withdraw in the same terms as Mr Moore.

MR SPEAKER: Thank you. I do not want any more of this nonsense for the rest of the day, thank you. I call the Chief Minister.

MS CARNELL: Thank you very much, Mr Speaker. The social benefits accruing to the ACT community as a result of the Government's policies are borne out by a current article by Access Economics in the *Business Review Weekly* which shows that the ACT outperforms all Australian States and Territories in the key social indicators of the proportion of low-income earners, wage and salary earnings and welfare dependency. Sadly, Mr Speaker, there appears to be little acceptance in the report of these benefits. In fact, from reading the committee's introduction, it could be concluded that they believe that achieving improved financial outcomes and achieving improved social outcomes are mutually exclusive.

Mr Speaker, it must be stressed that responsible financial management is the mechanism by which improved social outcomes have been and can continue to be achieved. It appears that there is no comprehension on behalf of some members of the committee that reducing the cost of services that have been proven in many forums to be well above standard is a desirable outcome. In fact, Mr Speaker, there is an imputation that reducing the cost of services means fewer services or lower quality services, regardless of how overpriced a service may be. There is no recognition that if services cost less, there would be more money to go to other services. There is no understanding that it is possible to reduce the cost of a service without reducing the quality of a service. There is no recognition that it is essential to keep expenditure under control so that future generations will have some chance of enjoying the quality of life that we enjoy now.

Mr Speaker, the committee states that the budget is regressive in nature because of its dependence on increases in fees and charges and its reduction in expenditures which are largely taken to the meeting of social needs. The committee cannot have it both ways. No government can carry out its obligations to the community if it does not have the flexibility to match its funding to the meeting of its priorities. Of course, the Government has one option to fund increased services without increasing revenue or making savings elsewhere, as the committee seems to suggest. That option is to borrow and thereby increase the liabilities for future generations.

Mr Quinlan: We are flogging assets.

MS CARNELL: We could flog assets. There you are; Mr Quinlan has got it in one, Mr Speaker - flog assets; Mr Quinlan's approach to the problem.

Mr Moore: We know Mr Quinlan personally would have been happy to flog assets.

MS CARNELL: Yes. I know he would have been, yes. Mr Speaker, such an option, as I mentioned earlier, is not in line with the Assembly's long-term responsibilities. I am sure that this Assembly does not want that, either.

Mr Speaker, with that backdrop, the Government cannot agree with a number of recommendations in the committee's report. Nevertheless, the Government has agreed in full, in part or in principle with the majority of the committee's recommendations. The Government's position on each of the committee's recommendations is detailed in the response and it would not be possible for me to dwell on the 68 recommendations that the Government has responded to. However, I do wish to speak about recommendations 2 and 22 in the committee's report.

Recommendation 2 asks the Government to develop a strategic social plan for the ACT to be used to target and address the continuing deterioration in social conditions and in the provision of social services, and that the plan be used in developing the guidelines for budget priorities and goals and assessing those goals against other financial measures. Yes, Mr Speaker, that is what it says. Recommendation 22 asks that the Government bring to the Assembly for its consideration a separate document outlining the Government's proposal for a strategic plan for Canberra. Mr Speaker, I think I have adequately addressed the alleged, but unsubstantiated, continuing deterioration in social conditions, but may I make a comment there. I think it is quite inappropriate in Assembly committee reports to make sweeping statements with absolutely no information or no facts to back them up. The committees would not accept that from government; nor should this Assembly accept it from committees.

In relation to the strategic and social plan, perhaps I should outline the Government's strategic planning framework. We have a much more dynamic and comprehensive approach to strategic planning than the 1960s and 1970s models, which relied on a single, static, blueprint document. The approach that the Government has taken operates at three levels. Strategic planning sets out the Government's longer-term vision for a clever, caring community. The Government's plan provides outcomes and key result areas - KRAs - to be achieved within its term to support that vision. Then, Mr Speaker, the annual budget process sets out the specific outputs and performance measures which will contribute to the desired outcomes and KRAs.

The strategic planning framework provides the overarching context within which agencies develop major sectoral strategic plans, including Territory planning, environment, housing, education, law and justice, health, IT and multimedia. Many of these strategic plans are already in place or are in the process of being developed. Much work is done to ensure that community views and aspirations are taken into account in the development of these plans through consultation with the community and the relevant customer base. Often there are a number of consultation phases to these plans.

In the broader context, the ACT and subregion community planning framework has been developed and is currently with the subregion councils for comment. It identifies how and when to use regional planning and community-based planning. The Territory Plan is also to be updated. The objective of the Territory Plan is to ensure that the planning of the Territory provides the people of the Territory with an ecologically sustainable, healthy, attractive, safe and efficient environment in which to work, live and have their recreation. So, Mr Speaker, the plans are there, except that we do not have a single, static document. *(Extension of time granted)*

The Government is particularly aware of the need to ensure that it takes into account the needs of the community. For this reason, it established the customer involvement unit in order to improve community consultation and to ensure that customer needs are being met. The consultation protocol is extensively used by both community and government agencies. A key outcome of this initiative has been the number of consultation strategies planned and developed by agencies. These strategies have increased threefold over the past year. The customer involvement unit also reports on its meetings with the community, which helps to inform the Government of customer needs and government performance.

Finally, Mr Speaker, I wish to restate the Government's view on the sustainable operating result. Merely achieving a balanced operating result is not enough. In order to guard against any unforeseen economic circumstances and to pay for debt servicing and capital investments, this surplus needs to be substantial, otherwise borrowings and asset sales will still be required to fund capital investment even if the budget is in balance. However, these results will not be achieved without careful and responsible financial management.

Mr Speaker, I would like to state again the Government's disappointment with some areas of the committee's report. I make the point that making comments in a report suggesting that there is an increasing social deficit in the ACT without any data whatsoever to back them up - in fact, all the data that is on the table suggests that that is not the case - is probably not in the best interests of this Assembly. Mr Speaker, I commend the Government's response to this Assembly.

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

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

> That the resumption of debate be made an order of the day for consideration immediately after the resolution relating to the conclusion of consideration of order of the day No. 6, Executive business, relating to the Appropriation Bill 1999-2000.

APPROPRIATION (BRUCE STADIUM AND CANDELIVER LIMITED) BILL 1999

MS CARNELL (Chief Minister and Treasurer) (10.53): Mr Speaker, I present the Appropriation (Bruce Stadium and CanDeliver Limited) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MS CARNELL: I move:

That this Bill be agreed to in principle.

Mr Speaker, I understand that there is agreement in the Assembly this morning to the incorporation of tabling statements in *Hansard*, so I seek leave to incorporate my statement in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker, I present the *Appropriation (Bruce Stadium and CanDeliver Limited) Bill 1999.*

The introduction of this legislation is the result of reconsideration of the original amendments that were circulated to Members on 11 June 1999, to amend the Appropriation Bill 1999-2000.

I have proposed this change in presentation in light of concerns expressed by Members that the amendments originally proposed were too complicated.

This Bill, along with the amendments to the Appropriation Bill 1999-2000 which I will introduce later in this sitting, will provide for the most urgent issues to be dealt with immediately. At a later date, I plan to bring forward a further two Bills which will amend the Financial Management Act and the Territory Owned Corporation Act.

Mr Speaker, this particular Bill applies to appropriations made under past appropriation acts. It does not impact upon the Appropriation Bill 1999-2000. It also does not impact on the Financial Management Act or the Territory Owned Corporations Act.

This Bill proposes to retrospectively appropriate money for the purposes of the redevelopment of Bruce Stadium and for the purposes of CanDeliver Limited.

The Bill proposes an appropriation for the purposes of the redevelopment of Bruce Stadium in 1997-98 of $9,714,700 and in 1998-99 of $14,318,202.81.

The Bill also proposes an appropriation for the purposes of CanDeliver in 1998-99 of $850,000.

> Mr Speaker, these amendments will put beyond any doubt the validity of these transactions.
>
> Mr Speaker, I commend these amendments to the Assembly.

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

GAMBLING AND RACING CONTROL (CONSEQUENTIAL PROVISIONS) BILL 1999

MS CARNELL (Chief Minister and Treasurer) (10.54): Mr Speaker, I present the Gambling and Racing Control (Consequential Provisions) Bill 1999 together with its Explanatory Memorandum.

Title read by Clerk.

MS CARNELL: I move:

> That this Bill be agreed to in principle.

Mr Speaker, I ask that my tabling statement be incorporated in *Hansard*.

Leave granted.

The speech read as follows:

> Mister Speaker, on 10 December 1998 I tabled the Gaming and Racing Control Bill 1998. The purpose of the Control Bill is to establish an administrative and regulatory structure to provide for the coordination, regulation and control of all gambling and racing activities in one centralised agency. This agency will be known as the ACT Gambling and Racing Commission.
>
> The Control Bill 1998 sets the framework for the day-to-day control and regulation of gambling and racing in the Territory, to ensure that these activities are conducted honestly, with integrity and free from criminal influence.
>
> The Select Committee on Gambling made a number of recommendations in relation to the Control Bill 1998. Several of these recommendations will be addressed during the debate of the Control Bill.

Mister Speaker, Section 4 of the Gaming and Racing Control Bill 1998 identifies 12 Acts relating to the control and regulation of gambling and racing in the Territory, as “gaming laws". The Gambling and Racing Control (Consequential Provisions) Bill 1999, amends those gaming laws, where necessary, to enable the Commission to exercise relevant powers and functions of the gaming laws - to properly control, administer, regulate and coordinate all aspects of gambling and racing in the Territory.

Broadly, the Consequential Bill amends the gaming laws and replaces relevant references to the Minister, the Casino Surveillance Authority or the Commissioner for ACT Revenue with references to the Commission. Currently, many of these functions are exercised administratively and powers are delegated to ACT Government Service officers.

Further, the Consequential Bill also:-

repeals Part 3 of the *Casino Control* Act 1988 which establishes the Casino Surveillance Authority - the Authority will be abolished and its activities subsumed into the Commission;

repeals Part 3 of the *Gaming Machine* Act 1987 which provides for inquiries to be conducted by the Commissioner -the inquiry powers and function are provided to the Commission under the Gaming and Racing Control Bill 1998;

provides that the Commission will assume all assets and liabilities of the Casino Surveillance Authority - to ensure continuity of financial management;

and amends a number of Acts to extend references to tax laws to also include references to gaming laws.

Mister Speaker, whilst the Consequential Bill empowers the Commission to assume many functions currently undertaken administratively, there are important Ministerial powers in the gaming laws which have been protected.

Among others, these include:-

powers relating to the designation of the location of the Casino;

the granting, suspension or cancellation of the Casino licence, under the *Casino Control Act 1988;*

the power to determine fees under gaming laws; and

the power to determine the number of sports betting licenses granted under the *Bookmakers Act 1985.*

> Mister Speaker, the Gambling and Racing Control (Consequential Provisions) Bill 1999 gives effect to the structure established under the Gaming and Racing Control Bill 1998 and will enable the ACT Gambling and Racing Commission to effectively function as the key regulatory body in the control and administration of gambling and racing in the ACT. I commend this Bill to the Assembly.

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

GAMING MACHINE (AMENDMENT) BILL (NO. 2) 1999

MS CARNELL (Chief Minister and Treasurer) (10.55): Mr Speaker, I present the Gaming Machine (Amendment) Bill (No. 2) 1999, together with its explanatory memorandum.

Title read by Clerk.

MS CARNELL: I move:

> That this Bill be agreed to in principle.

Mr Speaker, I ask that my tabling statement be incorporated in *Hansard.* I might just make the comment at this stage that this Bill will be coming on later today for debate.

Leave granted.

The speech read as follows:

> Mr Speaker, the Government Response to the Report of the Select Committee on Gambling was circulated to members on 2 June 1999.
>
> A number of the Committee's recommendations have been agreed or not opposed by Government. Of these, quite a number require amendment to legislation. The majority of the amendments are to be moved by the Government in debate of the *Gaming and Racing Control Bill 1998.*
>
> However, amendment of the *Gaming Machine Act 1987 is* necessary to ensure that the cap of 5,200 on the number of poker machines in the Territory remains in place. Without this amendment the cap and its associated provisions lapse on 9 July 1999.
>
> Mr Speaker, the *Gaming Machine (Amendment) Bill (No 2)* 1999 ensures that the cap continues until 10 July 2000.

> This timeframe, Mr Speaker, allows for the Gambling and Racing Commission to be established, for the Commission to have conducted major research into the prevalence and socioeconomic impacts of gambling in the ACT and for the Assembly to have considered the results of that research.
>
> Mr Speaker, I commend the Bill to the Assembly.

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

PAYROLL TAX (AMENDMENT) BILL (NO. 2) 1999

MS CARNELL (Chief Minister and Treasurer) (10.56): I present the Payroll Tax (Amendment) Bill (No. 2) 1999, together with its explanatory memorandum.

Title read by Clerk.

MS CARNELL: I move:

> That this Bill be agreed to in principle.

Mr Speaker, I ask that my tabling speech be incorporated in *Hansard*.

Leave granted.

The speech read as follows:

> Mr Speaker, this Bill amends the Payroll Tax Act 1987 (the Act) to clarify that wages paid by employment agents to contractors, who are bona-fide employers in their own right, continue to remain exempted.
>
> On 22 April 1999, Mr Speaker, amendments to the Act were passed in this Assembly, which sought to address two court decisions; provide greater certainty and objectivity for taxpayers in order to reduce overall compliance costs and, where possible, be consistent with legislative amendments in Victoria and New South Wales.
>
> The original timing for the amendments, which were Gazetted on 6 May 1999, was required due to the perceived threat to the ACT payroll tax revenue base from not providing legislative certainty under the employment agent provisions. The revenue threat has occurred by virtue of the outcomes of two Victorian Supreme Court cases which appeared to allow industry overall to interpret exemptions too broadly.
>
> Mr Speaker, since the introduction of the legislation, representatives from the IT industry have, however, expressed strong concerns that the new legislation and the subsequent Revenue Circular would inadvertently impose payroll tax on contracts which are currently self assessed by the industry as exempt.

> This problem has occurred because the industry in the ACT has in recent times arranged its employment practices to rely significantly upon the guidelines provided under the Commissioner' s discretion to gain payroll tax exemption on wages paid to a large number of contractors.
>
> As a result of the industry's representations, Mr Speaker, it is now recognised that the Government's attempt to tighten current exemptions could inadvertently affect some bona fide employers in their own right, who supply the services of their employees through employment agents. This impact would be inconsistent with government policy and is not in line with the intention of the legislation.
>
> Mr Speaker, the Government has agreed with the industry to introduce an amendment to the Act to rectify this unintended consequence and to clarify for employment agents that wages paid by them, to contractors, who are bona-fide employers in their own right, continue to remain exempt.
>
> Mr Speaker, payroll tax is a self-assessing tax and, as such, we must ensure, where at all possible, that clear and certain tests are provided to taxpayers to minimise costs incurred by business in complying with tax laws. For this reason, it is essential that the Bill be given a retrospective commencement date to 6 May 1999. This will ensure the exemptions are in line with government policy, and continue to support the development and growth of the IT industry in the ACT.

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

LIQUOR (AMENDMENT) BILL 1999

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (10.57): Mr Speaker, I present the Liquor (Amendment) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES: Mr Speaker, I move:

> That this Bill be agreed to in principle.

I seek leave to have my presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

This Bill amends the Liquor Act 1975 by:

enabling the amendment of the Licensing Standards Manual in line with the recommendations of the Report of the former Standing Committee on Legal Affairs on Voluntary Codes of Practice for Liquor licensees;

introducing offence provisions for licensees in relation to minors possessing and consuming liquor on licensed premises and being in a 'bar-room' not in the care of a 'responsible adult';

amending the definition of 'responsible adult';

enabling licensees to confiscate false identification under specific guidelines;

expanding the matters that the Registrar considers when determining indoor occupancy loadings;

introducing a yearly licence renewal fee and repealing the Business Franchise (Liquor) Act 1993; and

making a number of other minor and technical changes.

In 1997 the Standing Committee on Legal Affairs conducted an Inquiry into Voluntary Codes of Practice for Liquor Licensees. The main recommendation in the Report of the Committee was that material in the Codes of Practice be included in the Licensing Standards Manual as mandatory obligations for licensees.

In its response to the Report the Government supported the recommendation of the Committee and that support is reflected in the amendments in this Bill. The Bill amends the Liquor Act to provide that the Licensing Standards Manual can address standards relating to the conduct of the licensed premises in addition to maintaining some of the existing standards relating to the construction of the premises which are particularly relevant to the responsible sale and consumption of liquor. The amended Manual will therefore address issues related to the conduct of the licensed premises including the responsible service of liquor, security and safety, underage drinking and underage functions.

Also consistent with the recommendations of the Committee the amendments provide specific grounds for the issue of directions to a licensee if the licensee's conduct of the licensed premises has not complied with the Manual.

The Bill also provides that the Licensing Standards Manual be prepared and maintained by the Liquor Licensing Board. It is appropriate that this responsibility rests with the Board as part of its overarching responsibility to promote and encourage responsibility in the sale and consumption of liquor. I understand the Board is currently preparing a revised version of the Manual in consultation with interested parties and stakeholders. I expect to be able to table the revised Manual shortly after this Bill is debated by the Assembly.

I also propose in the Bill to introduce further amendments relating to underage drinking. They are:

a new offence for a licensee if a minor consumes liquor on licensed premises or possesses liquor on licensed premises except in the course of employment or training;

a new offence for a licensee if a minor is in a bar-room on licensed premises except in the care of a responsible adult or in the course of employment or approved training;

the tightening of the definition of responsible adult; and

the inclusion of a power to enable licensees to confiscate certain forms of identification where there are reasonable grounds for believing the identification is false.

The amended definition of 'responsible adult' requires that the adult is a person who is parent, step-parent, guardian, person acting in place of a parent, carer or spouse of the minor and could reasonably be expected to exercise responsible supervision.

This is a further tightening of the classes of persons who can be with a minor to legally allow the minor to enter the bar-room on a licensed premises. I propose the change as the current definition which has been in place since 1994 has not resulted in a reduction in the incidence of minors gaining access to bar-rooms in inappropriate circumstances and to assist licensees in relation to their proposed new responsibility not to allow unaccompanied minors into barrooms. I believe the tighter definition will be a positive benefit in both regards.

The amendments also provide an exception and defence for minors and licensees respectively where a minor is in a bar-room of licensed premises to attend a function for minors.

In relation to the confiscation of identification by licensees the Bill includes provisions requiring licensees to keep a record of any identification that is confiscated and to forward the identification to the Registrar within 72 hours.

Despite the strengthening of the Liquor Act over the last 10 years to address the incidence of underage drinking, offences relating to underage drinking continue to be detected in association with licensed premises. These amendments are targeted at this continuing problem. Licensees are best placed to prevent underage persons from participating in illegal activities on licensed premises and while the proposed amendments are aimed at ensuring greater surveillance by licensees they will also assist licensees to deal with this issue.

The determination of occupancy loadings is another issue addressed in the Bill. The Bill enables the Registrar, in determining indoor occupancy loadings, to take into account other issues such as the adequacy of toilet facilities in addition to the recommendations of the Fire Commissioner. The Act currently permits the Registrar to consider issues such as toilet facilities when determining outdoor occupancy loadings and I believe the same power is relevant in determining indoor occupancy loadings.

The Bill also repeals the Business Franchise (Liquor) Act 1993 and introduces an annual renewal fee for liquor licences in the Liquor Act 1975. Following the High Court decision which led to the cessation of the collection of Business Franchise Fees the only fee collected under the Business Franchise (Liquor) Act is the quarterly renewal fee. It is proposed to replace that fee with a single yearly fee for the renewal of a licence.

Collecting the fee under the Liquor Act and applying the fee on a yearly basis instead of a quarterly basis will streamline the process for licensees. Where a licensee fails to renew the licence, the licence will be automatically suspended and if the renewal fee is not paid within a further month then the licence expires.

The Bill also proposes a number of other minor and technical amendments.

There are a number of consequential amendments to the Liquor Act 1975 as a result of the repeal of the Business Franchise (Liquor) Act 1993.

The Liquor Licensing Board's power to reprimand a licensee have been placed before the power to issue directions. Previously the power to reprimand was co-located with the powers of suspension. The order of powers of reprimand, direction, suspension and cancellation now better reflects the relative consequences of the disciplinary powers of the Board.

The various forms in the Act have been changed to approved forms rather than being prescribed in the Liquor Regulations. Amendments to the Act and the Liquor Regulations reflect this change.

> As the Assembly is aware, the Liquor Act has undergone significant amendment in recent years with particular focus on responsible serving of alcohol issues. The amendments contained in this Bill continue that trend and reaffirms the Government's commitment to ensure that the liquor industry is able to be regulated in a manner which ensures liquor is sold and consumed responsibly and that licensees discharge their responsibilities in that regard.
>
> I commend the Bill to the Assembly.

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

MAGISTRATES COURT (AMENDMENT) BILL 1999

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (10.58): Mr Speaker, I present the Magistrates Court (Amendment) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES: Mr Speaker, I move:

> That this Bill be agreed to in principle.

I will read my presentation speech because this Bill will need to be debated tomorrow and it is a quite important Bill. I just want to put some comments on the record. Last week, a decision by a single judge in the Supreme Court had the effect of throwing into doubt hundreds of restraining orders under Part 10 of the Magistrates Court Act 1930 which had been made with the consent of all parties.

I want to make it clear to members of the Assembly that the Government does not necessarily agree with the interpretation of the relevant provisions by the judge in that matter and that, in the ordinary course of events, the Territory would be expected to appeal the decision to the Full Bench of the Supreme Court. However, because the decision has the capacity to affect hundreds of restraining orders already made, possibly leaving hundreds of Canberrans without the legal protection afforded by restraining orders, it is the Government's view that immediate action is needed to ensure that those members of the community who have obtained restraining orders by consent are, in fact, afforded the protection which, until last week, they believed that they had. I am asking the Assembly to give its urgent consideration to, and support for, this Bill.

The Bill clarifies that the procedural rules contained in the Magistrates Court (Civil Jurisdiction) Act do apply to proceedings in relation to restraining orders, except where specifically excluded or modified. It puts beyond any doubt that, where both the applicant and the respondent so consent, orders under Part 10 of the Magistrates Court Act 1930 can be made without admissions by the respondent or other proof. Finally, the Bill ensures the validity of consent orders which have already been made and proceedings already under way for prosecutions of breaches of those orders.

Those provisions, Mr Speaker, are necessarily retrospective in nature and could be viewed as being adverse to the interests of some persons. However, I think that it is important that we offer that protection as soon as possible. What course of action the Assembly chooses to adopt by virtue of this breach of the law which has occurred, apparently, in the issuing of several hundred invalid domestic violence orders is a matter that the Assembly will have to consider in light of recent events. I do urge, however, that members support the early debate and passage of this Bill as the need to offer protection to those people whose protection is currently in doubt is quite important.

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

SUBORDINATE LAWS (AMENDMENT) BILL 1999

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (11.01): Mr Speaker, I present the Subordinate Laws (Amendment) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES: Mr Speaker, I move:

> That this Bill be agreed to in principle.

I seek leave to have my presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

> Mr Speaker, the proposed amendments to the Subordinate Laws Act 1999 (the Act) deal with the procedure for disallowance of subordinate laws.
>
> The Subordinate Laws Act is an important piece of legislation, and one that recognises the nature of parliamentary processes in Westminster parliamentary systems. The volume of legislation dealt with by legislative bodies is such that the technical and procedural detail contained in the plethora of subordinate laws, from instruments of appointment, ministerial determinations relating to fees, through to regulations, rules and by-laws, must be delegated to administrators.
>
> No legislature can possibly hope to deal in depth with the volume of subordinate legislation that is required for efficient and effective governance. On this basis much of the technical or administrative detail is delegated to government administrators, with requirements that the Executive approve such action.

Subordinate legislation often has a significant impact on the rights and liberties of citizens. Legislatures have closely guarded their sovereign power and developed mechanisms to review the actions of the Executive. The Subordinate Laws Act 1989 is one such mechanism. The Act seeks to achieve a balance between the rights of the legislature to determine laws, and the rights of citizens to have notice of government decisions and legislation, and still ensure the efficient running of what effectively is the business of government.

Presently the Act provides for a period of 15 sitting days after tabling during which a subordinate law may be disallowed by the Assembly. At first blush, this does not appear to be a significant amount of time.

But by way of example, this Assembly was recently presented with the Construction Practitioners Registration Regulations 1998. These regulations provide an important administrative basis for the new certification scheme adopted for construction activity in the ACT.

The regulations were gazetted on 16 December 1998 and commenced on 18 December 1998. They were tabled in the Assembly on the very next sitting day -2 February 1999. They could have been disallowed (which would have had disastrous effect on regulation of the building industry) up until 5 May 1999.

In such cases, there is often a significant investment of resources by the government in either developing or supporting a regulatory regime and by individuals affected by the subordinate legislation.

The current requirement for 15 sitting days before certainty is achieved does not further the aims of the Act, it acts merely as a structural impediment.

Mr Speaker since 1991 there have only been 2 subordinate laws disallowed by the Assembly. These subordinate laws related to ministerial determinations in regard to comprehensive third party insurance for motor cycles. These are the only subordinate laws ever disallowed by this Assembly, although others have been withdrawn under threat of disallowance.

Further the Assembly has an active Scrutiny of Bills and Subordinate Legislation Committee which produces high quality reports for the Assembly on Bills and subordinate laws. The Committee is frank in its opinions and has on occasion questioned the Government in relation to certain subordinate laws.

The Government response to such scrutiny is published by the Committee, thus providing an opportunity for further review of government activity in relation to subordinate laws.

> Mr Speaker, this is an amendment designed to provide certainty for those affected by subordinate legislation. There are sufficient checks and balances already in place in the Assembly to ensure that any concerns about adequate scrutiny of Executive action are allayed.
>
> This is an important amendment which will improve efficiency in government administration and provide those people with rights affected or determined by subordinate legislation with a greater degree of certainty. I also note, in a recent debate in this place, that members expressed support for a shortening of the disallowance period.
>
> I commend the Bill to the Assembly.

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

BUILDING (AMENDMENT) BILL 1999

MR SMYTH (Minister for Urban Services) (11.02): Mr Speaker, I present the Building (Amendment) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: Mr Speaker, I move:

> That this Bill be agreed to in principle.

I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

> The Bill makes it possible for the Commonwealth or the ACT Government to sell buildings without any doubt arising that it is legal for the purchaser to use them.
>
> When a Government constructs a building, it follows the standards that apply to private buildings but does not have to go through the approval processes of the *Building Act 1972* and so does not obtain a certificate of occupancy that authorises the occupation of the completed building.
>
> In addition the Commonwealth is not an entity to which a certificate of occupancy can be issued.
>
> Finally, many of the buildings concerned were constructed to older standards. This is not a problem while the Commonwealth remains the owner but is when the buildings are sold. They are refurbished before sale but cannot realistically meet the full scope of current standards.

This means that potential buyers cannot obtain an undertaking that a certificate of occupancy for the building will be issued once it has been sold.

The Commonwealth is now disposing of a number of its buildings and has asked for assistance, which the Government has been happy to provide. The same considerations apply to buildings that the ACT Government sells.

The Bill therefore amends the Building Act to allow the Government concerned or the occupier to apply for a certificate before or after the building is sold. The building has to meet minimum standards of safety but not those of current building codes.

To distinguish it from "certificates of occupancy" for buildings that are constructed to current standards, the certificate is called a “certificate of regularisation”.

The Bill also makes some minor technical amendments to the Building Act. They affect the requirements of the Building Act to recycle construction waste and the statutory insurance for residential building work.

I commend the Bill to the Assembly.

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

ENVIRONMENT PROTECTION (AMENDMENT) BILL 1999

MR SMYTH (Minister for Urban Services) (11.03): Mr Speaker, I present the Environment Protection (Amendment) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: Mr Speaker, I move:

That this Bill be agreed to in principle.

I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker

The Environment Protection (Amendment) Bill 1999 deals with several significant matters for the protection of the environment. These matters are first, regulation of contaminated sites and secondly the implementation of two National Environment Protection Measures -one covering the Movement of Controlled Waste between States and Territories and the other establishing National Pollutant Inventory. The Bill also introduces some minor amendments of a technical nature to the Environment Protection Act 1997 arising from the first six months' operation of the Act, which commenced on 1 June 1998.

I have already tabled the Government's response to the Urban Services Committee's *Report No 10 on the inquiry into the Exposure Draft of the Environment Protection (Amendment) Bill 1998.* The Environment Protection (Amendment) Bill 1999 covers all the contaminated sites matters that were included in the Exposure Draft Environment Protection (Amendment) Bill 1998, modified as set out in the Government's response to the recommendations of this report. As modified this Bill delivers a robust scheme for the management of contaminated land in the ACT.

I should explain the context in which the Bill includes provisions dealing with specific National Environment Protection Measures. National Environment Protection Measures are made under the *National Environment Protection Council Act 1994* and are a form of subordinate legislation. In other words, they already have the force of law. However, "NEPMs" as they are known only take effect as legal standards and sometimes need supporting legislation dealing with regulatory processes. In this case for example, the NEPM creating the National Pollutant Inventory needs a supporting offence provision to require certain business to disclose their emissions of pollutants and the NEPM on the Movement of Controlled Waste between States and Territories needs provisions requiring producers of controlled waste:

to obtain consignment authority prior to dispatching controlled waste to another State or Territory;

to provide information specific to a load of controlled waste to the transporter;

and also setting out recordkeeping and notification requirements.

Further details of these provisions are included in the Explanatory Memorandum to the Bill.

In summary, this Bill will enhance the Government's ability to ensure the appropriate management of the ACT's environment. It will also enable the Territory to meet its national environmental obligations.

> This legislation is yet another example of the Government's on-going commitment to the environment, both in a local, and in a broader, national, sense.

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

LAND (PLANNING AND ENVIRONMENT) (AMENDMENT) BILL 1999

MR SMYTH (Minister for Urban Services) (11.04): Mr Speaker, I present the Land (Planning and Environment) (Amendment) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: Mr Speaker, I move:

> That this Bill be agreed to in principle.

I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

> Some time ago, the members of this Assembly agreed that Professor Des Nicholls of the Australian National University would be appointed to conduct an independent study on the impact of change of use charges on investment in the ACT. He would also, under his terms of reference, examine possibilities for changing the current system.
>
> Much has been said by various members about the delays in commencing the study, and I have expressed my regrets that the process took longer than the Government had expected.
>
> However, Professor Nicholls completed his study and presented his report to Government in May.
>
> At the same time as releasing the report for public discussion I advised that the Government would be introducing into this session of the Assembly various amendments to the Land Act to reduce the rate of Change of Use Charge from the current 75 per cent to 50 per cent.
>
> I also stated that I would be moving a second amendment to the Land Act to remove the current sunset clause which reverts change of use to 100 per. cent after 31 August this year.

All other recommendations of the report also have the support of the Government but I intend referring them to the Urban Services Committee for consideration and public comment.

The report is far-reaching. It recommends substantial changes to the change of use charge because of its negative impact on investment. Amongst other things it noted:

Over the last nine years there have been seven variations to the Change of Use Charge or betterment charging system in the ACT - all this after a period of stability of 20 years when the betterment levy was fixed at 50 per cent.

This unstable environment since February 1990 has led to lack of clarity, inconsistent decision making and a perception, at least, that investing in Canberra's development is too hard, too time-consuming, too costly and too uncertain.

In fact, it is much more than a perception. Professor Nicholls showed examples of the impact CUC has on investment here compared with South Sydney. At the current 75 per cent level the CUC on a two-bedroom unit in Braddon was $115244. In South Sydney the comparable development contribution on a similar unit would be $2588. Even at 50 per cent, as the Government is proposing, the ACT CUC would still be $7496 compared with the South Sydney developer contribution of $2588.

It is little wonder then that Professor Nicholls also found that that the present system for the determination of the CUC has a negative impact on investment in the ACT.

It is for this reason and because of the Government's vision for Canberra to be the clever, caring Capital with a dynamic sustainable economy that I am today tabling various amendments to the Land Act. These amendments give effect to the short term recommendations of the Nicholls report.

Professor Nicholls made it quite clear that immediate change is necessary in order to restore viability and stability to the current system, and to make the ACT nationally competitive.

The Bill before the Assembly, and the accompanying 'consequential' Regulations, encompass those changes the Government believes are necessary to achieve those purposes.

Some of the other recommendations - there were 19 recommendations in total - relate to changes that should not be made until their implications have been fully examined.

That said, at this stage it is the Government's longer term intention to work towards introducing Option 2 of the Nicholls report - essentially to move away from the change of use charge to a development contribution model, probably along the lines of the Section 94 model used in New South Wales. This will be done after detailed consideration by the community, the Assembly and the Government.

The Bill I am introducing today is quite simple in its content and effect. It makes only these changes:

changes to the general rate of charge ('CUC') payable under the Act; removal of the "sunset' provisions that require the rate of charge to become 100% of assessed added value on 31 August 1999; and changes which ensure that regulations remitting or increasing the CUC will be permitted to commence in the normal way, rather than as currently stipulated in the Act.

The main provisions in the Bill amend sections 184A and 187A to change the general rate of CUC from 75% to 50%. This adopts the recommendation made by Professor Nicholls at recommendation 18 of his Report.

To support the amendment to 50%, the Bill also removes the current “sunset” provisions in the Act, at sections 184B and 187B, under which the rate of CUC is due to move to 100% of added value on 31 August 1999.

The Government is of the view that the rate should be set at a level considered reasonable by a wide range of people within the community. That would appear to be 50% - the rate that remained in place for 20 years prior to 1990, and which attracted the least criticism.

The proposed changes to the Act will apply to any lease variation approval except where the determined CUC has already been paid.

The Land (Planning and Environment) Regulations will require amendment to ensure that the reduction in the general rate to 50% does not result in unwarranted windfall gains to particular groups. This will mean that:

regulations providing for a remission of 25%, taking the amount payable to 50% (that is, Commissioner for Housing leases), are repealed, so that the amount payable does not change as a result of changes to the Act; and

regulations providing for an increase of 25% (relating to new leases, additional land approvals and concessional leases) are amended to provide for an increase of 50% - for the same reason.

> Unfortunately, the amendments to the Land Act that were passed in December 1996 included an addition of subsections 184Q5) and 187Q5), which provide that regulations made for the remission or increase of CUC cannot commence until they "could have been disallowed" under the Subordinate Laws Act. The effect of those provisions is that commencement of the amendments to the regulations may be delayed by up to 30 sitting days. In the meantime, lessees who should pay 50% will pay 25%, while those who should pay 100% will pay 75%.
>
> In moving these amendments to the Land Act today, the Government is seeking to place the ACT in a more certain and equitable environment, where initiative is encouraged but the benefits are shared by the community as well as those who are showing preparedness to take risk.
>
> Of course, by making these changes now it means we will be going to 'model eight', with the expectation of yet further change when the longer-term recommendations of the Nicholls Report are fully considered.
>
> This new model, however, is the first important step towards providing investors with the level of stability, transparency, timeliness, equity and certainty that is so essential in order for investment in the ACT to continue.
>
> For those reasons, the amendments proposed today should be supported by all members.

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

MOTOR TRAFFIC (AMENDMENT) BILL (NO. 2) 1999

MR SMYTH (Minister for Urban Services) (11.05): Mr Speaker, I present the Motor Traffic (Amendment) Bill (No. 2) 1999, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: Mr Speaker, I move:

> That this Bill be agreed to in principle.

I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

The Motor Traffic (Amendment) Bill (No #) 1999 proposes the introduction of speed and red light cameras in the ACT.

In 1997, there were 7,963 crashes in the ACT, costing the community an estimated $177.0 million. Lets just think about that figure for a moment, $177.0 million. It represents about $500 dollars for every Canberran, and this Government is committed to reducing this staggering cost to the community. The crashes that cost the ACT community $177.0 million, involved 15,108 vehicles and resulted in 733 casualties. This included 17 fatalities and 222 people that were admitted to hospital. The introduction of camera enforcement offers us a significant chance to reduce this level of road trauma.

Speed Cameras

I will now outline why we should introduce speed cameras into the ACT.

The ACT has a very good system of roads. In fact, its road system is unique in Australia. Its parkways and arterial roads offer high standard roads that are relatively free of traffic congestion. These long, wide and clear roads encourage higher than desirable speeds. Speeds which are a major factor in a lot of crashes.

The fact that Canberra drivers speed is well documented. A recent Urban Services traffic survey indicated a high proportion of drivers regularly exceed speed limits by more than 10 km/h.

A study of 61 serious crashes in the ACT in 1995 by Jamieson Foley & Associates recommended the introduction of speed cameras as a countermeasure to speed. The study found that speeding was a factor in 50% of the crashes.

Speed camera programs have been introduced in all Australian jurisdictions except the ACT. When they were introduced elsewhere the number of crashes dropped by about 20% Of course, this means a big reduction in road trauma and the costs of road trauma. Less people end up in hospital, less property damage, and less insurance and compensation payments. And most importantly, there is less personal tragedy in our community.

In Tasmania the introduction of speed cameras resulted in a 50% reduction in fatalities in the first three years of operation.

The introduction of speed cameras also results in a big decrease in the number of vehicles exceeding the speed limit. A recent West Australian Police Department study reported a reduction of 47% in motorists exceeding the speed limit.

Since both speed limits and actual speed tend to be higher on arterial roads in the ACT, this category of road offers the most potential to reduce deaths and serious injuries.

For speed cameras to be fully effective, enforcement also needs to be linked to public education campaigns. The success of speed cameras elsewhere has been attributed to public education programs, which have focussed heavily on the safety benefits and the role speed plays in crashes.

Red Light Cameras

The Bill also provides for the introduction of red light cameras.

Most of the crashes that occur at intersections with traffic lights happen during the critical period when the signal changes. A driver who is approaching an intersection during the amber phase, must decide whether to stop, or to continue through the intersection. A poor decision may lead to a rear-end collision between stopping vehicles or a right-angled collision with a vehicle that is entering the intersection from another direction.

Studies show that red light cameras reduce right angle crashes by 50%. This is an important reduction because right angle crashes often result in very serious injuries.

The ACT traffic light system works well when drivers obey the signal facing them. However, it cannot stop crashes if drivers deliberately run red lights. Red light cameras can catch, and therefore deter, these red light runners.

The ACT Road Safety Strategy

Speed and red light cameras will be a vital part of the new ACT Road Safety Strategy which will be released later in 1999. They will also complement the Australian Federal Police's ACT Region Traffic Law Enforcement Plan, which was released in February 1999. Speed and red light cameras will provide new ways to target infringers, without making onerous demands on Police resources

Camera Enforcement

So how will speed and red light cameras be used in the ACT?

The cameras will be introduced in two stages. The speed camera program will begin in July 1999 with a community awareness and education campaign, and actual camera operation beginning in October 1999. The second stage, commencing in July 2000, will feature the introduction of red light cameras.

The only offences that may be detected by the cameras are speeding, red light violations, and permitting an unregistered or uninsured vehicle to be used on a public street. Vehicle owners are responsible for these offences but they may avoid the penalty by providing the name and address of the actual driver at the time of the offence. Of course this will require all vehicle owners, particularly corporate owners, to maintain accurate vehicle and driver records.

Camera site selection and review will be carried out by a Camera Enforcement Safety Management Committee, comprising experts from Urban Services, the AFP and NRMA. Proposed speed camera sites will be assessed against the following criteria: crash history, evidence of a history of speeding, and potential hazards to camera operators.

Legislation

- The Bill provides for the introduction of speed and red light cameras, and creates a new infringements part in the *Motor Traffic Act 1936.*

- The legislation also sets out the evidentiary requirements for infringements detected by speed cameras. Existing provisions in the Act on amphometers are being removed, and those on radar speed measuring devices have been incorporated in the new provisions.

- For offences detected by cameras, officers authorised by the Chief Police Officer or the Registrar of Motor Vehicles will issue infringement and reminder notices. Under delegation from the Chief Police Officer, they will also consider applications for further time to pay. The Police will process disputed notices and applications for withdrawal as they currently do with other traffic infringements.

Conclusion

In conclusion, jurisdictions which have introduced speed and red light cameras consider them to be an effective method of enforcement and a valuable tool in reducing road trauma. The ACT Road Safety Forum endorsed that by the end of 2003, the five-year moving average for ACT road crashes should be below 15 for fatalities; and below 160 for hospitalisation injuries. Speed and red light cameras will be crucial elements in a strategy to achieve these targets. Therefore I believe speed and red light cameras should be introduced into the ACT.

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

CHILDREN AND YOUNG PEOPLE BILL 1999

MR SMYTH (Minister for Urban Services) (11.06): Mr Speaker, on behalf of Mr Stefaniak, I present the Children and Young People Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: Mr Speaker, I move:

That this Bill be agreed to in principle.

I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

I have pleasure in presenting the **Children and Young People Bill 1999**.

As part of the ACT Families Policy the Government made a commitment to review the Children's Services Act 1986 ('the Act'). My Department began the reform process in January 1997, producing detailed public discussion papers as a platform for extensive community consultation.

In the child protection area proposals were also subjected to appraisal by a leading independent consultant in the field in Australia, Dr Dorothy Scott, who measured them favourably against national and international best practice standards. In framing the reforms, particular attention has also been paid to recent legislative developments in this area in many Australian jurisdictions - in the last 12 months first Tasmania, then New South Wales and most recently Queensland have enacted child protection reforms, some of which I return to in a moment.

In the area of child care licensing, reforms have been developed in close consultation with the industry, specifically with a view to implementing national standards relating to school-aged care and family day care facilities in the ACT.

The reform process has not at this stage tackled the law relating to young offenders, so this Bill reproduces Parts IV and IVA of the Childrens Services Act almost entirely. I shall mention some minor reforms later in this address.

The Bill I now present to Members honours the Government's commitment to re-write the Act as a result of the review and I am pleased to say reflects general support by the community and government-sector stakeholders for wide-ranging reforms. It is impossible to try to outline all the reform provisions in such a complex Bill in the time available to me, so I shall attempt to confine my speech to the most essential features.

OBJECTS & PRINCIPLES

Central to the reforms are clear statements of object and principle, designed to guide all actions and decisions under the Act in a much more descriptive way than previously. These statements are couched in terms which clearly identify that primary responsibility for children and young people rests with their parents and other family members. Recognising this, the general concept of **'parental responsibility'** *is* formally introduced to Territory legislation by the Bill. This replaces more traditional concepts of 'custody' and ‘guardianship’, and the now rather old-fashioned notion of State 'wardship'.

The very term 'parental responsibility' gives a flavour of the attempt that has been made throughout the Bill. Firstly it describes in plain English terms exactly what each facet of the law is designed to address. Second, it brings the Territory into line with developments in the law relating to families in Australia and overseas. Hence, as in the federal Family Law Act, parental responsibility is defined for the Territory to mean "all the duties, powers, responsibilities and authority which, by law, parents have in relation to children".

Of course it is impossible to define precisely what form a parent's responsibility will take as a child grows from infancy to adolescence. Instead the Bill at least recognises that there are certain aspects of the responsibility that relate to day-to-day issues and others that span years. Even the title of the Bill reflects the fact that this is a law which will be applicable in different ways at different times in relation to all those under 18, whether they think of themselves (or others think of them) as children or young people.

Whatever their age, the notion that the best interests of children and young people should be the paramount consideration for all decision-makers is another central theme in the Bill. In a sense it was the insertion of this principle into the Childrens Services Act in late 1996 that provided a catalyst for these reforms. The Bill has expanded greatly on the factors which help identify what is in the best interests of a child or young person. Obviously the age and maturity of the child or young person, and his or her protection and developmental needs, are critical in this regard. But the Bill also requires that matters such as the racial, ethnic, religious, individual, family and cultural identity of the child or young person and his or her parents and family members are also to be considered, as well as the importance of continuity of those things for the child or young person.

CHILD PROTECTION

Looking at those issues specifically in child protection terms, importantly the Bill emphasises cooperative and inclusive support for families and their children and young people. The Bill acknowledges that there will be times when family members are not able to meet their

responsibilities to children themselves. It specifically provides that it is then the place of the community and government to support them or, if necessary, share or take over their responsibilities. In establishing a new mechanism for court-ordered 'therapeutic protection', it also recognises that a very small number of children and young people in the community may be at very high risk. Again I shall return to this shortly.

First let me stress that all child protection matters are informed from the outset by the principle that Government intervention in the lives of families is to be by the least intrusive means possible. This is reflected in a general way by measures calling for consideration and promotion of contact and placement of children and young people with relatives or kin if out-of-home care is needed. It also underpins a new mechanism of voluntary 'family group conferencing'. This concept aims to empower families to reach agreement amongst themselves as to the alternative ways they can continue to care for children and young people in their midst. It is a model which is also incorporated in 1998 legislation in Tasmania, and which has operated successfully for many years in South Australia and New Zealand.

FAMILY GROUP CONFERENCING

For the information of Members, family group conferences are to be arranged by the chief executive if he or she believes that a child or young person is in need of care and protection. Appropriately skilled facilitators appointed by the chief executive will convene conferences by inviting attendance of family members and others who may have a relevant contribution to the care planning for the child or young person. It is intended that conferences be conducted in as informal, confidential, non-adversarial a setting (in the absence of lawyers) as possible. Disclosure of information shared at a conference is prohibited, except for the purpose of recording the outcome. Outcomes will be capable of registration in a court if they have the effect of shifting parental responsibility for the child or young person.

INCLUSIVENESS

The notion of inclusiveness is repeated throughout the Bill. Hence, in decision-making processes about a child or young person, information about those processes is to be provided to participants in a manner they can understand. The views and wishes of the child or young person are to be sought and considered in light of their age and maturity, and others are to be given an opportunity for input.

This is particularly the case in relation to indigenous children and young people, who were not mentioned in the current Childrens Services Act. Following from the 1997 Report of the National Inquiry into the Separation of Aboriginal and Torres Strait Islander Children from their Families (the 'Bringing them home' Report), the Bill now

formally requires decision-makers to identify whether a particular child or young person is an indigenous person. Having done so, the decision-maker is to involve relevant indigenous organisations in decisions concerning the child or young person. If placing a child or young person away from immediate family is necessary, the 'indigenous placement principle' is to be applied as advocated in the 'Bringing them home' report.

Outside the family, the Bill addresses the roles of the community, the State welfare agency and the court.

COMMUNITY RESPONSIBILITY

The role of the community is important in supporting children or young people and their families, both in terms of direct assistance (for which it is not intended to legislate), and through the reporting to relevant agencies concern about abuse or neglect. Following on from, and complementary to, a very detailed and comprehensive community education programme run by my Department in this area over the last 2 to 3 years, the Childrens Services Act provisions for voluntary and mandatory reporting of child protection concerns have been retained in the Bill.

Reassurance for the community that reports about suspected child abuse will be kept confidential is provided. There is a specific prohibition on the disclosure of information about 'reporters' and the contents of their reports, whether provided directly to the chief executive or passed on by the community advocate or interstate authorities.

GOVERNMENT RESPONSIBILITY & ACCOUNTABILITY

The Bill recognises that services to children or young people and their families may be provided by different arms of Territory administration. My own Department of Education and Community Services, for example, currently comprises not only schools, but also children's, youth and family services, and sport and recreation bureaux.

To maximise the opportunities for government to give best support to children and young people, the Bill shifts principle responsibility for children's and young people's matters from the office of the Director of Family Services to the more senior office of departmental chief executive. In this way the chief executive will have overarching responsibility, and with it, accountability to the community and this Assembly, for child protection, child care licensing and youth justice services under the Bill. This is seen as a way to maximise possibilities for seamless service-provision for all people under 18.

CHILDRENS COURT

The role of the Childrens Court under the Bill is to address child protection and parental responsibility issues by the making of Care and Protection orders. It is not intended as a forum for resolution of relationship disputes between adults, which will remain the primary province of the Family Court. Of course it also attends to youth justice issues, to which I shall return shortly.

Two further themes guide the reforms.

Firstly there is the notion that the procedures and effects of child protection intervention should be clear at all stages. Hence there is a raft of provisions describing who has responsibility for what at various stages following emergency protective action and during court proceedings. To this end the procedures of the court surrounding directions hearings, interim orders, service of documents and joinder of parties etc. are spelled out much more clearly in the Bill than they were in the Childrens Services Act.

Secondly, decision-makers are exhorted to act without delay so as not to prejudice the wellbeing of the child or young person. They are also to strive from the outset for settled and permanent living arrangements for the child or young person. In this regard the time-limits around the hearing of matters in court is the subject of close attention by the Bill.

The Bill establishes a mechanism for what are known as 'Short' and 'Final' Care and Protection Orders. Short orders are intended to be available quickly and in an uncomplicated manner, even for one-off events such as assessment. Final orders may require more intense deliberation and may. be long-term in nature and duration.

Timeliness issues are addressed through the requirement for the court to determine applications for 'short' orders within 14 days, and applications for final orders within 10 weeks. Further, if the court makes a short care and protection order for assessment of a child or young person, it may allow up to 4 weeks for the assessment, with extensions of up to a total of only 4 more weeks. Where the Bill allows for parties to apply for orders on specific issues related to parental responsibility for children or young people, it anticipates that orders will last only for a period of 18 weeks. It is intended that, if longer--term orders are needed, the chief executive will seek final care and protection orders.

EXPANDED ORDER-MAKING POWERS

A key feature of the Bill in relation to the court is the expansion of its specific order-making powers. Under the Childrens Services Act the options available to the court on adjournment and when making final orders on care applications were limited, in the former case to orders

about residence, and in the latter to orders all connected with the functions of the Director. As I have just mentioned, the Bill allows for orders for assessment and specific issues to be made. It also provides for interim care and protection orders on adjournment and for final orders relating to, and in favour of, people other than the chief executive.

In line with striving for settled and permanent living arrangements, one such order is to be known as an 'enduring parental responsibility order'. Like ‘permanent care orders’, as they are known in Victoria, these orders will be available in cases relating to children or young people who have been living with substitute carers under care and protection orders for at least 2 years. Where there is no realistic possibility of others with parental responsibility for them resuming that responsibility, these enduring orders may be made until a young person turns 18.

THERAPEUTIC PROTECTION ORDERS

Another particular group of people in the community for whom the Bill provides, is that very small group I referred to earlier, and which this Assembly's Social Policy Committee identified in its December 1997 report, as being at 'very high risk'. I mentioned before, the new concept of 'therapeutic protection orders'.

I want to take time here to describe these court-ordered measures in some detail.

The Bill describes 'therapeutic protection' as care provided at a place for a child or young person by the chief executive, where the child or young person is confined in an appropriate way to protect him- or herself from serious harm. It is closely aligned with a new measure in New South Wales childrens law called 'compulsory assistance'.

Before making an order the court must be satisfied that the child or young person is in need of care and protection (or would be in need if no order was made). It must also be satisfied as to why the child's or young person's needs are said to require the order, as to the therapy or program that is to be put in place, and as to the time, date and duration for which the therapeutic protection is expected to be provided. A therapeutic protection order may then only be for a maximum of 8 weeks at a time. If made as a final care and protection order, that period may be renewed on application to the court.

The order operates as a residence order and gives the chief executive responsibility for the day-to-day care, welfare and development of the child or young person. People receiving therapeutic protection are to have reasonable contact with their parents and siblings. They are not to be prevented from seeing the community advocate or the official visitor for the purposes of the Act. If therapy involves isolation from

people other than a supervisor or those officers, it must not occur for more than 12 hours each day and must allow reasonable access to the open air.

Importantly, children and young people receiving therapeutic protection are not to be in premises used mainly for remandees or criminal offenders.

YOUTH JUSTICE REFORMS

Speaking of criminal offenders, this is an appropriate time for me to mention that the youth justice reforms dealt with by the Bill are limited to:

providing for community service orders as a dispositional option,

reducing remand periods comparably with adult provisions from 21 to 15 days,

prohibiting smoking at prescribed places (to include Quamby), and

clarifying procedures in relation to transfers from the youth justice system to the child protection system.

As part of the continuing process of legislative review, however, I hope to be able to announce measures for consultation with the community on wider reforms in this area within the next 12 months.

CHILD CARE LICENSING REFORMS

More significantly for now I commend to Members the child care licensing reforms which replace Part VII of the Childrens Services Act. The Bill formulates a 2-stage process of 'approval in principle' then licensing for providers of child care centres and family day care schemes. In doing so it recognises the integrity and specialisation necessary for the effective regulation of child care services and reflects best practice by adopting similar provisions from Victorian and Queensland legislation.

The umbrella term 'childrens services' will cover child care centres. It also covers family day care schemes (as distinct from individual family day carers). Regulating schemes, not individual carers, is a further example of the Bill making active provision for government cooperation with the community and for ensuring State intervention in the field is not overly restrictive.

> The community can draw confidence from the fact that all applicants for approval in principle, or for licence, will be required to establish that they are suitable people to provide child care. For that purpose the chief executive is given specific power to require the production of information to enable him or her to make decisions on suitability.
>
> Approvals in principle are to last for fixed periods of 2½ years. There will also be renewable licences, which may last for periods up to 3 years at a time. Licence conditions defining standards of care will apply to each childrens service, with conditions on family day care schemes being modelled on endorsed national standards.
>
> Procedures for granting, setting and monitoring conditions, and renewing, varying and cancelling approvals and licences are set out in the Bill. There are also specific provisions relating to the removal of children from services in emergencies and for the suspension of unsafe services. As suspension or cancellation issues will impact directly on the care of children at services, the Bill addresses a serious technical problem encountered in the Childrens Services Act by empowering the chief executive to keep people with parental responsibility for children at services apprised of such developments.
>
> Members should note that the licensing regime established by the Bill is intended to be cost-neutral to the community and has been devised in line with the Government's commitment to national competition policy.
>
> I commend the Bill to Members.

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

CHILDREN AND YOUNG PEOPLE (CONSEQUENTIAL AMENDMENTS) BILL 1999

MR SMYTH (Minister for Urban Services) (11.07): Mr Speaker, on behalf of Mr Stefaniak, I present the Children and Young People (Consequential Amendments) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: Mr Speaker, I move:

> That this Bill be agreed to in principle.

I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

I have pleasure in presenting the **Children and Young People (Consequential Amendments) Bill 1999.**

The Bill makes consequential amendments to certain ACT Acts and Regulations in light of the reforms introduced by the *Children and Young People Bill 1999.*

Many amendments simply change references to the 'Children's Services Act 1986' to refer to the 'Children and Young People Act 1999'. Others change references to 'Director of Family Services' and 'Director' to refer to the 'chief executive' (or the 'chief executive responsible for administering Chapter 2 of the Children and Young People Act 1999'). The single greatest number of amendments relates to the *Adoption Act 1993,* which contains many references to the Director.

The Children and Young People Bill 1999 introduces to Territory law the concept of 'parental responsibility' in place of more traditional notions of 'custody', 'guardianship' and 'wardship'. In the circumstances the Consequential Amendments Bill changes references to the 'Director of Family Services' being the 'guardian' of a child, and a child being a 'ward' of the 'Director', to refer to the 'chief executive' having 'parental responsibility for the long-term care, welfare and development' of the child.

Where there were references in other Territory legislation to defined terms or specific sections of the *Children's Services Act 1986,* the Consequential Amendments Bill adjusts those links.

In addition, the Children and Young People Bill 1999 contains provisions relating to the way in which the community advocate can provide information to the chief executive. It also provides for the confidentiality attaching to that information. Consistent with those provisions, corresponding amendments are made to the way in which confidentiality of information relating to the community advocate's clients is ensured under the *Community Advocate Act 1991.*

I commend the Bill to Members.

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

PSYCHOLOGISTS (AMENDMENT) BILL 1999

MR MOORE (Minister for Health and Community Care) (11.08): I present the Psychologists (Amendment) Bill 1999, together with its explanatory memorandum.

Title read by Clerk.

MR MOORE: I move:

That this Bill be agreed to in principle.

Mr Speaker, I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker, the Psychologists Bill 1999 repeals sections 57, 58 and 59 of the Psychologists Act 1994 (the Act).

The transitional provisions of section 57 of the Act, allow for the registration of persons who do not possess the qualifications and training in order to gain registration as a psychologist under the substantive provisions of the Act.

Section 58 of the Act provides for an appeal to the Administrative Appeals Tribunal (AAT) of board decisions made under section 57 of the Act, and as such it will no longer be applicable upon the repeal of section 57 of the Act. Section 59 of the Act is a spent provision relating to the appointment of first board members and is repealed in the interests of good house keeping.

The Psychologists Act 1994 (the Act) commenced on 16 June 1995, and introduced statutory regulation for the registration of psychologists in the ACT and also included provisions for controlling the practice of psychology and other related matters.

Preparation of the legislation was in accordance with an agreement of Australian Health Ministers to introduce uniform regulatory arrangements for health occupations. At that time the ACT was the only jurisdiction which did not register psychologists.

The introduction of the Act demonstrated a recognition on the part of ACT Government that there was potential for considerable harm to be caused to members of the public unless persons who provide psychological services were regulated by statute and held accountable for the manner in which they practice.

During the preparation of the legislation a need was identified to include transitional provisions which would allow people who were practising as psychologists in the ACT to become registered within a period of six months after the commencement of the Act, without being in breach of the Act.

It was also considered appropriate to include in the legislation a provision which would allow people who held qualifications that did not entitle them to registration under the substantive provisions of the

Act, to become registered, providing they had practised as a psychologist for four years in the ten years prior to the commencement of the Act. The inclusion of such a provision was intended to ensure that such persons would not have their livelihood compromised by the introduction of the legislation. It was intended that this provision would be limited by a timeframe of six months after the commencement of the Act.

Discussions with the Psychologists Board of NSW at the time of preparing the policy direction for the legislation, indicated that serious difficulties could arise for the Board unless a finite time was specified in the legislation after which the transitional provisions would cease. The transitional provisions in the NSW Psychologists Act 1989, had the potential to be ongoing. As a result of the difficulties this created for the NSW Board, the NSW Act was amended in September 1994 to remove those provisions.

Following difficulties in the interpretation of the legislation by the Board, legal advice was sought and confirmed that the provisions of section 57 are not finite and that persons who are not qualified to gain registration under the substantive provisions of the Act can continue to make application under section 57.

Statutory regulation exists in the interest of the protection of the public. The transitional provisions of the Act as they exist appear not to assist the board in administering the Act in a manner in which it can be confident in offering the public such protection.

In repealing sections 57, 58 and 59 of the Psychologists Act 1994, a provision has been included in the Amendment Bill which allows for all applications before the board under section 57 or before the administrative appeals tribunal under section 58 of the Act which have not been decided before the commencement of the Bill, to be taken as withdrawn.

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

JUSTICE AND COMMUNITY SAFETY – STANDING COMMITTEE
Proposed Reference – Workers Compensation System

MR BERRY: Pursuant to standing order 127 and at the request of Mr Osborne, I fix a later hour this day for moving the motion on the notice paper.

HEALTH AND COMMUNITY CARE – STANDING COMMITTEE
Printing, Circulation and Publication of Report

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

That the resolution of the Assembly of 19 November 1998 referring public hospital waiting lists to the Standing Committee on Health and Community Care for inquiry and report be amended by adding the following new paragraphs:

"if the Assembly is not sitting when the Committee has completed its inquiry, the Committee may send its Report to the Speaker or, in the absence of the Speaker, to the Deputy Speaker who is authorised to give directions for its printing, circulation and publication; and

the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.".

HEALTH AND COMMUNITY CARE – STANDING COMMITTEE
Printing, Circulation and Publication of Report

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

That:

(1)if the Assembly is not sitting when the Standing Committee on Health and Community Care has completed its inquiry on Men's and Boys' Health, the Committee may send its Report to the Speaker or, in the absence of the Speaker, to the Deputy Speaker who is authorised to give directions for its printing, circulation and publication; and

(2)the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

URBAN SERVICES – STANDING COMMITTEE
Reference – Rural Residential Development

MR CORBELL (11.09): Mr Speaker, I move:

That:

(1)the Standing Committee on Urban Services inquire into and report on proposals for the establishment of Rural Residential development as a land use with particular regard to:

(a) implications for the future metropolitan development of Canberra;

(b) impact on the Territory's "land bank";

(c) environmental and land management issues;

(d) financial costs and benefits;

(e) provision of Territory services and facilities;

(f) consistency with Territory and National Capital Plans, and the ACT and Sub Region Strategy; and

(g) any other related matter;

(2) the Government not proceed with the further development of proposals for rural residential development in the Territory until the Standing Committee on Urban Services has reported to the Assembly and the Government has presented its response.

Mr Speaker, today I am proposing to the Assembly that the Assembly refer the matter of rural residential development in the ACT to the Standing Committee on Urban Services for inquiry and report. Members will see the motion I have outlined in the notice paper this morning. Members will have to agree that this issue is one of significant concern for the future use of the Territory's land asset.

Over the past 18 months we have seen this Government embark on a series of failed and flawed attempts to justify the introduction of rural residential development into the Territory. This form of land use does occur in many areas around Australia, but, unlike other areas around Australia, the ACT has a limited land bank. Our land resource is a scarce one. It is finite and it is not able to be used in ways which will prove to be unwise or inefficient. That is one of the fundamental reasons, Mr Speaker, why I am proposing this morning to refer the issue of rural residential development to the Urban Services Committee.

It is probably important that I outline some of the issues that have led the Labor Opposition to propose this course of action. The first of those, Mr Speaker, relates to an event that occurred right at the beginning of this Assembly with the failed Hall/Kinlyside land deal. The Government embarked on an exclusive arrangement with one developer in this city to develop rural residential development at the area known as Hall/Kinlyside, between Hall and the new town centre of Gungahlin. That land deal was revealed to be fatally flawed. It was an exclusive arrangement for a large parcel of land which included areas which are part of the national capital spaces - the hills, ridges and buffer zone of the Territory. That deal was exposed and the Government had to back out. It knew that its actions were unjustifiable.

Mr Speaker, what occurred then was that the Government put in place a study into rural residential development. It was claimed that this report would be independent, separate from government, and would look at rural residential development in the Territory. The interesting thing about this report, Mr Speaker, was that it changed. It changed to suit the Government's policy-making on the run.

Initially, the Chief Minister stood up in tis place and said this report would look at whether or not rural residential would work and what were the pros and cons, and, if it was going to work, where it could go. Interestingly, after the Government's failed Hall/Kinlyside land deal was exposed, the report changed. No longer was it a report on whether or not rural residential was a good idea; it was a report on the fact that rural residential was a good idea and where it should go. That is not the sort of policy-making that stands up to any rigorous analysis, Mr Speaker.

Unfortunately, the Government's blunders did not end there. We then had the revelation that the report had been changed substantially to suit the Government's policy position. If the Government had come to this place and said, "This is a report which is going to outline the Government's policy approaches and how it is going to deal with this form of potential land use for the Territory", that would have been fine; but that is not what the Government in this place said. Instead, what the Government in this place said was that this would be an independent study.

You would have thought that if the study was independent it would have been able to look at the whole range of issues fairly openly and come to its own conclusions about whether or not the Government's policy direction was a fair one. Otherwise, there is not much point in having an independent study. But, Mr Speaker, that is not what the Government said in this place would be an independent study. We were able to reveal, Mr Speaker, that the study was far from independent. Who will ever forget the facsimile transmission from the consultant from TBA Planners, the people engaged to undertake this study? It said:

> Please find enclosed comments on a number of pages. Progressively the paper is being massaged - I can wear that given the government's position but I think Section 1.4 is a bit over the top. Most points are a repeat of 7.1 and are not the only issues which emerge from the paper, rather they are a collection of any point which is favourable to the government's point of view.
>
> Regards

Mr Speaker, that one document undermined all the Government's attempts to justify rural residential development in the eyes of the Canberra community. It undermined the Government's attempt to justify rural residential development in the eyes of anyone with any credibility in the planning debate. Regardless of that, regardless of the fact that that report was shown to be fundamentally flawed, indeed, fatally flawed, this Government continued to push ahead on the issue of rural residential development. So we had that bizarre announcement, Mr Speaker - it can only be described as a bizarre announcement - about a month ago during the Estimates Committee hearing of the release of land for rural residential development in the ACT. The two sites the Government had identified were Hall/Kinlyside and north Gungahlin.

Those two sites, Mr Speaker, were sites that had been assessed by the Government's so-called independent study.

MR SPEAKER: Order! There is far too much audible conversation. Mr Corbell has the call.

MR CORBELL: It is interesting to note that the very same day that the Government announced the release of those two sites, Mr Osborne made the very clear and sensible comment, "Yes, but one of these sites is for a prison and how can you propose rural residential development on a site that could be used for a prison? Surely you should have waited". That would have been a sensible approach. Any reasonable planner would have said to the Government, "Look, you have a couple of differing priorities here. We have to work that out before we make a decision"; but no, the Government bulldozed ahead, as they have done on this issue consistently.

It was interesting to hear Mr Smyth on radio about a month ago when he said he did not think a prison and rural residential development were inconsistent at all. He thought you could quite happily have a maximum security prison in the middle of a rural residential estate. Perhaps Mr Smyth should have talked to the Office of Asset Management, which has to sell the land, before he made those comments, because I am sure that is going to be a big selling point for the rural residential estate - "Come and live next door to a maximum security prison". Unfortunately, Mr Speaker, that farcical situation, not of anyone else's making, only of the Government's making, highlights the reason why there has to be a properly considered examination of rural residential development in the ACT.

Mr Speaker, the points that I am proposing the Standing Committee on Urban Services look at in relation to rural residential are outlined in my motion. I would like to speak to each of those briefly. The first relates to implications for the future metropolitan development of Canberra. Anyone who has any simple understanding of the future metropolitan growth of our city would understand that any proposed future metropolitan growth beyond our existing borders has always been proposed to be to the north, towards Yass and towards Gundaroo.

Hall/Kinlyside is a large area of land within the ACT's borders that has always been allocated for some form of residential use. Is it sensible, Mr Speaker, to put a rural residential estate at what may not be the urban edge in 50 years' time? It may, in fact, be closer to the metropolitan centre of the city, with the city structure continuing to extend beyond the Territory's borders, which in the long term would seem almost inevitable.

The fact that the Government is proposing what is widely recognised as a highly inefficient use of land for residential purposes, rural residential development, in an area which could be a fundamental part of the corridor in which the metropolitan structure of Canberra will continue to develop is fundamentally flawed and deserves proper investigation. It deserves proper investigation because the Government has not addressed it at all in any of its examinations or in any of the information that is provided to this place.

Mr Speaker, my second point in relation to the land bank issue relates to the first. The land that the ACT holds is limited and finite. Again, is it sensible to use limited, finite land resources for purposes which are widely recognised as fairly inefficient uses of the land - land which should only be used, if at all, in an urban interface way? Again, the Government has failed to address those issues in any of its examination. Instead, it has simply bulldozed ahead, ploughed on with its agenda for rural residential, no matter what the costs.

Environmental and land management issues have also not been adequately addressed. It is interesting to note, Mr Speaker, that in the consultation on the Government's policy document, over two-thirds of the submissions received were opposed to this sort of redevelopment, and a significant number of them were opposed on the grounds of the Government's failure to adequately address the environmental and land management issues associated with this form of potential land use.

Issues to do with land management, environmental management, bushfire management, woody weeds, the impact of erosion and run-off are very important. We have seen this Government take the very commendable step of putting in place land management agreements for people who hold rural leases to make sure that they take proper account of the environmental factors associated with managing rural land. Mr Speaker, you talk to any farmer and they will tell you that rural residential estates have very poor land management practices. One of the main reasons is that they have large areas of land associated with a particular landowner who is often not there full time to do the sort of land management that needs to be done to protect the site. These issues have not been adequately addressed. That is another reason why we need this inquiry.

Mr Speaker, my next point is in relation to financial costs and benefits. This Government prides itself on the need to get the best return on our assets; but that does not apply, it would seem, when it comes to rural residential development. Indeed, in questioning in the Assembly, Mr Smyth said that the financial imperative for a return on the land was not one of the most important for the Government. Well, Mr Speaker, surely it should be a very significant factor. Indeed, it drives a lot of other land releases. It drives standard suburban subdivision land release, it drives commercial land release, so why should it not drive rural residential land release? The Government has failed to take account of that fact. Indeed, it has ignored it. It has ignored it because it does not suit its argument. Mr Speaker, we have a responsibility to make sure we get a fair price for our land if we release it. The Government has not taken account of that fact.

Another important and final matter relates to consistency with the Territory and national capital plans of this form of land use. The Territory and national capital plans outline how the ACT fits into its environment, and particularly the issue of the definition around the urban edge. It has been a longstanding principle of planning policy development that we will not have a city which peters out at the edge and is higgledy-piggledy before merging into rural use. Indeed, the fundamental principle of a national capital is that there is a distinct definition between rural use and urban use. There is a distinct mark, a distinct boundary, between the two. It is one of the benefits and one of the beauties of our city that there is such a distinct interface and it does not merge from one to the other.

If the Government wants to go about changing that very long-held planning policy approach, I would like to see a bit of justification before they embark down that path. We have not seen it to date. So, Mr Speaker, that is another reason why this inquiry is desperately needed.

To sum up, further development of proposals for rural residential development have not been adequately justified by this Government. We have not seen, in respect of any of the points I have raised, a sufficient justification of these very important issues that relate to the use of land which is finite. Before we can go down that path, particularly in light of this Government's record on policy development in relation to rural residential development, we must have an inquiry. That is why my final point, Mr Speaker, directs the Government not to proceed further with any development of proposals for rural residential development in the Territory until this proposed committee inquiry has reported and the Government has presented its response. This is a sensible response to a very important issue, and I commend the motion to members.

MR SPEAKER: Before we continue with the debate, I would like to recognise the presence in the gallery of Mr Ralph Clarke, the member for Ross Smith in the South Australian Parliament. Welcome.

MR SMYTH (Minister for Urban Services) (11.25): Mr Speaker, it is clear why Mr Corbell wants to refer this matter to the committee. He is simply against it. The ALP has always been against it. Unlike the Labor Party, Mr Speaker, the Government was up front at the last election when we went to the electorate. We went to the voters of Hall - somebody should look at the results from the Hall booth – and we said in our election policy that we believe that rural residential was something that should go ahead in the ACT.

I know it annoys the Labor Party and it annoys Mr Corbell, but they lost the election. They got an all-time low vote for the Labor Party. They were rejected by the electors. If you check the booth where this has maximum impact you will find that they voted strongly with the Liberal Party.

Mr Moore: Negative, negative, negative.

MR SMYTH: They are just negative. This is the party that now stands for nothing but opposition. They just oppose everything. That is all we ever hear - opposition for opposition's sake. Mr Speaker, rural residential offers people a wider range of choice than now exists. We know that people want this choice because large numbers of ACT residents now leave the ACT to live in New South Wales because they want to live in a different style of accommodation.

Mr Speaker, because we are in touch with the community, because we talk to the community and we understand what the community wants, we took this to the election. We were up front about this at the last election and said that we believe that the people of the ACT wanted rural residential as a choice here in the ACT. And guess what, Mr Speaker? We are in government and Labor are not. They are not in government because they stand for nothing, Mr Speaker. They do not stand for anything. They are against choice. They are against any initiative of this Government at all.

When Mr Stanhope tried to do mea culpa for the disastrous result of the Labor Party at the last election, we heard him say that they were not just going to be the party of opposition; they were going to - - -

Mr Corbell: I raise a point of order. I usually do not interrupt the Minister when he is replying to these sorts of motions, but I take a point of order on the ground of relevance. It would be nice if Mr Smyth addressed the terms of the motion rather than make this standard political attack that he always makes every time he has not got anything substantive to say.

MR SPEAKER: There is no point of order, but I am sure the Minister will watch it.

MR SMYTH: Mr Speaker, you know that you have stung them when we get spurious points of order from Mr Corbell that it is not relevant. Let us look at the process then. Let us look at the process right from the start that comes to the conclusion of rural residential. Mr Humphries is the former Minister responsible for this area. He set in train the Rural Policy Task Force and the task force came up with some recommendations, some of which were accepted by the Government and some of which were rejected. On policy grounds we have said we believe that rural residential should go ahead in the ACT. I think it was in December 1997 that Mr Humphries made that announcement and we still stand by it. We took it to the election. We took to the election as our policy that we believed the people of Canberra should have some choice.

It is choice that the Labor Party are against. What they do not want to see is us taking initiatives and doing things that the people of Canberra approve of. They will stand in the way. We know they do not have a policy. How do we know that they do not have a policy? Mr Corbell told his Labor Party Conference that they will have a planning policy within the next year. I think it was Graham Cooke who did an article some months ago when Mr Corbell assumed the mantle of planning. Mr Corbell said, "We will have a policy on planning by 2001". They stand for nothing. All they do is stand in the way of the Government offering choice and delivering options to the people of Canberra.

Mr Corbell: Why do you not address the substantive issue? Address the substantive issue.

MR SMYTH: Mr Corbell says, "Address the substantive motion". This is amazing. He knows what we are in favour of and he knows what we stand for, Mr Speaker. He knows that we want to present the people of Canberra with wider choices and options. What we have sitting opposite, Mr Speaker, is the most conservative party in this Assembly, the ALP Labor conservatives. They are afraid of something new. They are afraid of something innovative. Maybe they would like us to go ahead and repeat their planning mistakes. I bring Harcourt Hill to the attention of this place. Let us talk about Harcourt Hill and the way they did not understand what they were doing.

Mr Corbell: I raise a point of order, Mr Speaker. Relevance, Mr Speaker. The Minister has been on his feet for five minutes now and he said "rural residential" once. I would really like him to address the substantive issues which are outlined in the motion rather than trawl through all these tired old excuses about why he cannot answer the fundamental questions about rural residential development in the Territory.

MR SPEAKER: Yes, Mr Smyth, I think we might get away from Harcourt at the moment. You might concentrate on rural residential.

MR SMYTH: Look, I am happy to get away from Harcourt Hill. I am sure that they would be happy for us to get away from Harcourt Hill because they are ashamed by it. Mr Speaker, what the Government has said in regard to rural residential is that over the next six to nine months we will do all that Mr Corbell is looking at here in his motion. We have said that in the next six to nine months we will come up with guidelines that will allow for the progression of rural residential. What they are afraid of is rural residential progressing, because they know that it is an indication that this Government gets on with the job. The true conservatives opposite simply sit there and oppose everything for opposition's sake. For political gain, they wish to slow down anything that the Government does.

Mr Corbell jumps up and he says the Government has a report that is flawed; that the report is not independent. The nature of that report - Mr Corbell knows this well - changed with the motion that was passed in May last year when the Assembly said that rural residential could go ahead in the ACT. The Assembly has said that. The true conservatives opposed it. Mr Corbell is silent now. Let him interject and say the Assembly did not give that approval. The Assembly on, I think, 28 May last year gave that approval by saying that they validated the Government - - -

Mr Corbell: The Assembly can change its mind, as you know.

MR SMYTH: He interjects, "The Assembly can change its mind". The Assembly can. I am sure the Assembly, now and in the future, will change its mind. It is the right and the role of the Assembly to do that. But Mr Corbell seeks to confuse an issue by dragging in other things. He raises the issue that the report was not independent and that the consultant had been directed. Mr Speaker, I have a letter here from the consultant. It is dated 12 March 1999, about three months ago, and it says:

> I understand that an issue has arisen about the "independence" of the report. I write to confirm that at the conclusion of the project I willingly "signed off" the report on behalf of the consulting team.
>
> As you are aware it is common and accepted practice that where a report is prepared for a private or public body, particularly where there is a lengthy time period, the topic is broad ranging, and the issues are complex that the consultant will prepare a draft for review by the client, in order to ensure that the ground has been covered and the brief satisfied. This was done. I received continuing assistance by your staff. As you know the consultancy brief was extended in the light of the Legislative Assembly's resolution of 28 May, 1998. That additional work was undertaken and the report further developed.

Listen to this, Mr Speaker. He continued:

> At no stage was I directed to take a particular line on any matter or the topic as a whole. Accordingly the final report, as delivered to you, represents the consultant team's work under my leadership and I am happy to have our name on the report.
>
> You will note that I have written this on the letterhead of the Research Planning Design Group, the new business name is the successor to TBA Planners.

The letter is signed by Trevor Budge.

Mr Corbell will do anything to thwart this because they do not want the Government getting on with business. We have just lost a whole week of the Assembly's business because they want to stop us from getting on with our business.

Mr Speaker, I understand that Mr Corbell has the numbers on this. I would ask the crossbenchers to reconsider and to stick to their motion of 28 May last year. We believe that this will become a very exciting part of a dynamic city that grows and changes. Mr Corbell has indicated that they are against change. They are against a growing and dynamic city. He said, "You can't do this because it's against the Territory Plan". I wonder what number of Territory Plan variations we are currently up to, Mr Speaker. We vary the plan all the time. The National Capital Plan is varied all the time to meet the needs of the people of this city and to meet the needs of this city as the national capital.

Mr Moore: We are up to 118.

MR SMYTH: We are up to 118 variations. Mr Corbell and the Labor Party, the true conservatives in this place, would like to see everything set in stone, nothing ever to change. Let us live the same old lives we have always lived because they cannot come up with any policy, they cannot come up with any initiatives; all they can come up with is opposition. That is all they stand for. They stand for nothing. Mr Speaker, the Government will oppose this motion.

MS TUCKER (11.34): I fully support this motion. I believe that the Government's promotion of rural residential development in the ACT has been a shambles from the start. It is really quite amazing how brazen Mr Smyth will be on this matter. He should actually be very ashamed.

First we had the botched attempt by the Government to do an exclusive deal with a developer over the development of rural residential land at Kinlyside, which goes right against the Government's principle that land releases should be done through an open and transparent sales process that gives all interested parties a chance to bid for the land. Then the Government released the so-called independent report into rural residential development which was exposed as being heavily adopted by the Government to support its own position. It can hardly be called a comprehensive and objective review of the issue. Even so, the report highlighted a number of environmental, planning and economic problems with rural residential land that called into question its appropriateness in the ACT.

The Government appears to be desperately trying to develop a niche market for rural residential development, despite the fact that the market for rural residential land in the region surrounding the ACT is already well supplied. However, this niche market approach is going to be at the taxpayers' expense. The revenue raised from selling off these blocks will be offset by the high costs involved in servicing the blocks with water and sewerage. Professor Max Neutze from the ANU has calculated that the ACT Government would be subsidising each block by between at least $14,000 and $31,000.

The promotion of rural residential development is also at odds with the regional land use strategy agreed with New South Wales councils surrounding the ACT. Instead of cooperating with councils to ensure the most efficient use of land and to avoid negative environmental impacts which arise out of ad hoc land development, the ACT Government is now trying to outcompete the surrounding New South Wales region in the supply of rural residential land.

The Minister for Urban Services then announced that the Government would proceed with the new Kinlyside rural residential development just after the Government had announced its residential and commercial land release program for the ACT from 1999 to 2004, which has thrown the Government's land release program into disarray. That document laid out the Government's residential and commercial land release program for the next five years, based on market, demographic and economic information which impacts on land activity and trends. There was absolutely no mention of the Kinlyside development in the Government's land release document. Unlike the proposed residential land releases at Amaroo, Conder and Gungahlin, the Kinlyside development does not appear to have been subject to the same scrutiny and planning. What is the point of having a planned land release program if the Government is going to undermine it so easily?

I believe that many of the environmental, economic, social and planning issues around rural residential development in the ACT remain unresolved. The Government is pushing ahead with this development at the expense of long-term, good land planning. We are not surprised, of course. It is entirely consistent and predictable.

However, the Kinlyside development will not really even be rural residential. It will actually be very low-density suburban sprawl, as the Government is intending to fully service the blocks and provide sealed roads. This is a departure from most rural residential developments, which are often required to provide their own water and sewerage. In order to offset the costs of these blocks the Government will have to make them very expensive, which narrows the market for them. This area will just end up being a very elite estate for those people who dream of being landed gentry. However, this comes at the cost of making this land unavailable for other types of residential development in the future that could make more efficient use of this land.

The Government cannot really rely on the motion passed in the Assembly in early 1998 to say that this Assembly supports rural residential development. That motion came about as a government hijack of a different motion by Labor regarding the Government's action over the Kinlyside land deal. The actions of the Government since then also throw doubt on its handling of this issue. It is time for the Assembly, through the Urban Services Committee, to have a thorough look at this issue and get to the bottom of whether this type of development is appropriate in the ACT.

I am pleased to see that Mr Osborne has said he will support this motion. I think it shows that he recognises the way the Government did hijack that other Labor motion, turning it into seeking approval from the Assembly for rural residential generally, with no real prior notice given, no opportunity for members on the crossbench to actually look at the issue. It was an absolutely scandalous process. Now I am glad to see Mr Osborne at least supporting a process which will, through the committee, allow a decent look at this issue. It is not good enough for the Liberal Party just to say, "We said we would go for rural residential in the election". Some people in the community still think public policy should be supported with information, and enough people in this Assembly obviously think it matters.

MR RUGENDYKE (11.40): Mr Speaker, I support the motion to have the Urban Services Committee look at rural residential. There have been problems in the past. I see these provisions in subparagraphs (a) to (f), and even (g), of paragraph (1) as important things to look at. I do, however, express concern that it might be seen to be a backdoor method of regurgitating the Kinlyside affair. I strongly object to Kinlyside being dragged through the mud once again through this committee, and I will endeavour to ensure that that does not happen.

MR OSBORNE (11.41): My ears pricked when I thought I heard Ms Tucker - - -

Ms Tucker: Commending you.

MR OSBORNE: Yes, commending me.

Ms Tucker: Commending you, yes.

MR OSBORNE: I think she was. Mr Speaker, I will be supporting this motion. Obviously I think all of us in this place have learnt lessons on how this thing should be handled. I have no problem with the concept of rural residential in principle. I hope to be able to support it at some stage. I am certainly aware now that there is a lot of information out there in relation to the downsides. I think the only right thing for us in the Assembly to do is for one of our committees to have a good look at it. If the committee were to come back and recommend against rural residential, then I would support that recommendation. I think we do need a thorough look at it. Obviously there is a lot of information out there.

I recall reading recently issues about costs to the Territory of each block, and it is of concern to me. I, in principle, support a lot of things, but I think I am mature enough to understand that there is a lot of information that I do not understand, and I think the committee process is the best way to deal with it. I think it is a worthwhile exercise that we are going through and I look forward to the report.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (11.42): I want to put on record my concern about this motion and about the inquiry, most especially from the point of view of simple democratic process here. This issue has been around for quite a long time. It is not a new issue. The prospect of rural residential development has been on the table in the ACT for at least two years now. We are coming back to this issue two years after it was

raised, after the Government has gone a long way down the path towards having this happen, having had an independent study of this issue, having gone through an election campaign where it argued in favour of rural residential development, and having won that election. Having had endless debates on the floor of the Assembly, having had a motion on the floor of the Assembly in which the Assembly endorsed the concept of rural residential, having gone all the way down that path over two years, we now find we have to have a further inquiry by a committee of the Assembly which is not going to report for some time.

There is no reporting date in this motion so I do not know how long it is going to take to get the report done. Then, presumably, there will have to be a government response to the report. If we have anything to go by on the basis of previous committee reports, there will be some recommendation about further studies and further inquiries before we can go down the path of making this happen.

Mr Speaker, we went to the last election and said squarely to the people of the ACT that we were in favour of the development of certain selected parts of the ACT for rural residential occupation. That was our clear position. We were not opposed particularly strongly by any particular sector in that election. In fact, Mr Speaker, I can clearly recall a debate on the ABC in which a number of parties participated, including a representative of the Australian Labor Party. I cannot recall, looking back on that particular interview, whether it was Mr Hargreaves or Dr Garth who represented the ALP in that debate. It was one of those two. I forget who. When asked about rural residential, he said they thought it was a good idea and believed it should be endorsed.

Mr Corbell: Where is Dr Garth?

MR HUMPHRIES: Dr Garth was an endorsed Labor candidate.

Mr Corbell: Where is Dr Garth?

MR HUMPHRIES: He might have been sitting in your seat, Mr Corbell, if there had been more rotations on the ballot paper, according to some of the calculations.

Mr Corbell: No, it would be a better chance that I was here, actually, Gary. It would be a much better chance. I would have had less of a heart attack over the election campaign.

MR HUMPHRIES: The report by a certain academic at the ANU suggested to me that Dr Garth may have been - - -

Mr Corbell: I would have been here a lot earlier. I would have been here a lot earlier with more rotations, and you know it.

MR HUMPHRIES: I do not know about that, Mr Corbell. I would be watching Dr Garth, if I were you, come the next election. Mr Speaker, whoever the endorsed Labor candidate was, we assume he had some authority to speak for the ALP and he told the electors he thought rural residential was a good idea. We had a motion of the

Assembly endorsing rural residential. Now, more than two years after this process has begun, we are finding out that we need basically to go back to first principles on rural residential.

Mr Speaker, I want to put on the record that certain elements within the Government's bureaucracy have certainly not favoured rural residential. I have made that clear in the past in this place. The fundamental principle at work here, Mr Speaker, is that the Government decides what the policy is and the Government puts this policy through the Legislative Assembly. It has done both of those things in respect of this matter. First, it has decided its policy; second, it has gone through an election with that policy; third, it has had endorsement from the Legislative Assembly. Mr Speaker, I think that is a good basis from which to proceed to implement rural residential.

However, we are now told that we have to have a further delay on the matter. Okay, we will have to wear where the numbers lie, but I would say to members again: What does the Government have to do to be able to implement the decisions that it makes and for which it gets endorsement from appropriate quarters? I am not sure, to be quite frank.

Mr Rugendyke: Go through the minority government process.

MR HUMPHRIES: To answer Mr Rugendyke's interjection, the minority Government sought the views of the Assembly and got the endorsement of the Assembly for this process. Apparently the Assembly has changed its mind about the matter. I simply say to the Assembly that there is a lot of money tied up with the process of developing these ideas. It is an expensive process. It consumes a large amount of bureaucratic time and effort, and the momentum for that will be lost with this process, but such is life.

Mr Speaker, I also want, for the record, just one more time, to put the lie to this suggestion that the work done by the Research Planning Design Group was not independent and was not properly conducted. The consultant who conducted that, Mr Budge, has written to the Government, making it extremely clear. I quote:

> At no stage was I directed to take a particular line on any matter or the topic as a whole ... the final report, as delivered to you, represents the consultant team's work under my leadership and I am happy to have our name on the report.

Mr Speaker, of course that report was conducted in the framework of the Government's policy. It was never conducted as an inquiry or a study which was to ask the question, "Should there be rural residential?". It was clearly the case from the beginning that the Government had a policy on that matter and the Government's instruction to its public servants was: "We have a policy. We want you to conduct a study into the best way of implementing our stated policy". If members opposite want to twist facts and characterise that work as: "Oh, you commissioned a study on whether we should have rural residential", well, that is their business, but they should not peddle the lie out in the community that this was ever intended to be a first principles kind of study. It was not intended to be that. It was intended by the Government to be an inquiry into how we implement the Government's stated policy.

MR CORBELL (11.49), in reply: Mr Speaker, first of all I would like to indicate my thanks to members of the crossbench for their willingness to support this very important motion today. I was particularly grateful for the discussions I had with Mr Rugendyke. We went through some of the issues and I think we came to a common agreement that there was a range of issues that certainly did need further investigation, and that is the basis of my motion, so I thank him for that.

I want to put on the record that it is certainly not my intention, or the Labor Party's intention, to revisit in any way the controversy of the Hall/Kinlyside affair. That is not the purpose of this inquiry. The reason I made those comments was to give some background to one of the reasons why I believed an inquiry was necessary. The inquiry is going to deal with the substantive issue of whether or not rural residential should be implemented as a form of land use in the Territory.

Mr Speaker, I cannot resist responding to Mr Humphries' comments about comments made by Labor Party candidates during election campaigns. First of all, he could not really substantiate who it was and whether or not it was a member who was subsequently elected to this place. I would like to remind Mr Humphries of some issues that endorsed Liberal Party candidates raised during the last election. First of all, there was the issue of a tunnel under O'Connor Ridge. Is that government policy?

Mr Humphries: I think that is a good idea. I am sure Ms Tucker would support it.

MR CORBELL: I remember the endorsed Liberal candidate who said that. I think she still works for Mr Humphries.

Mr Humphries: That is right.

MR CORBELL: So does that mean it is government policy? Come off it, Mr Humphries. Mr Speaker, the other one is the new form of public transport to Canberra international airport, the gondola. Do you remember that one? Is that government policy too? The gondola public transport route to Canberra international airport. Who rigged that one? That was Mr John Louttit. He was an endorsed Liberal candidate. Is that government policy, and why have we not seen it in the capital works program? For heaven's sake, Mr Speaker, let us get real. Mr Speaker, the very important reason why this motion should be supported today - - -

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

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

> That the time allotted to Assembly business be extended by 45 minutes.

MR CORBELL: Mr Speaker, the very serious and important reason why this motion should be supported today is that the Government has failed to address the fundamental range of issues outlined in my motion that go to the heart of whether or not rural residential development should occur in the ACT. There has been no justification of those substantive grounds. Indeed, during the Estimates Committee hearing I put

a number of these terms that are now reflected in my motion to the Minister for planning, Mr Smyth. He could not address them in any substantive way. All he would say was: "This is government policy and we think it's a good idea". Well, that is not a good process for public administration, and it is certainly a fundamentally flawed process when it comes to the administration of land in the Territory and the release of land from a very limited land bank.

The Government has failed even to justify one of its own arguments for rural residential development, and that is that thousands of people are leaving the ACT to go over the border. There are no figures. There is no analysis of revenue lost. There is no analysis of impact on the Territory even. So how can they make that claim, Mr Speaker?

Mr Speaker, there are very good reasons why the Assembly should revisit this issue. Yes, the Government should be able to get on and govern, but that does not mean the Government ploughs ahead and says we want to do this without any justification. They have to demonstrate their case.

The fact that they have failed to demonstrate this case and the way they have managed this process in the past means that there is an obligation on this Assembly to revisit the issue and to ask for it to be properly investigated. I commend the motion to the Assembly.

Question resolved in the affirmative.

URBAN SERVICES - STANDING COMMITTEE
Reference - Betterment and Change of Use Charge

MR CORBELL (11.55): Mr Speaker, I move:

(1) the Standing Committee on Urban Services inquire into and report on the level and charging of betterment and change of use charge with particular regard to:

  (a) all recommendations of the report entitled *A Study of Betterment and the Change of Use Charge in the ACT*, by Professor Des Nicholls (the Nicholls report); and

  (b) any other related matter.

(2) the Government not implement any of the recommendations of the Nicholls Report and maintain the current rate of 75% until the Standing Committee has reported and the Government has presented its response; and

(3) the Standing Committee report by 30 September 1999, with the Committee authorised to report out of session if the Assembly is not sitting when the inquiry is completed.

Mr Speaker, this is the other significant planning issue, or land management or lease administration issue, that the Assembly is being asked to consider today. The issue of betterment or change of use charge, as it is now known - I understand that amongst public servants it is known as CUC, which is a rather unfortunate acronym - has a long and controversial history. It has a history which dates back, certainly, to the beginning of self-government, and well before that. The issue needs to be resolved.

Back in 1997 this Assembly agreed that the rate of change of use charge levied would be set at 75 per cent and that a report would be undertaken by Professor Des Nicholls into the issue of betterment and change of use charge in the ACT. The Government was very slow in getting this report together, very, very slow. The Government had from November 1997 to get this report under way. They did not commission Professor Nicholls until the end of last year to undertake this report.

Mr Humphries: How is this relevant to this motion?

MR CORBELL: Mr Humphries asks how is this relevant. I am speaking about the report by Professor Des Nicholls which is mentioned in the motion. The Government had a very long time to get this report together. It took a very long time to get it together. In fact, its delay, I would have to say, was pretty negligent. Nevertheless, the report has now been completed and I am pleased to see Professor Nicholls' analysis.

Mr Speaker, I am sure that members of the Government are going to stand up in this place shortly and they are going to say, "You do not like the umpire's finding. You want to revisit it again". Well, I invite the Government to stand up and make that argument because they know it is an argument which is fundamentally flawed. They know that it is the role of this place to make the final decision about the level of change of use charge levied in the Territory. They know that. They understand that. They cannot expect that this Assembly will simply take this report holus-bolus and say, "Yes, you are right. Do what Professor Nicholls says".

In fact, their own approach on this highlights that there is a real inconsistency because they are saying that the Assembly must act immediately to introduce a 50 per cent change of use charge in the Territory; but, interestingly, they are wanting to refer other recommendations of the Nicholls report to the Standing Committee on Urban Services for inquiry and report. So, some of them need to be implemented immediately. Indeed, Mr Nicholls says some of them should be implemented immediately, but he does not say that other issues should wait. He does not say that at all. The point I am making, Mr Speaker, is that all of them should be referred to the Standing Committee on Urban Services or all of them should be implemented immediately.

Mr Humphries: Why?

MR CORBELL: Because that is exactly the logic behind the Government's argument in saying, "You have to implement the report. You have to accept the umpire's finding". Well, Mr Speaker, we are interested in considering this issue further, but we are conscious of the need to make a final decision on the matter.

I have spoken to representatives of the property industry and people involved in the development and construction industry, and I am aware of their concerns. I am aware that they feel the issue of the rate of betterment charged in the Territory should be resolved once and for all, and should be resolved with some speed so that the issue can be set and they can have some certainty.

Mr Speaker, I am prepared to accept those arguments. Members will see in the motion that I have moved today on behalf of the Labor Party that there is a time limit on when this inquiry should report. That is 30 September this year. That allows the Urban Services Committee three months to undertake its investigation - a reasonable amount of time, I would argue, considering that Professor Nicholls has outlined in some detail a range of issues. It also allows this Assembly a further three months to resolve the issue finally before the end of this calendar year. That is not an unreasonable timeline considering the amount of time that has already passed on this issue and the requirement for this Assembly to be confident and to appropriately digest the issues outlined in the Nicholls report.

Mr Speaker, I am concerned that the Government has taken a very pre-emptive and reactionary approach to some of the recommendations in this report. It wants to implement this day, at this sitting, a 50 per cent change of use charge. It wants to do it right now. The Minister this morning has tabled legislation to achieve that purpose. Mr Speaker, the Minister's approach is pre-emptive and in many ways is jeopardising the good faith needed in this place to deal with this matter in a sensible way. Again he is bulldozing ahead on this issue without taking account of the fact that a significant number of members in this place want to see a proper examination of the Nicholls report, want to see it done in a considered way, but want the issues resolved by the end of the year.

That is not an unreasonable ask from this Assembly when this Government took 18 months to get the Nicholls report completed. They had 18 months to get their act together. They wasted the first 12 months by not doing anything, not even commissioning an author, and they now have the gall to come back to this place and say, "We want you to make a decision next week on the change of use charge level". That is not an acceptable approach from this Government. It is pre-emptive, it is reactionary, and members in this place should not support it.

Mr Speaker, the issues surrounding betterment are very complex. There is a range of issues that the Labor Opposition does not feel have been appropriately addressed in the report. That is another reason why we would like to see an Assembly committee take on the report, look at the issues and report to this Assembly. One of those issues involves the use of remissions in relation to the change of use charge. Remissions can be a very important element of the operation of the change of use charge. They can reflect the need for public interest purposes in terms of what should be the rate of change of use charge levied, which means providing discounts if it is in the public interest to do so to encourage development or redevelopment. That issue is not, we believe, adequately addressed in the report, and we believe it is appropriate that this Assembly ask the Urban Services Committee to undertake that investigation.

The Nicholls report outlines what can only be called some fundamentally revolutionary changes to the administration of the change of use charge in the Territory. The Nicholls report is advocating, amongst other issues, that in the longer term we should move away from a change of use charge in its entirety. To do that, Mr Speaker, is, I believe, to fundamentally fail to recognise the system of land use we have in the Territory, the leasehold system. When the Government charges its change of use charge it is actually charging for the purchase of development rights on that lease. The Territory is giving away its rights, selling them to the leaseholder. It is a charge for the surrender of rights over the lease. To move to a system advocated by Professor Nicholls, which suggests a system similar to that used in New South Wales of a development charge, where the money used will be invested either in capital works or around the area where the development is occurring, fails to recognise what the change of use charge is all about. It is the sale of development rights by the Territory to the leaseholder.

That is a fairly fundamental shift, and I am sure Mr Moore will agree with me. That is a fairly fundamental shift in the administration of leasehold. Indeed, it is basically saying, "Let us try to ignore that leasehold exists". Well, we cannot do that, Mr Speaker. Leasehold is here to stay and we have to work out ways of administering it responsibly. Mr Speaker, that is one of the reasons why the Labor Party believes we need to address the Nicholls report through an inquiry by the Urban Services Committee.

Mr Speaker, I am aware that there is very strong concern out there in the community that this issue is resolved quickly and appropriately, and I believe that my timeframe outlined in the motion addresses those concerns in a reasonable way. Informally, I know that members of the development and construction industry are comfortable with this approach because they want the issue dealt with appropriately. They want the issues nutted out. They want the issues discussed on the floor of this place and they want a decision made. Whilst they would prefer 50 per cent tomorrow, they are prepared to accept 75 per cent to the end of the year, seeing we have already had 75 per cent in place for at least two years.

That brings me to my final point. The Government is saying, "Bring in 50 per cent next week". That is what they are saying. The current rate has been in place for a significant time. The uncertainty has been caused through people being unsure about whether it will remain at 75 per cent or whether it will go up and down. What we are saying, if we pass this motion today, is this: "We accept your concern". The motion will allow for an inquiry and for a debate on the floor of this place by the end of this year, and the legislation will be passed to set the level of what the change of use charge should be. In the meantime the status quo stays. No jump down to 50 per cent, no jump up to 100 per cent, or some other level in between. We stay at 75 per cent until we have debated the issues fully and reached a decision at the end of this year. That is a sensible process, that is a reasonable process, and I ask members to support the motion.

MR SMYTH (Minister for Urban Services) (12.08): Mr Speaker, Mr Corbell closes with the words that the status quo should stay. He said that Professor Nicholls recommends a course of action, but in the interim the status quo should stay. The subtitle of this report is: "Its Impact on Investment and a Consideration of Options". Mr Speaker, as I said in respect of the last motion, the true conservatives over there will do anything to thwart the Government getting on with the job of helping build a better Canberra.

The reason this inquiry was undertaken was to determine whether or not the change of use charge, the rate at which it is applied and the way in which it is applied, is or is not an impediment to investment in Canberra. Why is this important, Mr Speaker? It is important because investment brings with it prosperity and investment brings jobs. What we see here is the Labor Party saying no, for a period of six months, to additional jobs in the ACT. Professor Nicholls quite clearly says that the change of use charge is an impediment to investment in Canberra.

Mr Corbell: On what evidence?

MR SMYTH: He says quite clearly in his report - - -

Mr Corbell: There is no evidence in this report.

MR SMYTH: Read the report. If you had read the report you would have found the reference. Mr Corbell says, "What areas?". Mr Corbell denies the report. Professor Nicholls suggests an immediate change to 50 per cent, followed up by an inquiry that is based on options; that we look at the whole issue and the sorts of options that we could take in a considered way. Nicholls himself says that 50 per cent could be introduced immediately. It should be introduced immediately. Why, Mr Speaker? Because if we do not we will have this period of malaise.

Mr Corbell says he can do an inquiry that may result in dramatic changes to the Land Act with the introduction of a section 94-type system. He can do that and all the zoning, all the legislation, all the consultation, all the inquiry, get a government response and have it changed by the end of September. Mr Corbell made great play of the delay that the Government had taken in starting the inquiry. As I explained on that occasion, we had been consulting with Professor Nicholls to make sure that we got it right; that the inquiry would progress smoothly and that to delay the sunset clause only to the end of August would not allow him enough time. Mr Corbell rejected that then. He said, "No, no, we can do this". But now, already, as I forecast, he would have to delay it. He is now saying that he can do a substantial change to the way that we govern land use in the ACT. He can do it in three months.

I just do not believe that, considering the workload that the Urban Services Committee has, and I acknowledge that it works very hard on a range of issues. It is probably the hardest working committee in the place, but I do not believe that it has enough time to do this properly. It needs to be done properly. We should not set a time limit on how long it takes because it does need to be done properly so that we do not end up with another six or seven or eight changes. I have some of the graphs that Professor Nicholls put together and they could be circulated for the interest of members.

What we could do today, Mr Speaker, is say that we believe that investment in the ACT is a good thing; that we believe that the jobs that such investment would bring are valuable to the ACT. The strength that it can give to the building industry is valuable to the ACT. The level of confidence that it would engender in the ACT is valuable to the ACT. Then we can get on with looking at a long-term solution, a permanent solution that would allow stability and transparency and encourage investment in the ACT.

Professor Nicholls himself says that there is no reason for it not to drop to 50 per cent straightaway. This is part of the reason that we took time in coming to terms and conditions with Professor Nicholls, because he did not want to look just at change of use in isolation. He wanted to look at it in terms of the system and its role in the planning regime to make sure that we got it right. It is quite clear. He says that 50 per cent would be reasonable, but go ahead then - he outlines it in chapter 8, paragraph 3.2 - work on other systems, and this will take some time. The system he proposes is based on development control plans, and it would take some time to work up that system appropriately.

Mr Corbell also said that the industry is prepared to wait. I find it hard to believe that because the MBA, the HIA and the Property Council have all told me that they would be delighted for a 50 per cent change of use charge to become effective immediately. Indeed, Mr Corbell was told at a meeting that the Property Council ran just a couple of weeks ago that the industry would welcome a 50 per cent charge. At that time Mr Corbell also floated the only bit of public policy the Labor Party has put out - that we would then have some sort of independent planning authority. I think the quote from the member on the floor that day was: "Well, son, you ought to come down out of your ivory tower because you are chilling my blood".

I do not believe that Mr Corbell can speak with authority about what the industry wants because, quite clearly, they have told me they would be happy for an immediate reduction to 50 per cent as it would mean they could get on with the developments that they would like to do. It would mean that they could employ the people that they would like to employ. They would then be able to get on with making sure that we get this right.

I have some amendments that have been circulated and I now seek leave to move those amendments together.

Leave granted.

MR SMYTH: I move:

(1) Paragraph (1)(a), insert after "(the Nicholls report)", "with the exception of those elements of the report that relate to the recommendation that the *Land (Planning and Environment) Act 1991* be amended to provide for a rate of Change of Use Charge of 50%"

(2) Paragraph (1)(b), insert before "any", "subject to paragraph (1)"; and

(3) Paragraph (2), omit the paragraph.

I am very happy, as I said on the day I released the report, to send the majority of the report to the Urban Services Committee. That is where it should go; that is where it should be dealt with. It is quite appropriate. I hope, with support from the crossbenches, that what we will do is say to Canberra that Professor Nicholls has got it right.

Here we have the independent umpire. The Opposition scoffs at the term "independent umpire". Mr Corbell made some statement at the start of his speech about the Government getting up and talking about the independent umpire. Mr Humphries will speak further about this because he is the one who consulted with fellow Assembly members at that time to find out whether Professor Nicholls was the person that they all believed could do this report. They all agreed to Professor Nicholls. What we have here I think is an excellent report in the way that he has set it out and the conclusions that he has come to. He says it is a two-step process. We should drop to 50 per cent. We should give the industry that encouragement. We should make sure that those jobs that will come from additional investment come to Canberra, and come now. They can come now.

What the Labor Party is saying is: "Let's have a malaise. Let's sit back. Let's put into this indecision. Let's say, 'No, no, no, we don't want that' ".

Mr Wood: Why don't you talk sense, just for once?

Ms Tucker: I did not hear you say that, Simon.

Mr Quinlan: We are back to the standard speech again. Turn the page.

MR SPEAKER: Order! Settle down.

MR SMYTH: Here come the hyenas, as the *Canberra Times* called them. The dogs are starting to bark. They do not like this. We want to get on with building up Canberra. They will do anything in their power to stand in the way of the Government fulfilling its obligations to people in the ACT.

Mr Speaker, this is a good report. It is the report of somebody who is respected in his field. It is a report that I think is quite logical in the way that it is presented. Its conclusions are logical. Two steps; the 75 per cent should go to 50 per cent because it is an impediment on investment in the ACT. So, if you are against investment in the ACT, vote for this motion. If you are against extra jobs in the ACT, vote for this motion. What we will do, Mr Speaker, in moving these amendments, is immediately drop the change of use charge to 50 per cent. What we can do afterwards, of course, is look at some sort of plan; perhaps a section 94, such as the New South Wales system, which is what Professor Nicholls looks at. We can do that in a considered way and make sure that we come up with a system that allows investment in the ACT to progress and we get those essential jobs that come with it.

This will come down to the crossbenchers. I would urge the crossbenchers to consider what Professor Nicholls has said. Professor Nicholls has made it quite clear that he sees the change of use charge as an impediment. He says that we really should drop it straightaway, but he does not leave it at that. He said that long term we must look at the options. Chapter 8 of his report makes it quite clear that there are some good options that we can follow, and I would be delighted to work with the Urban Services Committee to make sure that those options are considered properly.

Mr Speaker, it is important that we send a signal today that we are in favour of investment in the ACT and that we are in favour of the jobs that such investment will bring. I think it would be a sad day if the Assembly did not stop something that quite clearly, in Professor Nicholls' words, is an impediment to investment and an impediment to our future. We should change it now and then we should come up with a system long term that will allow a secure future for all of us. I have moved those amendments in the name of the Government. We seek to amend this motion of Mr Corbell's because we believe that it is about time that we removed the impediment that the change of use charge is on investment in the ACT.

MR WOOD (12.18): Mr Speaker, I wish to support Mr Corbell's motion and to speak against these nonsensical amendments. I have heard this argument over the years. It has been well said over a long time, but wrongly said. I read the report we are talking about today and it is wrong. You have only to look at the history of the ACT to see that there is no impediment to development by use of the betterment charge. I prefer the word "betterment". There has just been no impediment.

Mr Smyth: Why ask for a report if you are going to ignore it?

MR WOOD: You tell me of any time in the history of the ACT when we have been short of commercial or retail space, or when there has not been an investment because the developers would not come here. Tell me of any time that has happened. What about that period of great expansion started in the late 1960s? Lend Lease, Civil and Civic, whoever the firms were, were happy to come in here, and it was very profitable for them.

Mr Smyth: The betterment charge then was 50 per cent. You make the case. You proved the case.

MR WOOD: That is right. I am very proud of the fact that I raised it to 100 per cent, where it should be. What was the most successful development company in Australia? It was certainly a couple of years ago. Tell me that, Mr Moore.

Mr Moore: Capital Property Trust.

MR WOOD: And where did they make their money at that time?

Mr Moore: Here in Canberra.

MR WOOD: Here in Canberra. What is the situation now? Mr Smyth says we are going to starve development. We have buildings here that the Commonwealth is going to knock over. We have more empty space than we have had at any time. That is what is holding up development. There is not the demand. Of course, Howard has killed it all off. There is no demand.

The record of this city shows that betterment is no impediment. Absolutely not. I have had long briefings. I have not got the facts and figures with me at my desk at the moment, but the firms make their money in many ways. The ACT community historically made some money out of the increased value that changes bring, but much

less than it should have done. We make a little out of it, but never enough. I am disgusted by this nonsense that this is some impediment. It is not. Business will always come here, developers will always come here, because there is money in Canberra.

I want to repeat myself because this is important. We are not getting rapid development now because the population is not growing. Howard has throttled the place. Instead of building, in the future we are going to knock down some buildings. What about those out at Belconnen? I say again that they are going to knock them down. When the supply is short in the future, as I hope it will be, there will be ample investment coming into Canberra. There will be plenty of investment because there is good revenue to be earned from it. It is as simple as that. Betterment ought to stay at 100 per cent.

MS TUCKER (12.21): I also rise to support this very sensible motion from Mr Corbell. As the Nicholls report notes, the issue of betterment has been a vexed issue since self-government. There have been a number of changes to the system of calculating betterment since 1989. This led to confusion and uncertainty within the development industry, and even within the planning agencies. The Assembly will recall the Auditor-General's report in 1997 on a number of instances where betterment was incorrectly charged on development proposals. It seems clear from this that we should not rush through further changes to betterment without knowing the full implications.

The Nicholls report also points out that the change of use charge cannot be considered in isolation from the overall development approval process. Again there is a need for a thorough examination of the interaction between the change of use charge and the development approval process to see whether there is a need for complementary changes to the development approval process, the nature of lease purpose clauses and the provisions of the Territory Plan.

I am therefore not supportive of the Government's proposal to make a quick change to a 50 per cent change of use charge and then to consider other changes to the change of use charge and the development approval process later. I think all aspects of the change of use charge should be considered together. I am aware of the sunset clause in the Land Act which means that the current 75 per cent change of use charge rate will revert back to 100 per cent on 31 August. To give certainty to the development industry, it would be better just to leave the rate at 75 per cent until the Assembly is ready to make more comprehensive changes to the betterment system, if this is thought necessary.

I think this inquiry will also be very useful because I must admit that I found the Nicholls report to be unsatisfactory in a number of respects. It is interesting to note that Professor Nicholls had difficulty in responding to the key term of reference of the inquiry, which was to consider the impact of the change of use charge in attracting or dissuading development in the ACT. I listened to Mr Smyth here today and I must say I think he was pretty misrepresentative of what Nicholls actually said. I will read this into the record. In the executive summary Professor Nicholls said:

> The terms of reference also required an analysis of the impact of the CUC on investment in the ACT. This task was made difficult by a lack of relevant data in an easily accessible and useful form. This, combined with the impact of the introduction of Federal Government policies, -

note this, Mr Smyth -

> particularly with respect to downsizing of the Commonwealth public service and its impact on the ACT, made it difficult, if not impossible, to isolate the effects of the CUC on investment from these other factors affecting investment in the ACT.

Whoops, Mr Smyth. This later bit might be the bit that Mr Smyth read:

> While this makes it impossible to quantify the impact of the CUC on investment, as has been stated above, during the conducting of this study both individual developers and professional bodies associated with the property industry continually emphasised that the current system for obtaining development approval, including the determination of CUC, is a real deterrent to development/redevelopment in the ACT.

It is an urban myth that has been created by the development community. The professor has said the data is not there, and the way the Minister has represented that report here today is quite incorrect.

I accept that there may be a need to change the system of calculating change of use charges. The current system does seem fairly complicated, with considerable scope for arguments over the value of land before and after development which affects the charge finally made. There is probably a good argument for looking at systems that allow the betterment charge to be determined up front. It may be useful for the Urban Services Committee to revisit some of the recommendations of the Stein inquiry into the leasehold system on this issue.

In conclusion, the inquiry by the Urban Services Committee will allow all interested parties to provide their comments on the Nicholls report, which will be essential to the Assembly's deliberations on this controversial issue.

MR RUGENDYKE (12.26): Mr Speaker, some time ago I had a briefing from Professor Des Nicholls, and I must say I thought that briefing was exceptionally good. I agreed with Professor Nicholls that a betterment rate of 50 per cent was the way to go, and that was in my mind. There appears to be a broad range of philosophical views on whether it ought to be 50 per cent or less or 100 per cent or more. So, to that extent, it does come down to people's own individual ideas.

Mr Speaker, it is interesting to note that this is a fine example of how our democracy works here. I have been lobbied from all sides of the chamber on this very important issue, but it was the fine speech by Mr Wood that changed my mind completely. I now reject Mr Smyth's amendments and will support Mr Corbell's motion.

MR MOORE (Minister for Health and Community Care) (12.27): Mr Speaker, it gives me great pleasure to rise in the chamber and join with my colleague Simon Corbell in knocking the Government off on the silly amendments that they have put up here because of their lack of understanding and their inability to wrap their minds around sending something to a committee. It is not hard to send something to a committee to have a look at.

The most significant part, I think, is an argument put by Mr Smyth, who suggested that there is a real urgency now and that Professor Nicholls suggested we had to change it to 50 per cent straightaway. We did not see any urgency when we were asking for this report. To my recollection, we have been trying to get this report completed for two years, so the notion that another three months is going to make a major difference is just silly, particularly when we know that we are not in a phase of very strong development, as Mr Wood pointed out.

Mr Smyth: But it is coming, and you admitted it is six or seven months away. So let's get ready now.

MR MOORE: I think it is coming and that is why it will be incumbent upon the committee to work quickly. But let us just remember that in Hong Kong, where they run a very strict leasehold system, with 100 per cent and no exemptions, we do not see a lack of development, although the two are not necessarily related.

I think the other thing that is interesting from Professor Nicholls' report is the notion that an increase in change of use charge or betterment provides disincentive to development. The evidence, once again, is only anecdotal. People say it does. Of course, people who want to make more profit will say that. Why wouldn't they? It is a shame that we did not get an academic analysis. Perhaps the information is impossible to get. I am not criticising Professor Nicholls. He actually said himself that it was not possible to do that kind of analysis.

In terms of the motion that we are referring this to a committee, this is exactly what happened with the Stein report. There were elements of the Stein report and of the committee's report that the Government rejected.

Mr Humphries: That is another report that got buried in a committee, didn't it?

MR MOORE: It is normal and appropriate for us to take this through to the committee. Mr Humphries suggests that that report got buried in the committee. Not at all. That report went through a very long and sensible process in the committee, with a very competent but modest chair, and came out with a very sensible report which, with a couple of exceptions, was largely adopted by the Government.

There is one thing I was most disappointed about, and I would ask the committee to look at it very carefully. Professor Nicholls did not complete the task - he says this himself - and say how we get maximum revenue from the change of use charge. How do we maximise our revenue? What he did do was add a couple of really interesting elements that I had not thought about and they are very important. Those interesting elements are that it is not good enough just to look at the change of use charge; you also have to look at your revenue from rates and your revenue from land tax across the 99 years or the

50 years of the lease. I think that is an important breakthrough because we do want not just to maximise the revenue of the change of use charge; we want to maximise the revenue to the community. I think it is important to keep that in mind. I do not think that he did not come up with the evidence to say that 50 per cent would maximise the revenue. He talks about the terms of reference not requiring him to do that, and I think that was a bit disappointing. I think the committee, in looking at this, is going to have to make a judgment about how we finally get the optimum revenue back to the Territory. I think most of us would agree that that is what we are looking for.

The fundamental philosophical position that Mr Rugendyke was referring to is that we, the community, are the landlords. If there is no landlord that does what Professor Nicholls suggests, which is to have the lessor and the lessee, or the landlord and the tenant, share in the profit of a modification to the conditions in which the tenant lives. That is the philosophical position.

Most of us are aware that there are differences in the way people live and the way they look at their land. Yes, we do have to take that into account; but we still want to have a sensible view, and I think that is why members accepted 75 per cent as a reasonable compromise. Is 50 per cent just chipping away, or do we come back to Mr Wood's position, the same position that I have held for many years, which is that 100 per cent benefit will not provide disincentives and will give greater returns? It will also maximise your revenue in the long term, and that is something that needs to be examined.

I am prepared to open my mind. I have already indicated that some of the issues raised by Professor Nicholls are issues that I have not considered before and I think they are really interesting. How do we maximise revenue to the community as a whole? They are important issues. The other thing that the committee has to keep in mind is that the leasehold system is not just about revenue; it is also about appropriate land controls. I think what Professor Nicholls is suggesting is that giving us land controls like in other places will mean that Canberra turns into places like the Gold Coast. No thank you. We do not want it like that. We want the planning controls we have. I think that is really important.

MR HARGREAVES (12.34): Mr Speaker, I am going to be fairly brief. Like many people in the community, I have not really followed this topic that much because the amounts of money we are talking about have been way out of my realm. So I am not familiar with the numbers. As I understand it, the current regime has only collected about $3m anyway.

I have a philosophical problem with dropping it to 50 per cent. I, like my colleagues and Mr Moore, would prefer it at 100 per cent because it seems to me that when we have budget black holes we have to fill them with things like the so-called insurance levy to pay for emergency services. We have to jack up our ACTION bus charges because we have not got enough money to plough into community service obligations. We have not got enough money to plough into education so we have to cut a couple of people out of that. Perhaps our priorities are in the wrong spot.

What I need to ask, Mr Speaker, is this: What kind of message does this send to the community? Those who have not got that swank an income are being asked to pay ever-increasing charges every day in every aspect of their lives, but people who make money out of change of circumstances with leases are being encouraged by this Government to pay less. It seems to me that if we are in tight circumstances, and recognising any sort of disincentive which may apply - like my colleagues, I do not believe that a disincentive does apply - we need to recognise that those who have a substantial amount of money, and a substantial amount of opportunity to make even more, ought to be contributing significantly to the public purse.

We should not be constantly going back and asking people like the people who live down in Chisholm, Richardson and Conder to pay more in ever-increasing bus fares. We should not change the bus zone system so the schoolkids' fares go up 160 per cent, or put up their rates, or increase ordinary costs like pound fees, registration charges and things like that and let these guys that have a quid off the hook. Now is not the time to be doing that. If in fact we are in a slump, the public purse needs to be addressed by people who can contribute to it, not those that cannot.

This, to me, just smacks of Robin Hood stuff in reverse - robbing the poor to pay the rich. I just cannot see it in a philosophical sense. I think it is wrong philosophically and I think it is wrong in timing. I rose to oppose Mr Smyth's amendments and to support Mr Corbell's motion. I urge members to consider the community when they are actually doing this.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (12.37): Mr Speaker, I will make a brief contribution to this debate. I am a bit amused by the logic that says that because the Government took longer than it should to produce the report we will now take a longer time to do the report over. You know, "We wanted the result of this by the middle of this year. It had to be available". They were demanding this result and now they are saying, "Oh, let's leave it till the end of the year. We don't really need it now".

MR SPEAKER: Order! The extended time allotted to Assembly business has expired.

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

> That the time allotted to Assembly business be extended until 1.00 pm.

MR HUMPHRIES: So, Mr Speaker, we have this funny position. We had to speed this thing up earlier this year; now we have to slow it down again. It is all a bit much. We are also told that the umpire was not really the umpire, and we have to let the matters be considered further by the Assembly.

I want to ask members a rhetorical question. We have all heard about the role that the umpire, the Auditor-General, will be playing in respect of the Bruce Stadium matter when he brings down his report in September/October this year. What will members be saying, I wonder, if he comes down with a report that is damning of the Government and the Government comes back onto the floor of this place and starts to say, "Well, let us look at the basis on which he said that. What is the evidence on which he has put

forward these propositions and so on?". What will members be saying about that at that time? They will be saying, "No, no, no, the Auditor-General is a designated umpire here". I suspect, Mr Speaker, that it is a case of whatever argument suits their case best on the occasion, they will run it.

The process of getting Professor Nicholls as the agreed person who would consider and try to settle this longstanding, very intractable problem about betterment was a long and difficult process. As Minister for Planning at the time, I went to all the members of the Assembly with an interest in the matter and asked, "What about Professor Nicholls? Is he agreeable to you?". Now we find that apparently he is not. After hearing what Mr Wood, Mr Moore and Mr Hargreaves have said, I have very little confidence that people are going to adopt the position that his argument should be taken at face value. Mr Wood said that the report was rubbish, or words to that effect. He said he thinks the report is nonsense.

Mr Corbell: He did not say that.

Mr Hargreaves: He did not say that at all.

Mr Moore: He did not take Stein as gospel.

Mr Corbell: When do you ever accept a report in its entirety?

Mr Moore: You never have, Gary. Come on.

Mr Corbell: Never. Never, ever.

MR HUMPHRIES: Well, Mr Speaker - - -

Mr Wood: I said it was wrong. I said the professor was wrong.

MR SPEAKER: Order!

MR HUMPHRIES: Okay. I take back the word "rubbish" and say "wrong". It amounts to much the same thing.

Mr Wood: And he was wrong.

MR HUMPHRIES: Okay. Fine. You are saying we should have an inquiry into this matter to assess whether it was not wrong, but you have already made up your mind on the subject. I am just saying I think it is a bit unfortunate, Mr Speaker. Once again we will have to go through a further elongated process. I think it would be better to make a decision on this matter rather than defer it, but, if members want to put the matter over, that is their prerogative. They use that prerogative quite often in this place and we have to wear that.

MR CORBELL (12.41): Mr Speaker, I am going to close the debate. Again, I am grateful for the support of members today. I take issue with Mr Humphries' assertion that this is an elongated process. This process has a very reasonable timeline considering the delay the Government has undertaken. I take issue with Mr Humphries' argument that we want to delay it further because the Government has delayed it. The reason that members of this Assembly were saying to the Government, "Get the report to us", was that we knew we were going to have to debate it and discuss it. We knew we were going to have to consider it further and we did not want to string it out any longer than necessary. We did not want to do that. Mr Humphries cannot come into this place and say, "Because we took a long time, you should act quickly". We still have to consider it in an appropriate way, and that is what I am proposing today.

Mr Speaker, the debate about betterment is an issue which has been around for a long time. The debate about land title in the Federal capital has been around for even longer. In fact, I would argue they occurred at the same time. Mr Speaker, I was reading a book a little while ago about the debate over where the national capital should be located. It was the first Federal Labor Government under Watson who put in place legislation for land title in the Territory. The Federal Parliament debated it then. I forget the exact year, but the Watson Labor Government, back in the early years of this century, proposed legislation for land title in this Territory and said that land title should be leasehold. Even back then the conservatives stood up and they said, "This is nationalisation of land. The world is going to collapse". Well, the world did not collapse and the system of leasehold in the Federal capital worked. It worked to provide for the orderly development of the city.

Why do I bring that into the debate, Mr Speaker? Because the issue of land title is fundamental to the issue of betterment. Who should receive the benefits for improvements on the land? Should it be the person who holds the lease? Should it be the person who owns the land, or the people who own the land? The issue about betterment is fundamentally about that argument and whether there is room somewhere in between for both.

Professor Nicholls, in his report, made some very interesting comments about the impact of betterment in the Territory. He made one comment which I would like to read into the *Hansard*. He said:

> The difficulty in obtaining (and/or the unavailability of) appropriate data required for aspects of this study made it difficult, if not impossible, to make comparisons which would have helped to strengthen the analyses discussed in this report.

Indeed, there was even one submission, which he quoted at page 51 of the report, that indicated that aspects of the development approval process were perhaps even a more significant impediment to investment than the change of use charge. But, Mr Speaker, there is no concrete evidence, there is no data, that backs up Professor Nicholls' assertion that the anecdotal evidence should be accepted and 50 per cent should be implemented.

I will not accept in this place, on this issue or on any other issue, that anecdotal evidence is sufficient justification for a fundamental change in public policy, and that is what this Government is suggesting today. If there is any other reason that members are not confident of, then they should be confident of this one. We should not make a fundamental change in public policy, which is what this Government is arguing, on the basis of anecdotal evidence, and anecdotal evidence alone. That is, simply, a poor justification.

Of course people in the development and construction industry are interested in improving their margin of return. Of course they are. That is why they are in that industry. That is why they do that. I am not surprised that the development and construction industry advocate 50 per cent. I understand why they do that, but we have to understand that the reason they do that is that they are interested in improving their return. That is a legitimate objective, but there are other objectives that this Assembly must take into account, and those include the public interest and whether or not our ownership of land title in the Territory entitles us to a return on improvements on that land. Those are the issues that need to be addressed.

Mr Smyth stood up earlier in the debate and said that there was a participant at the Property Council function which I attended who said, "My blood runs cold at the options that Mr Corbell is floating in relation to improvements to our planning system". Mr Smyth obviously did not hear Mr Barry Morris who spoke at the session prior to the session at which he and I spoke. Barry Morris advocated exactly the same ideas that I have been advocating, so perhaps it would be fair to say that on all issues on planning there is diversity of opinion.

Mr Speaker, when did this Government ever accept, in its entirety, a report presented to it? When, ever, did a government support, in its entirety, the recommendations presented to it in a report? Never. Yet this Government wants to come into this Assembly today and ask us to do just that. It is an absurd proposition.

Mr Speaker, the motion before you outlines a sensible process for dealing with this controversial issue and resolving it in a timeframe which is reasonable. I commend the motion to the Assembly.

Amendments negatived.

Motion agreed to.

HOUSING - SELECT COMMITTEE
Proposed Appointment

MR WOOD: Mr Speaker, under standing order 128, I fix a later hour this day for the moving of the motion.

URBAN SERVICES - STANDING COMMITTEE
Printing, Circulation and Publication of Reports

MR HIRD (12.48): I move:

That:

(1) if the Assembly is not sitting when the Standing Committee on Urban Services has completed its inquiries into:

(a) tree management and protection policy in the ACT, and/or

(b) restricted taxi (multicab) plates

the committee may send its report on the inquiry to the Speaker or, in the absence of the Speaker, to the Deputy Speaker who is authorised to give directions for its printing, circulation and publication; and

(2) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

I would like to report that the committee is very close to reporting on these two topics. As members would be aware, at the end of this week the house will adjourn until towards the end of August. This motion will facilitate reporting by my committee to members in this place through you, Mr Speaker, or the Deputy Speaker. I look forward to the agreement of the house.

Question resolved in the affirmative.

WORKERS' COMPENSATION SYSTEM - SELECT COMMITTEE
Appointment

MR BERRY (12.49): I seek leave to move a motion in relation to workers compensation.

Leave granted.

MR BERRY: I move:

That:

(1) a Select committee be appointed to inquire into and report on the operation of the workers compensation system in the ACT with particular reference to:

(a) the impact on the premium pool of employers conduct, particularly in relation to:

(i) reporting wages;

(ii) classifying workers; and

(iii) misrepresenting claims;

(b) the role and resources of ACT Workcover in enforcing the relevant provisions of the Workers' Compensation Act 1951, particularly in relation to employers;

(i) reporting wages;

(ii) classifying workers; and

(iii) misrepresenting claims;

(c) the role of independent contractors and labour hire companies, particularly in relation to the premiums collected and claims; and

(d) any 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) Mr Osborne

to be notified in writing to the Speaker by 4.00 pm on Thursday, 1 July 1999, and duly appointed by the Assembly;

(3) the committee report by the first sitting day of 2000; and

(4) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

This motion incorporates an amendment I had earlier circulated and had intended to move to a motion which was to be put forward by Mr Osborne. Due to the time, I have moved this motion in Mr Osborne's absence. Mr Osborne informs me that in due course he will move to withdraw his motion from the notice paper, subject of course to this motion succeeding.

Let me just go to the issue. This motion is about setting up a select committee to look at the issue of workers compensation, which is always an issue of concern to workers. It is also an issue for governments and an issue for business. The issues which are mentioned in the motion are self-explanatory. A discussion paper circulated by Mr Smyth would be of interest to the committee as well.

I do not think I need to say anything more in relation to the motion. It is fairly self-explanatory, and I would urge members to support it. Bear in mind my earlier comments. This motion replaces the motion which Mr Osborne has on the notice paper, which in the ordinary course of events would have been moved and then amended today. I urge members to support the motion.

Question resolved in the affirmative.

CHIEF MINISTER'S PORTFOLIO - STANDING COMMITTEE
Report on Review of Auditor-General's Report No. 19 of 1998

MR QUINLAN (12.52): Mr Speaker, I present Public Accounts Committee Report No. 19 of the Standing Committee for the Chief Minister's Portfolio, entitled "Review of Auditor-General's Report No. 10, 1998 - Management of School Repairs and Maintenance", together with a copy of the extracts of the minutes of proceedings, and I move:

> That the report be noted.

I have a few words to say but I seek leave to have them incorporated in *Hansard*.

Leave granted.

The document read as follows:

> the Department of Education utilises land, buildings and improvements valued at some $534m and repairs and maintenance cost around $7.3m a year - about 3% of overall annual operating costs of government schooling
>
> while the audit found that repairs and maintenance have generally been effective, efficient and economical it also saw need for a more strategic approach to planning repairs and maintenance
>
> the audit noted that a significant proportion of school principals perceived that their schools were either in poor condition or experienced disruptions due to equipment failure or repair/maintenance

> work, and the committee is disappointed the government did not provide it with a substantive response on these matters
>
> the committee is also concerned that some mandatory maintenance is not being carried out properly because of specific management skills under the schools based management program
>
> the committee urges the government to ensure that appropriate measures are undertaken to rectify these deficiencies
>
> the committee has specifically recommended that the government develop and present to the Assembly a policy paper on a strategy for ageing and under utilised schools including reference to alternative uses of school facilities and budgetary effects
>
> I commend the report to the Assembly.

MR QUINLAN: I would make particular reference to paragraph 4.4 of the report, which is not specifically mentioned in the recommendations. It suggests that the Government involve themselves in some form of inspection of schools from time to time, even though we have school-based management. I commend the report to the Assembly.

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

CHIEF MINISTER'S PORTFOLIO - STANDING COMMITTEE
Report on Review of Auditor-General's Report No. 7 of 1998

MR QUINLAN (12.53): Mr Speaker, I present Public Accounts Committee Report No. 20 of the Standing Committee for the Chief Minister's Portfolio, entitled "Review of Auditor-General's Report No. 7, 1998 - Magistrates Court Bail Processes", together with a copy of the extracts of the minutes of proceedings, and I move:

> That the report be noted.

Again, Mr Speaker, I seek leave to have my short tabling speech incorporated in *Hansard*.

Leave granted.

The document read as follows:

> this audit found that bail forfeiture and the imposition of penalties frequently does not occur in accordance with legislation and or court directions and that processes for issuing warrants for apprehension of defendants who fail to appear are inefficient

revenue lost in the period under review was some $330,000 and even after the Magistrates Court commenced backcapturing details of cases where bail forfeiture had been ordered

the committee notes that the government has undertaken to monitor procedural changes arising from the audit to assess the degree to which they impact on the recovery of forfeited bail moneys

however, it is disturbing to the committee that the Court's bail processes are rather meaningless and that there seems every likelihood that those who breach bail conditions will not be penalised

further, the committee finds no evidence that those who stand surety for bail are brought to account when bail conditions are not met. This situation has the potential to bring the court system into disrepute

the committee has recommended measures to ensure that appropriate bail forfeitures apply when bail and surety conditions are breached, and that the Attorney-General after due experience with procedural changes, inform the Assembly of the extent to which those procedures have been beneficial in improving the recovery of forfeited bail moneys

I commend the report to the Assembly.

MR QUINLAN: I would only add that we have recommended some form of review. Given that magistrates are busy people, there should be some registrar support to give some capacity to set bail according to means to pay before the event rather than have the forfeiture processes and the remission processes take place afterwards. It cannot be any more time consuming to do it beforehand, so maybe we could invent a system where magistrates set bail by classification as opposed to specific amount and a registrar then makes some form of assessment. If when bail is set people cannot pay, the whole exercise has been pointless. Even those who go surety cannot pay, because there has been no assessment, so there is no collection. It seems a nonsense. If we can set a more sensible level of bail and use a little lateral thinking in setting it in the first place, then some of these problems may be obviated. I commend the report to the Assembly.

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

URBAN SERVICES - STANDING COMMITTEE
Report on Draft Variation to the Territory Plan No. 27 - Heritage Places Register

MR HIRD (12.55): I present Report No. 27 of the Standing Committee on Urban Services, entitled "Draft Variation to the Territory Plan No. 117: Heritage Places Register (Mt Franklin Ski Chalet, Huts, Homesteads and Brumby Yards)", together with a copy of the extracts of the minutes of the proceedings. I move:

That the report be noted.

I would like to thank the Minister for allowing us the opportunity of having a briefing from his departmental officers. I thank my colleagues. It was another unanimous report by this committee. I commend the recommendations to the house.

Question resolved in the affirmative.

URBAN SERVICES - STANDING COMMITTEE
Inquiry - A Warrant System for Traffic Management in Residential Streets

MR HIRD: I ask for leave to make a statement concerning the Standing Committee on Urban Services' new inquiry into a warrant system for traffic management in residential streets.

Leave granted.

MR HIRD: Mr Speaker, on 7 May this year the Standing Committee on Urban Services resolved to inquire into and report on the use of a warrant system to determine whether traffic calming measures are needed in suburban streets, and, if so, what type of calming measures should be introduced. Mr Speaker, this is a national matter which is in the municipal range. The committee will undertake inquiries. We have advertised for expressions of interest, and due process will be undertaken, as is the norm for my committee.

CHIEF MINISTER'S PORTFOLIO - STANDING COMMITTEE
Inquiry - Service Purchasing Arrangements

MR QUINLAN (12.57): Mr Speaker, pursuant to standing order 246A, I wish to inform the Assembly that on 10 June 1999 the Standing Committee for the Chief Minister's Portfolio resolved that a statement be made concerning the inquiry into the service purchasing arrangements. I seek leave to table that particular statement.

Leave granted.

MR QUINLAN: I move:

> That the Assembly takes note of the statement.

Question resolved in the affirmative.

Sitting suspended from 12.58 to 2.30 pm

QUESTIONS WITHOUT NOTICE

Bruce Stadium

MR STANHOPE: Mr Speaker, my question is to the Chief Minister. Will the Chief Minister confirm that briefing papers prepared by her office and circulated yesterday reveal that the Bruce Stadium redevelopment is running 62 per cent over budget on construction and associated one-off costs, at a total of $44.1m? Can the Chief Minister tell the Assembly what is the picture on revenue and recurrent expenditure in relation to the stadium and what will be the final cost to the Territory's bottom line of the redevelopment project?

MS CARNELL: All I can say, Mr Speaker, is: Boring! We have just spent literally hours of Assembly time, both in estimates and in this place, debating the Bruce Stadium issue. It is currently with the Auditor-General, who is doing a financial audit and a performance audit and is looking at all of these issues. Mr Speaker, the current cost of the redevelopment part of Bruce Stadium is $34.5m. I think, Mr Speaker, I have made it clear in the past that until the final bills are in for Bruce Stadium - and they are very close to being all in - you cannot give a figure right down to the last cent. Mr Speaker, when that last bill is available, I am more than happy to tell Mr Stanhope.

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

MR STANHOPE: Yes, Mr Speaker. My supplementary question is: What impact will the Commonwealth's decision to charge the ACT full commercial rent for the stadium lease from 2009 to 2024 have on revenue and expenditure projections and what is the current state of negotiations for the possible purchase by the ACT of the stadium from the Commonwealth?

MR SPEAKER: Chief Minister, I do not think that you can answer the first part of that question.

MS CARNELL: No, Mr Speaker. At some stage, I think we will need a ruling in this place about questions with multiple parts in both the first and second questions and with two questions that are not linked, Mr Speaker.

MR SPEAKER: You have just had one, Chief Minister. You cannot answer the first part because it is an expression of opinion. There is no way that you could possibly know that.

MS CARNELL: That is certainly true, Mr Speaker.

Mr Stanhope: I rise to a point of order, Mr Speaker. The question was: What impact will the Commonwealth's decision to charge the ACT full commercial rent have on revenue and expenditure projections? It was a question of impact. I was not asking for dollars and cents; I was asking about the impact. On what basis did you rule it out of order?

MR SPEAKER: The Chief Minister indicated that the whole matter was with the Auditor-General. I would think that the sensible thing to do would be to wait until that comes through. The second half of the question, though, is reasonable and possible to answer.

Mr Kaine: Speaking to the point of order, Mr Speaker: Are you ruling that, because a matter is before the Auditor-General, it is somehow sub judice in this place? Is that your ruling?

MR SPEAKER: No, it is not my ruling.

Mr Kaine: Because if it is, I think you are quite off the planet.

MR SPEAKER: I am not ruling that way at all. I am not ruling it sub judice. I am ruling that it is commonsense.

MS CARNELL: Mr Speaker, commonsense has rarely had a place in the Assembly, certainly with those opposite. Mr Speaker, negotiations have been ongoing with the Commonwealth concerning the existing lease and further ownership arrangements with regard to Bruce Stadium and a final decision on the stadium's transfer, as members would be aware because I put it on the table and have spoken about it ad infinitum since the Federal election in October 1998. Negotiations continued after this time with the Australian Sports Commission and the Department of Finance and Administration and valuations were undertaken by the Department of Finance and Administration to determine a value, that is, a cost to the ACT Government.

This valuation took some time in preparing. Indeed, several meetings were held on the methodology and scope of the valuation. As a consequence, the Prime Minister provided an interim ownership agreement which was an extension of the existing peppercorn rent which sees the Territory paying a commercial rent from 2009 to 2024; in other words, an interim agreement that extends our lease from 2009 to 2024.

Mr Speaker, the option of either purchase or a commercially based rental is being explored further with the Commonwealth. We have actually set up a working group comprising officials from my department, Prime Minister and Cabinet and the Department of Finance and Administration to look at valuation concepts, to look at issues like what is a commercial valuation for something like Bruce Stadium. We own the asset; therefore, the Commonwealth does not - - -

Mr Quinlan: Before or after you did it up?

MS CARNELL: Mr Speaker, the asset is the cash flow, and the money that has been put into the stadium is ours; therefore, the Commonwealth does not need or expect a return on their investment because they do not have one in it. Mr Speaker, this is the sort of approach that we took with ACT Forests. When we came to government, if members - - -

Opposition members: Ha, ha!

MR SPEAKER: Order, please! The Chief Minister is answering the question.

MS CARNELL: Mr Speaker, those opposite are just cackling. You would really wonder. Mr Speaker, when we came to government, as some members would remember, the Commonwealth was suggesting that the ACT Government should pay it something like $25m for ACT Forests because they had not been swapped over at self-government. The Labor Government had messed around with this issue for years and never sorted it out. We sorted it out using exactly the same process. We set up a working group to look at the valuation of the forests. The working group determined that, really, the forests should be swapped with the ACT Government at no cost at all, after having a look at the actual valuation issues. A similar working group has been put together at this stage to look at the issue of the stadium, but at this stage we do have a lease through to 2024.

Mr Speaker, with regard to the comment about commercial rent, that is Commonwealth policy. And guess what other thing we are required to pay a commercial rent on, due to Mr Berry's incompetence? Guess what? The hospice. The hospice, Mr Speaker, because Mr Berry signed a short-term lease for five years. It was a short-term lease for five years, Mr Speaker. As it is Commonwealth policy that at the end of these sorts of peppercorn - - -

Mr Quinlan: I take a point of order, Mr Speaker. Are you going to apply the relevance ruling to this? This is about the rental for Bruce Stadium.

MS CARNELL: Mr Speaker, it is an identical issue.

MR SPEAKER: The Chief Minister is making a comparison. The Opposition did challenge it.

MS CARNELL: Mr Speaker, on the issue with regard to the hospice, Mr Berry signed a five-year, short-term licence agreement which expired yesterday. In line with Commonwealth policy when these peppercorn rent deals expire, guess what happens? Their policy is to go to commercial rent. The same thing occurred with the hospice. The same thing occurred with Bruce Stadium. From there we negotiate what that would be based upon - the return on capital and other usual commercial approaches. I have to say, Mr Speaker, that at this stage with Bruce Stadium we are still looking very seriously at the issue of possible purchase, looking at what would be best for the ACT. With regard to its effect on other issues, Mr Speaker, they have been taken into account and any rent would be paid out of operations.

Economy

MR HIRD: Mr Speaker, I do not want to take up more time than is necessary because I know that time is our enemy in this house, so I will not ask a supplementary question. My question is to the Chief Minister, Mrs Carnell. Can the Chief Minister inform the parliament as to how the ACT economy - the ACT economy, Mr Quinlan - is currently performing in comparison with the rest of Australia?

MS CARNELL: Mr Speaker, that is the sort of issue that the people of Canberra are interested in because it is the sort of issue that makes a difference to people's lives. There are 309,000 people in this city who are interested in how well our city has recovered from the economic downturn that occurred in 1996 and early 1997. Mr Speaker, that makes a difference to them, even if the six members of the Labor party are not interested, not even slightly interested, and never have been. Mr Speaker, I have to say that even we have been somewhat surprised, but certainly delighted, with the turnaround that has occurred in the ACT economy over the past two years. It has happened significantly quicker than anybody would have given credit for.

Earlier this month, the Australian Bureau of Statistics reported that in the March quarter 1999 the ACT economy had grown by 6.4 per cent over the previous 12 months. This increase in State final demand was the third highest of all States and Territories. As well, in the March quarter, private sector investment increased by 2.5 per cent and was up by a massive 6.4 per cent on the previous 12 months, compared with a fall nationally - - -

Mr Berry: I rise to order, Mr Speaker. I think the Chief Minister may have mixed up her speeches. We heard that one this morning on the Estimates Committee.

MR SPEAKER: Sit down. There is no point of order.

MS CARNELL: Mr Speaker, I can understand why those opposite do not like the fact that the economy is performing extremely well, but I have to say that these are the sorts of reasons that we are in this place - to get the economy working and to create jobs. Unfortunately, those opposite do not see it that way, and it shows. Mr Speaker, that compares with a fall nationally of more than 3 per cent over the year. Based on current trends, growth in the Territory's economy is likely to outstrip the figure of 2.6 per cent which was forecast by the Government in the 1998-99 budget. It is worth reminding those opposite of what their colleagues said in estimates last year, and I quote from that report:

> The Committee expresses serious concern that the Government's forecasts for growth in 1998-99, which are higher than any other forecasts of growth in Australia, may have a detrimental impact on the budget.

There is only one word that could adequately describe that comment, Mr Speaker, and that is, "Whoops, we got it wrong big time".

Mr Corbell: That is more than one word.

Mr Hargreaves: You cannot count. Great Treasurer!

MS CARNELL: Indeed, in 1997-98 the ACT's gross State product increased by 4.3 per cent in real terms.

Mr Hargreaves: Give her your calculator, Harold.

MS CARNELL: Mr Speaker, I know that those opposite are not interested - - -

MR SPEAKER: No, I know they are not, Chief Minister, and I am getting a bit tired of it.

Mr Berry: Oh, you are tired of it, too.

MR SPEAKER: I am getting tired of your constant interjections.

MS CARNELL: Mr Speaker, in 1997-98, the ACT's gross State product increased by 4.3 per cent in real terms, which is the second highest growth figure recorded by the Territory since self-government. That 4.3 per cent was more than four times our original budget estimate. Mr Speaker, in late May I heard Mr Quinlan say on ABC radio that the ACT economy was "still struggling". Okay, Mr Quinlan, how?

Mr Moore: Just another lie.

Mr Quinlan: I have high standards.

MS CARNELL: We have an unemployment rate of 6.2 per cent at the moment compared with 7.1 per cent when Labor was last in office. We have an estimated 10,500 unemployed people in Canberra compared with 11,800 when those opposite were last in government. The number of people in Canberra receiving unemployment benefit has fallen by more than 40 per cent in the last year, according to Centrelink figures. So, Mr Quinlan and Mr Stanhope, are we still struggling? There are 3,400 more jobs in the Territory than there were when Labor was last in office, and that is despite losing thousands of Commonwealth jobs during 1996 and 1997.

The average weekly number of job advertisements is at its highest level for more than eight years and has risen by 13 per cent in the past year alone. Recent studies by Morgan and Banks and Drake Personnel all report expected growth in hirings over the next three to six months. In fact, Mr Speaker, the Drake employment forecast released overnight reports that hirings are set to increase by 2.5 per cent over the next three months, with almost one in four companies set to hire staff. Is it still struggling, Mr Quinlan?

Our population has grown by almost half a per cent in the past year, according to the ABS, while our working age population has increased by 2,300 in the past year alone. The ACT's retail turnover is now 7 per cent higher than it was a year ago and nearly 14 per cent higher than it was in 1997. Our level of residential building approvals for the three-month period to the end of May this year was 40 per cent higher than it was in the same period in 1998. Prices for established houses in Canberra have increased by 1.2 per cent over the last year and have been rising for nine months now, Mr Speaker. Does that sound like we are struggling, Mr Speaker? Obviously it does to Mr Quinlan.

How about business confidence? A net 60 per cent of Canberra businesses surveyed by the *Yellow Pages* are confident about their prospects over the next 12 months, the second highest level of confidence in Australia. The same survey reported that in the last three months a net balance of businesses reported moderate to significant growth in sales value, work force size, profitability and capital expenditure.

The latest business expectations survey by the ACT and Region Chamber of Commerce and Industry also shows that one in five firms expect to employ more staff in the next quarter and that the confidence is at a 2½-year high. Mr Speaker, the reality here, quite clearly, is that this is an economy on the move.

Mr Speaker, it was surprising, then, that the majority report of the Estimates Committee claimed that there was a growing social deficit in Canberra.

Mr Corbell: There is.

MS CARNELL: Mr Corbell said that there is. Where is the evidence? Mr Speaker, they did not put any facts or figures in the Estimates Committee report, but this Government does have facts and figures. On three key social indicators - welfare dependency, wage and salary earnings, and the proportion of low-income earners as a percentage of the population - the ACT stands light years ahead of the rest of Australia. That does not indicate a struggling economy, Mr Speaker.

I would suggest that every member should take the time to look at these figures, which we did attach to our response this morning to the report of the Estimates Committee. Mr Speaker, that shows two things. First, and most importantly, it highlights the resilience of the private and public sectors in Canberra in the face of the downturn over the last two years. Secondly, it shows quite categorically how out of touch those opposite are, especially Mr Quinlan. To suggest for one moment that this economy is still struggling is simply ridiculous, Mr Speaker. But I would have to say, taking into account that the Labor Party still does not have any policies on anything, that it is not terribly surprising. They stand for nothing, Mr Speaker.

Mr Quinlan: I rise to a point of order, Mr Speaker, before I ask my question. Mr Moore was overheard to say, in response to my interjection, "That's another lie". I would ask you to ask him to withdraw it.

Mr Humphries: Mr Speaker, on the point of order - - -

MR SPEAKER: I did not hear that.

Mr Humphries: Mr Speaker, I understand that it was a reference to something which had been said by Mr Quinlan outside the chamber.

Mr Quinlan: Excuse me. Mr Humphries, if you do not know what I am talking about, why do you not stay out of the point of order. Mr Speaker, to clarify for Mr Humphries' information, it was in response to my remark: "I have high standards".

Mr Humphries: No, I am sorry, Mr Speaker. I heard the remark and it was something different.

MR SPEAKER: Just a moment, Mr Humphries. I had better ask Mr Moore. Mr Moore, what was it as a result of?

Mr Moore: Mr Speaker, when I put something on the record - if I say that Mr Stanhope is a liar - then it is entirely appropriate that I should withdraw it, and I understand that. But occasionally I make quiet comments here or there and Mr Stanhope and Mr Quinlan want to draw the attention of the house to that by saying that I have said such a thing. Mr Quinlan now says that, in response to his saying something, I said that he was lying. What was it you said?

Mr Quinlan: I have high standards.

Ms Carnell: He was saying that the economy was struggling. It is obviously not struggling, so it obviously was a lie.

Mr Moore: Mr Speaker, it seems entirely inappropriate to keep dragging these things up like that, especially when you have not heard anything of the kind. Mr Speaker, the comment was made because Mr Stanhope in particular and Mr Quinlan to a much lesser extent continue to say these things blatantly in public. I was not referring to anything said in the chamber. They continually say things blatantly in public that - - -

Mr Stanhope: It is all right to call out, "You're a liar", is it? Are you going to keep doing it?

Mr Moore: Mr Stanhope interjects, "It is all right for you to call out, 'You are a liar' ". This morning Mr Stanhope was forced to withdraw calling me a liar. Mr Speaker, there is a bit of tension here at the moment and it probably will continue as long as they deal with the truth so lightly.

Mr Kaine: Speaking to the point of order, Mr Speaker - - -

MR SPEAKER: Just a moment, please. I am getting tired of this. Resume your seat, Mr Kaine. I have a problem. If I allow these comments to be made, whether I hear them or not, we will have nothing but this sort of smearing back and forth across the chamber. That is the first thing I will say. The second thing I will say is that, if people want to call other people liars, I suggest that they go outside and have the courage to do it there as legal action can be taken against them.

Mr Moore: Not at all, Mr Speaker. Mr Stanhope has been saying for ages that the Chief Minister broke the law.

MR SPEAKER: Order! Sit down, Mr Moore.

Mr Moore: No legal action was taken on that.

MR SPEAKER: Sit down, Mr Moore. That is a matter for individuals. I call Mr Kaine.

Mr Kaine: Speaking to the point of order, Mr Speaker, I think that in a sense it is irrelevant whether you hear it. If a member makes an offensive remark and it is heard by the person to whom it is directed, that person is entitled to ask that it be withdrawn. Mr Moore has admitted that the remark was made. I think that you should require him to withdraw it. If he refuses to do so, Mr Speaker, you have powers that you can exercise under the standing orders.

Mr Moore: Mr Speaker, just to put the chamber at ease, I will clarify for the chamber that I did not call Mr Quinlan a liar. Mr Speaker, I referred to Mr Stanhope as a liar and I withdraw that so that the chamber can move on.

MR SPEAKER: I am not sure that you are all going to be quite so perky at about 5 o'clock tomorrow morning when you are still here.

Mr Stanhope: I take a point of order, Mr Speaker. Mr Moore directed his comment at Mr Quinlan. He said to Mr Quinlan and of Mr Quinlan, "That is a lie".

MR SPEAKER: Mr Moore has withdrawn. I uphold Mr Kaine's comments. I agree with him. If I do not rule something out of order because I do not hear it, we will have chaos in this place. I call Mr Quinlan.

Uriarra Village

MR QUINLAN: My question, Mr Speaker, is to the Minister for Urban Services and relates to his backflip on Uriarra Village and the capacity for people to buy houses there. Could the Minister enlighten the Assembly on what conditions have been applied? It was mentioned in the newspapers that if the houses are not sold they will be put on the market. Is there a time limit? It was said that the Government would not maintain or pay for the water supply beyond December 2000. Are there any other conditions - material conditions - attaching to this particular backflip?

MR SMYTH: Mr Speaker, when the Government made its announcement about Uriarra, it said that it had two objectives. The first objective was that we would not have to spend $3m on upgrading infrastructure and housing. The second was that we would withdraw public housing from Uriarra Village. That is still happening. There is not a backflip here at all. Having spoken with the residents, who have put forward some different options, I have agreed that we will explore some options to see whether those residents can stay there. Part of it will involve changing the infrastructure - going to water tanks, putting appropriate guttering on the houses, looking at what could occur with the sewerage. I will have some further work done and meet again with the residents. If we can come to some arrangement, we will. But the Government certainly has not backflipped. There will be no public housing there by the year 2000 and we will not be upgrading the infrastructure.

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

MR QUINLAN: I am not sure that I got any answer at all about the conditions, Mr Speaker, but I will bat on with a supplementary question. Given that the Minister has decided to allow the residents not only to keep their homes but also to buy them, will the Minister extend the same goodwill to the people of the Causeway and the people of the long-stay caravan park in Narrabundah, or was it just a bit of good news in an otherwise tough week?

MR SMYTH: Mr Speaker, all issues must be dealt with on their merits. In regard to the people of the Causeway, my last understanding, and I could check, is that we still have not had an application to purchase those homes. There are conditions quite clearly set out - guidelines that ACT Housing has - that govern the selling of accommodation. It is dependent on our need and the state of the houses. In regard to the long-stay caravan park, I believe that Mr Quinlan's question has now been answered. There was some delay in that and for that I apologise. We talk to people. This is a government that actually does consult. I have met with the Uriarra residents and we have spoken to a residents group from the long-stay caravan park, and we will continue to do that.

We are a government that is out there doing things for the people of Canberra, and that is what members opposite do not like, Mr Speaker. They sit over there, in opposition, trying continually to thwart anything that the Government wishes to do. We will just get on with the job and they can sit there in isolation, in their conservatism, because they are irrelevant as they stand for nothing.

Ministerial Travel

MR KAINE: Mr Speaker, my question is to the Chief Minister. I refer to the quarterly ministerial travel report tabled yesterday. Chief Minister, I noticed that four of the trips that you took over February and March of this year were charged to something called the promote ACT account. Can you tell us what that account is, what is the source of the funds in it, how much money is available in that account and who authorises expenditure against it?

MS CARNELL: Mr Speaker, I am very pleased that somebody in the Assembly actually reads these reports that we put on the table. Of course, members of the Assembly do table their travel reports. It is something that was instituted by this Government in the interests of openness and putting everything that we were doing on the table for members of the Assembly. The promote government fund has existed for a long time, so it has been on that list for quite a long time. It is a fund put together with Qantas that is used for airfares when Ministers - particularly for me, I have to say, but other Ministers can use it too - are going interstate to promote the ACT as a good business destination. So, when I go - I have to say that I am predominantly the one - interstate to do boardroom lunches and those sorts of things to promote Canberra as a good investment destination, I use the promote ACT or promote Canberra fund. It is a fund put together with Qantas. It is actually part of the arrangements that we have with Qantas with regard to our travel contract.

MR KAINE: I am still not clear. Do I take it from that that it is public money?

Ms Carnell: No, it is Qantas's money.

MR KAINE: It is not public money.

Ms Carnell: No.

MR KAINE: Okay. That is what I was not clear on. So, Qantas is paying for travel for selected members of the ACT Government; I presume that is the case. Would travel to a private function put on by Telstra normally fit within a promote ACT account from whatever the source of funds?

MS CARNELL: Yes, Mr Speaker, Telstra have a strategic partnership with the ACT Government and we spend a very large amount of money with Telstra. Those sorts of events are exactly the ones that Ministers - I in particular - have to get out to. We have to continue to lift the profile of the ACT as a place in which we want entities like Telstra to expand. I have to say that Telstra is expanding very nicely in Canberra at the moment and has created over 100 jobs over the last 12 months or so.

Mr Moore: How many?

MS CARNELL: Over 100 new jobs. Obviously, the work we are doing with Telstra is bearing fruit. We are also, of course, having discussions with Telstra in areas such as call centres which I believe are absolutely essential for the future of Canberra because they create very real jobs for our kids. I have to say that I do not apologise even slightly. In fact, I think we should do lots more of it.

Quamby Youth Detention Centre

MR WOOD: Mr Speaker, my question is to the Minister for Education, Mr Stefaniak, and relates to matters arising from the report of the inquest into the death of a young man in Quamby, a report released a couple of days ago. Minister, in respect of each of the five Quamby officers named by the coroner: First, what is the current employment situation and, secondly, what redundancy or other payments have been made to date? Can you assure the Assembly and the community that no further actions on redundancies will occur until there has been time for appropriate advice and consideration?

MR STEFANIAK: I thank the member for the question. The current employment status is, I understand, that one of the employees has resigned from the Public Service, one is currently working with the Supreme Court, two have left the service with redundancies and one is currently on leave and is due to go at the end of July. In relation to the second point, the actual details of the three cases where there are redundancies involved, I do not have that information. I will take that on notice for you, Mr Wood. In relation to the third point, I did indicate on Monday when the report came down that I had spoken to an officer of the Government Solicitor's Office, who is looking into a number of questions for me in relation to the coroner's report.

I am pleased to say that, as a result of the Stevenson report, which I note the coroner comments on very favourably, the department has implemented a large number of the coroner's recommendations and others are in process. There were several other recommendations which appear to me to be very sensible on the surface and which the Government, naturally, will look at very closely. The coronial findings will be thoroughly scrutinised and appropriate action will be taken in any area not yet addressed.

MR WOOD: I have a supplementary question, Mr Speaker. Minister, are you aware that there appears to have been no formal approach to the family of the young man, other than a casual meeting in the precincts of the court building, either expressing regret at the circumstances of the death or expressing sympathy to the family in their bereavement? Do you understand that to be the case? If so, what might be done to make up for this?

MR STEFANIAK: I thank the member for that supplementary question, too. Indeed, I think you have been speaking to a member of the family to whom my office was also speaking this week. I was not aware of that, Mr Wood. I would expect that common decency in these matters would mean that some person in authority in the department would do that and that it should have been done at the appropriate time, which would have been very soon after the death. Normally, in instances where that occurs, both in my department and in others, I understand that counselling is offered, services are offered and at least some contact is made by relevant officers.

I understand that that did not occur in this case. I treat that very seriously. Whilst it is very late in the day now - we are talking about nearly three years after the event occurred - I intend to have steps taken to remedy that. I am happy to do anything that is necessary to - - -

Mr Wood: Go out yourself.

MR STEFANIAK: If need be, Mr Wood, I might well do something like that. Something should have happened in 1996. I must say that, as far as I am aware, that is something that normally happens in my department in such instances. Why it did not happen in this instance, I cannot say, but I am certainly aware of it and I will pass it on to the senior officers of my department. I take a very dim view of the fact that it did not occur in this situation. I would not expect that ever to occur again.

Computers - Year 2000 Problem

MS TUCKER: My question, which is to the Chief Minister, is regarding year 2000 compliance concerning community service providers. Mrs Carnell, in one of the latest versions of the Government's service purchasing contract, of which, I think, we were told in estimates there were eight, there is a requirement under the providers' obligations that the provider ensure it is year 2000 compliant. As I understand it, computer companies who do the work on this issue will not even guarantee such an outcome. Why, then, is it appropriate to ask of underresourced community organisations that they put themselves in this vulnerable legal position? Would the Government sign such an agreement to make a similar contractual commitment to the ACT community?

MS CARNELL: Mr Speaker, I have to say that we have regularly made commitments to this Assembly and to the people of Canberra that we will do everything in our power to ensure that we are year 2000 compliant and I would expect the same of all of the people with whom we deal.

Ms Tucker: The point of the question, please.

MR SPEAKER: Order! You have asked your question.

MS CARNELL: I would expect the same of everyone with whom we deal. I believe that people who provide services with taxpayers' money have lots of responsibilities, as we as a government have responsibilities to do everything in our power to ensure that we are Y2K ready.

MS TUCKER: I have a supplementary question. The point of the question was the contractual nature of the agreement, but you have decided not to answer that. In some versions of the service purchasing contract the purchaser claims ownership of all assets over 2000. Therefore, will the purchaser take responsibility for those providers for year 2000 compliance?

MS CARNELL: Mr Speaker, it would be wrong for me to give an opinion on a contract in this particular situation. It is just impossible for me to do so.

Hospice

MR BERRY: My question is to the Minister for Health and Community Care. On Monday, in trying to explain why the hospice would have to be moved from Acton Peninsula at a cost of $4m to ACT taxpayers, the Minister said:

> The biggest stumbling block as far as I was concerned was the Aboriginal and Torres Strait Island Institute and the Commonwealth had made it very clear to us, the Prime Minister in particular in the last short while, that they would not be able to get the Aboriginal and Torres Strait Island Institute onto the Acton Peninsula as part of the museum development program while the hospice was there.

The Minister went on to say in another untrue and glib statement:

> Well as you would probably be aware that Aboriginal people have a very specific view about places of death and certainly I know when I have been travelling across deserts in Australia for example, where somebody's died, whole groups of people moving away from the site and so they go through what I suppose I would describe as a purification process and that's something that was causing us, er, causing the Commonwealth a major problem and in the end they weren't going to move.

The consistent pattern emerges here that I talked about yesterday. Two days later, after he had been caught out, the Minister admitted that, whilst the racist excuse was wrong - - -

Mr Humphries: Mr Speaker, I rise to a point of order. Standing order 117(b)(iv) requires that questions shall not contain imputations or inferences. The question that Mr Berry asked did contain such an inference. He made reference to an untrue statement, Mr Speaker.

MR SPEAKER: I uphold the point of order. Ask your question, Mr Berry, and let us not have the rhetoric.

MR BERRY: Mr Speaker, the Minister apologised for getting caught out, but did not apologise for the vilification caused by his claims. In fact, he admitted that he had known how wrong - - -

Mr Humphries: Mr Speaker, I rise to a point of order. Mr Berry is just continuing his question. The standing orders are quite clear about this.

MR SPEAKER: All right. I will rule it out of order.

MR BERRY: Mr Speaker, why did you rule it out of order? I would like to speak to the point of order.

MR SPEAKER: Ask your question, please, Mr Berry.

MR BERRY: Thank you, Mr Speaker.

Ms Carnell: Without the imputation.

Mr Moore: On a point of order, Mr Speaker: He has asked a question with an imputation. That makes the question out of order and he misses out on his question.

MR SPEAKER: Exactly. I am trying to help you, Mr Berry.

MR BERRY: No, no. Will the Minister advise the Assembly why, immediately he found out he was wrong, he did not issue an apology for setting back the cause of reconciliation in the Territory by making his ill-considered claims?

Mr Humphries: I am sorry, Mr Speaker, I have to press my point of order. That was simply a continuation of the earlier question and the imputation was there.

MR SPEAKER: Yes, I agree, there is an inference there.

MR BERRY: No.

MR SPEAKER: There is; there is an imputation.

MR BERRY: Please let me respond to the point of order then. What is the inference, Mr Speaker? The Minister found out that he was wrong and apologised. Why did it take him two days? That is the question I ask.

MR SPEAKER: Oh, I see.

MR BERRY: This is an issue of vilification and one has to ask - - -

Mr Humphries: Mr Speaker, I appeal to you - - -

MR SPEAKER: Order! I would never have known that from the way you framed the question, Mr Berry.

Mr Humphries: Mr Speaker, the question contained an imputation.

MR SPEAKER: That is correct.

Mr Humphries: The standing orders say that questions should not contain imputations. He is obviously refusing to withdraw the question. Therefore, you should pass to somebody else for a question.

MR SPEAKER: I am ruling it out of order.

TRIPS Computer System

MR RUGENDYKE: My question is to the Urban Services Minister, Mr Smyth. Minister, you are aware that Urban Services has a computer system known as TRIPS which is used by Australian Federal Police members to conduct motor vehicle registration and licence checks. The system goes down for several hours almost every evening, which causes obvious problems for police officers on duty at that time. Is the Minister aware that this system is so unreliable? What is being done to repair it?

MR SMYTH: I thank Mr Rugendyke for his question. It is an important question. It has been brought to my attention that the system often does go down. That is one of the failings of the system. It is an out-of-date and somewhat ageing system and it does need to go down to be refreshed every night and on other occasions it goes down because it is just not up to the job. There is additional funding of some $400,000 in the 1999-2000 budget to investigate the feasibility of replacing the TRIPS system.

Fireworks Display

MR HARGREAVES: Given this Government's commitment to getting the can-do biggest bang for $500,000 bucks - - -

Mr Humphries: Who is the question to, John?

MR HARGREAVES: My question is to the Minister for Urban Services.

Mr Humphries: Oh!

MR HARGREAVES: If the 2IC of the Government would only sit there in patience and wait, instead of opening his mouth, he might find out. Mr Speaker, through you, can the Minister say, in relation to tender T99091 for the supply of event management services for New Year's Eve, whether fireworks contractors have expressed any concerns about projected arrangements?

MR SMYTH: Mr Speaker, we have said in this year's budget that we will be funding some festivities over the Christmas-new year period. Given the success of the lead-up to Christmas last year, we have extended it this year, obviously, to include the millennium event, and part of it will include some fireworks. I understand that some providers have made claims. I am not aware of any claims; nobody has actually forwarded them to me. So, if Mr Hargreaves has some information, we would be delighted to see it.

MR HARGREAVES: My supplementary question to the minister for urbane services is: Can the Minister say whether it is proposed to apply an exclusion zone around the fireworks displays? If so, will that zone extend 300 metres? What impact will speedboats engaged for the waterskiing spectacular have on fireworks barges? Has this impact been factored into safety plans?

MR SMYTH: Mr Speaker, any event that the ACT Government organises, particularly in the lead-up to the millennium, will be, of course, complying with OH&S and meeting all safety requirements. As to the reference to the Minister for urbane services, it is great to see that Mr Hargreaves is now lifting the sartorial standards that the Labor Party have adopted - he has got a waistcoat on.

But the most important issue today about urbaneness and clothing, Mr Speaker, is that it is appropriate to welcome Max to the house down here instead of the house on the hill. I notice that Max was made to take off his St Kilda tie. It is very pleasing to see another St Kilda supporter in the place. He was disappointed that he had met so many Collingwood supporters; but there are at least two of us, Max, and I think that you should wear the St Kilda tie with pride.

Service Stations

MR CORBELL: Mr Speaker, my question is to the Minister for Urban Services.

Mr Humphries: Urbane services?

MR CORBELL: No, I am sorry, just Urban Services. Minister, is it not a fact that when the Territory Plan was introduced it replaced and made quite superfluous all previous NCDC policies? If this is the case, why is the Department of Urban Services - PALM - now relying on superseded documents such as the October 1998 NCDC document called "Planning policies for service stations" in relation to proposals for expanded retail facilities for petrol stations at Kaleen and Kambah?

MR SMYTH: Mr Speaker, I would have to take that one on notice and find out whether the Territory Plan actually did replace all existing policies. The advice of some of my colleagues here is that their understanding is that it did not. I will seek more information from Mr Corbell and get back to the Assembly.

MR CORBELL: I thank the Minister for that. I will ask him a supplementary question. If he is unable to answer it, perhaps he will take it on notice. Minister, at a recent meeting between PALM officials, Kambah Village traders and representatives of a service station at Kambah, the traders were told that the question of leases which allow non-automotive retail space in service stations is a very grey area. According to an official from PALM, the Government has three choices: One, amend the Land (Planning and Environment) Act at section 222; two, call in all affected leases and do a global variation; or, three, tell all service stations to stop selling anything not directly related to the automotive trade. Minister, what course of action is the Government going to take?

MR SMYTH: Mr Speaker, the issue of leases is difficult. Leases issued over a period of time often vary and allow different uses. Again, I will take that section on notice and get back to the member as quickly as I can.

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

PERSONAL EXPLANATION

MR BERRY: Mr Speaker, may I make a personal explanation pursuant to standing order 46?

MR SPEAKER: You may.

MR BERRY: Thank you, Mr Speaker. There has been an attempt to recreate history in relation to the hospice on Acton Peninsula and my involvement in it.

Ms Carnell: I take a point of order. Mr Speaker, a personal explanation has to be exactly that. It cannot be a history and it cannot debate the issue.

MR SPEAKER: I am coming to that.

MR BERRY: It is personal. I take the misinformation that has been given in respect of that as a personal affront and worthy of explanation in this place.

MR SPEAKER: You may explain matters of a personal nature, but the matters may not be debated.

Ms Carnell: You cannot debate the issue.

MR BERRY: There is no issue before the chamber.

MR SPEAKER: You cannot debate the issue.

MR BERRY: There is no issue.

MR SPEAKER: Read standing order 46.

MR BERRY: I have got it here. There is no issue before the chamber.

MR SPEAKER: It does not matter. I will read the entire standing order:

> Having obtained leave from the Chair, -

which you have -

> a Member may explain matters of a personal nature, although there is no question before the Assembly; -

that is quite true -

> but such matters may not be debated.

Just make your personal explanation, sit down and we will get on with the presentation of papers.

MR BERRY: In accordance with the promise that I made - personal nature - at the 1992 election, I proceeded to make way for a hospice on the Acton Peninsula. This promise to maintain buildings on that peninsula was pretty much the same as the Liberals' in many respects, because they made promises to keep buildings there, too. That is not personal and I apologise for raising that issue. In due course, budgets were passed by this Assembly which allowed the hospice to be placed on the peninsula.

Ms Carnell: I take a point of order. Mr Berry is debating the issue, no matter how you look at it.

MR SPEAKER: Where are you getting to, Mr Berry? Would you please come to your point of order, otherwise I will sit you down.

MR BERRY: No, it is not a point of order, Mr Speaker; it is a personal explanation.

MR SPEAKER: No, your personal explanation.

MR BERRY: Mr Speaker, I am clarifying my personal role in this for the benefit of the Assembly. Mrs Carnell claimed that I had signed - that I, personally, had signed - a lease which expired five years ago today. Of course, I was not a Minister five years ago today, so that is pretty personal.

Ms Carnell: I raise a point of order, Mr Speaker. For a number of days, I have put up with people saying in this place that I broke the law. Mr Speaker, I am happy to withdraw any comment that Mr Berry signed the lease on the basis that the letter was signed by somebody in his department, but the same approach has to be taken by those opposite.

MR BERRY: I thank the Chief Minister for that, but she should also remember that it was not my department by then. Mr Speaker - - -

Mr Moore: Mr Speaker, on a point of order: He is clearly debating the issue now, Mr Speaker; there is no other interpretation. Mrs Carnell said, "I respond".

MR SPEAKER: Mr Berry, I have given you leave, but I can also withdraw it. Get on with it.

MR BERRY: You certainly can. Mr Speaker, the hospice is in trouble because of Kate Carnell's land deal. There is no other reason.

MR SPEAKER: That is not a personal explanation. Resume your seat. I turn to the presentation of papers.

Mr Moore: I take a point of order. Mr Berry does that so often under standing order 36 just to try us on. If it continues, Mr Speaker, I would suggest that you ought not to give him leave because you know that he is always going to do that.

MR SPEAKER: That is a very good point.

Mr Berry: Mr Speaker, I hope that you will not pay any regard to that. You cannot anticipate the rights of members in this place.

MR SPEAKER: Mr Berry, you have never spoken a truer word.

FINANCIAL MANAGEMENT ACT - INSTRUMENTS
Papers and Ministerial Statement

MS CARNELL (Chief Minister and Treasurer): Mr Speaker, for the information of members and pursuant to section 26 of the Financial Management Act 1996, I present instruments issued under section 14 and a statement of reasons. Mr Speaker, I ask for leave to have the statement incorporated in *Hansard*.

Leave granted.

The statement read as follows:

> Mr Speaker, as required by the Financial Management Act 1996, I table:
>
> • instruments issued under Section 14 of the Act and a statement of the reasons for the transfer of funds between appropriations
>
> • transfers under the Financial Management Act 1996 allow for changes to appropriations throughout the year within the Appropriation limit passed by the Assembly;

• these instruments relate to the 1998-99 financial year, and provide for:

=:>the transfer of appropriation within the Department of Education and Community Services between the capital injection appropriation and the EBT appropriation. This relates to the provision of a capital grant to ACT Hockey to upgrade the Lyneham facility.

=:>the transfer of the appropriation of $50,000 from the Chief Minister's Department to the Department of Urban Services. This appropriation was originally included within the ACT Arts funding, but more appropriately relates to minor new works on heritage assets.

=:>the transfer of the appropriation of $30,000 from the Chief Minister's Department to DUS. This appropriation relates to the repairs and maintenance of Albert Hall which is controlled by DUS.

=>the transfer of the appropriation of $645,000 from DUS to DECS due to the change in responsibility for the development of the Weston Creek Youth Facility.

=:>the transfer of the appropriation of $158,500 from DUS to the Office on Asset Management. This capital injection funding relates to the land release program which has been transferred to OAM.

Mr Speaker, I commend this paper to the Assembly.

FINANCIAL MANAGEMENT ACT - INSTRUMENTS
Papers and Ministerial Statement

MS CARNELL (Chief Minister and Treasurer): Mr Speaker, for the information of members and pursuant to section 26 of the Financial Management Act 1996, I present instruments issued under section 15 and a statement of reasons. I ask for leave to have the statement incorporated in *Hansard*.

Leave granted.

The statement read as follows:

Mr Speaker, as required by the Financial Management Act 1996, I table:

• An instrument issued under Section 15 of the Act and a statement of reasons for transfer of funds within an appropriation and between output classes;

• transfers under the Financial Management Act 1996 allow for changes to appropriations throughout the year within the Appropriation limit passed by the Assembly;

• these instruments relate to the 1998-99 financial year,

• these instruments provide for:

=>the transfer of appropriations between output classes within the Department of Education and Community Services. This represents the refinement of cost attribution across the output classes. The changes do not affect the service levels nor the total DECS GPO.

=>the transfer of appropriations between output classes within the Department of Justice and Community Safety. This represents the reclassification functions between output group classes.

Mr Speaker, I commend this paper to the Assembly.

FINANCIAL MANAGEMENT ACT - INSTRUMENTS
Papers and Ministerial Statement

MS CARNELL (Chief Minister and Treasurer): Mr Speaker, for the information of members, I present, pursuant to section 15 of the Financial Management Act 1996, two instruments directing a reallocation of funds and a statement of reasons for the reallocation. Pursuant to section 17 of the Financial Management Act 1996, I present four instruments varying appropriation related to Commonwealth funding. I also present a statement of reasons. Pursuant to section 19B of the Financial Management Act 1996, I present an instrument of authorisation of expenditure and a statement of reasons. Mr Speaker, I ask for leave to have my statements incorporated in *Hansard*.

Leave granted.

The statements read as follows:

Mr Speaker, as required by the Financial Management Act 1996, I table:

• four instruments issued under Section 17 of the Act and a statement of the reasons for the increased appropriation;

• Section 17 of the *Financial Management Act* 1996 allows for variations to appropriation where there is an increase in existing Commonwealth payments for specific purposes;

• these instruments relate to the 1998-99 financial year, and provide for:

=:>an increase of $11,033,000 in appropriation to onpass Commonwealth funding to the Department of Health and Community Care to cover a range of functions;

=>an increase of $1,449,000 in appropriation to onpass Commonwealth funding to the Department of Health and Community Care for the Australian Health Care Agreement and RALA Veterans;

=:>an increase of $2,541,000 in appropriation to onpass Commonwealth funding to the Department of Education and Community Service for a range of functions; and

=:>an increase of $207,000 in appropriation to onpass Commonwealth funding to the Department of Education and Community Service for the Aboriginal education Program.

• Two instruments issued under Section 15 of the FMA which allow for a transfer of funds within an appropriation and between output classes:

=>a transfer of $571,000 between the Government Strategy and the Financial and Economic Management output classes in the Chief Minister's Department.

=> a transfer of $1,375,000 from Output Classes 1,2,5 to Output Classes 3 and 4 within the Department of Urban Services which represents a redistribution of corporate overheads.

• An instrument under Section 19B of the FMA which appropriates $202,000 to onpass new Commonwealth Grants to the Department of Health and Community Care for:

=>the National Diabetes Strategy; and

=>Postgraduate Medical Training.

Mr Speaker, I commend these papers to the Assembly.

URBAN SERVICES - STANDING COMMITTEE
Report on 1999-2000 Draft Capital Works Program - Government Response

MS CARNELL (Chief Minister and Treasurer) (3.23): Mr Speaker, for the information of members, I present the Government's response to Report No. 22 of the Standing Committee on Urban Services, entitled "The Draft 1999-2000 Capital Works Program", which was presented to the Assembly on 20 April 1999. I move:

That the Assembly takes note of the paper.

I ask that my tabling statement be incorporated in *Hansard*.

Leave granted.

The statement read as follows:

I present the Government's Response to the Standing Committee on Urban Services Report Number 22 on the Draft Capital Works Program for 1999-2000.

I wish to thank the Committee for its work and co-operation in considering the draft program.

Mr Speaker, the Committee made twenty-seven recommendations. All but four of these recommendations have been agreed to by the Government.

One of the more important concerns of the Committee, and of the government, is the incidence of incomplete projects and projects which have not commenced, being carried over from year to year. The Government, in collaboration with its agencies, is developing strategies to reduce the backlog of capital works each year, and reforms already introduced are assisting with this process. The reforms include a requirement that all Minor New Works be completed in the year of approval and all other new works be substantially complete by 30 June.

Mr Speaker, it is also important to recognise that projects can be unexpectedly delayed and the importance of having projects that can be easily substituted into the program. For this reason the Government is answering the Committee's concerns by doubling the number of forward design projects to twenty in the 1999-2000 Draft Capital Works Program. Allowing this substitution will ensure that the level of planned expenditure for the year is met and project design is commenced as early as possible.

A recommendation was also made by the Committee that the budget for the construction of an ACT prison be adjusted to take account of the latest estimates.

I can inform the Standing Committee and the Assembly, that the Justice and Community Safety Committee is presently considering all options in relation to the construction of a prison in the ACT. The Government's preference is for a privately financed and privately owned facility. An estimate of total construction costs and the financing requirement of $32m and $12m respectively have been included in the draft program to reflect the best estimate of how much activity this project will add to the Capital Works program in 1999-2000. This addresses previous concerns about the impact of off budget and privately financed projects not being transparent in the Government's program.

Mr Speaker, the Government confirmed its intention in May of this year that it will proceed with the construction of an indoor pool at Belconnen. At a total cost of $8m, the facility will include a 50 metre pool, seating for 800 people, timing equipment, an address system, and a smaller warm up pool. An opportunity will exist for small Canberra

businesses to establish and operate ancillary facilities such as a gym, coffee shop, or creche to complement the other offerings of the centre. Tenders for the construction of the centre will be called in the second half of 1999, after the exact details of the building options have been finalised.

Mr Speaker, included in the Government's response to the Committee's concerns is a detailed explanation of the current status of the Territory's Y2k and modernisation program. It highlights the introduction of a common operating system across the ACT Public Service that is Y2k compliant and fully adaptable to incorporate future IT innovations.

The Government acknowledges that existing infrastructure is not Y2k compliant and measures are well underway to changing this with the assistance of InTACT, the Government's information technology provider.

Mr Speaker, a recommendation was also made by the Committee regarding the planning of the Belconnen Town Centre. Specifically, it insisted that the planning process take account of the requirements of surrounding office blocks, the Aquatic Centre and the Belconnen Interchange. The Government acknowledges this need and assures the Committee that all work to be undertaken will be compatible with the outcomes of the master planning process, to be completed later this year.

Mr Speaker, the provision of a safe environment in and around our schools is an accepted part of any education system. For this reason the Government has responded immediately to concerns of the Committee, and the public, about the safety of students as pedestrians at several Canberra schools. Works have already commenced on the upgrade of pedestrian areas around St Clare's, St Edmunds and Daramalan Colleges to provide extra pick up and set down points for students. As well as these alterations, a new bus route servicing the Weston Creek has also been introduced.

The Committee also requested that the Government bring forward its planned expenditure on the rehabilitation of roads in Canberra, specifically referring to proposed roadworks around the airport.

Mr Speaker, the Territory's road network is worth some $2bn and it is imperative that we maintain the value of this asset through a progressive program of road resealing. As the Government's response states, the Department of Urban Services is preparing a program of road rehabilitation for the Territory that will be included in the 2000-2001 Draft Capital Works Program.

> As part of this planning process, the Department will establish the alignment of roads in the vicinity of the Canberra airport, at the same time recognising the possible need to accommodate the Speedrail track in the future. Works on the Majura Road and surrounding connections are programmed for completion by the middle of next year and will see a dramatic improvement in safety when turning onto and off the Federal Highway from Majura Road.
>
> In addition the Commonwealth has foreshadowed an amount of $12.5m to duplicate the Barton Highway, with planning to start next year.
>
> In summing up Mr Speaker, it is important to recognise the impact of reforms that were introduced in the 1998-99 capital works program. The reforms have enabled a greater focus to be placed on program formulation, accountability and performance.
>
> These and other management reforms provide greater scrutiny and openness across the program, the size of which ($89m in 1999-2000) justifies a higher level of accountability to the Assembly and the community.
>
> Once again Mr Speaker, I thank the Committee for its comments on the 1999-2000 Draft Capital Works Program and commend the report to the Assembly.

Question resolved in the affirmative.

ACTEW CHARGES FOR 1999-2000 TO 2003-04
Independent Pricing and Regulatory Commission Report

MS CARNELL (Chief Minister and Treasurer) (3.24): Mr Speaker, for the information of members, I present the Independent Pricing and Regulatory Commission's report entitled "ACTEW's electricity, water and sewerage charges for 1999-2000 to 2003-04 - Price direction". I move:

> That the Assembly takes note of the paper.

Question resolved in the affirmative.

ADMINISTRATION AND PROCEDURE - STANDING COMMITTEE
Reference - Parliamentary Ethics Adviser for the ACT Legislative Assembly - Discussion Paper

MS CARNELL (Chief Minister and Treasurer) (3.25): Mr Speaker, for the information of members, I present a discussion paper entitled "A Parliamentary Ethics Adviser for the ACT Legislative Assembly". I move, pursuant to standing order 214:

> That the discussion paper entitled "A Parliamentary Ethics Adviser for the ACT Legislative Assembly" be referred to the Standing Committee on Administration and Procedure for inquiry and report.

Mr Speaker, I have a brief statement which I seek leave to have incorporated in *Hansard*.

Leave granted.

The statement read as follows:

> I am pleased to table a Discussion Paper concerning the appointment of an Ethics Commissioner for the Legislative Assembly, and to seek the Assembly's agreement to refer the Paper to the Standing Committee of Administration and Procedure for inquiry.
>
> I believe discussion of this matter is timely, given the examination by the Standing Committee on Administration and Procedure of a Code of Conduct for Members.
>
> An Ethics Commissioner would complement a Members' Code of Conduct. A Commissioner would assist Members in identifying and managing potential ethical problems. The community would be assured that the high standards expected of Members of the Legislative Assembly are being upheld. In short, any Members' Code would be given substance.
>
> The Discussion Paper outlines just one model for the appointment and role of a Parliamentary Ethics Commissioner. It is simply designed to stimulate discussion in the Assembly about this important subject.
>
> However, some elements of this model are important. I do think the position of Ethics Commissioner should be independent and sit outside the political process. The appointment process should be designed to bring about the appointment of a Commissioner who is acceptable to all Members of the Assembly.
>
> The role of the Commissioner should also be in keeping with the relatively small size of this Assembly.
>
> The Commissioner should provide advice to individual Members in confidence. That confidentiality should be protected by legislation.
>
> I look forward to the Assembly's consideration of the Discussion Paper.

Question resolved in the affirmative.

ABORIGINAL DEATHS IN CUSTODY - ROYAL COMMISSION
Implementation Report

MS CARNELL (Chief Minister and Treasurer) (3.26): Mr Speaker, for the information of members, I present the implementation report for November 1997 to November 1998 on the implementation of the recommendations of the Royal Commission on Aboriginal Deaths in Custody. I move:

That the Assembly takes note of the paper.

Question resolved in the affirmative.

URBAN SERVICES - STANDING COMMITTEE
Report on Environment Protection (Amendment) Bill 1998 - Exposure Draft - Government Response

MR SMYTH (Minister for Urban Services) (3.27): Mr Speaker, for the information of members, I present the Government's response to Report No. 10 of the Standing Committee on Urban Services, entitled "Environment Protection (Amendment) Bill 1998 - Exposure draft", which was presented to the Assembly on 27 October 1998. I move:

That the Assembly takes note of the paper.

I seek leave to have the presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker

Members will recall that on 25 June 1998, the Assembly resolved to refer the exposure draft of the Environment Protection (Amendment) Bill 1998 to the Urban Services Committee. The Committee subsequently tabled its report on 27 October 1998.

The Government welcomes the Urban Services Committee Report and fully supports the general intent of the Report which seeks to clarify a number of aspects of the Policy and the Bill, in many cases by more closely aligning the Bill with the NSW *Contaminated Land Management Act 1997* on which the exposure draft Bill was based. Overall the Bill, as modified in light of the Committee's recommendations and several other Government initiated changes will ensure a robust piece of legislation for the management of contaminated land in the ACT. The detail of the Government's response to the Committee's Report is set out in the formal response I am tabling today. However, I should just take a few moments to summarise the key elements of that response:

1. First, the proposed amendments to the Bill will improve consistency with the approaches adopted in NSW and ensure cross-border business is not adversely impacted.

2. Secondly, access to relevant information held by the Environment Management Authority through additions to existing conveyancing searches will ensure that those who need to, can make informed decisions in relation to contaminated lands in the ACT.

3. Thirdly, amendments to allow for voluntary assessment and remediation of contaminated land in appropriate cases will reinforce the objectives of the Environment Protection Act 1997 in promoting a shared responsibility for our environment.

4. Finally, the continuing role of the Environment Management Authority in relation to contaminated sites is to implement best practice procedures and legislation for the management of contaminated land. The ACT legislation adopts the "polluter pay principle" and will feature a duty to report, assess and remediate contaminated land. It also will establish an independent auditing process.

Overall, I believe that in its response to the Committee's Report, the Government has taken a positive step in ensuring that the ACT community can feel confident that contaminated land in the ACT will be managed through an open process, to the benefit of the community in accordance with the highest standards of best practice.

Question resolved in the affirmative.

ACTION BUS FARES FOR 1999-2000
Independent Pricing and Regulatory Commission Report

MR SMYTH (Minister for Urban Services) (3.28): Mr Speaker, for the information of members, I present the Independent Pricing and Regulatory Commission's report entitled "ACTION's bus fares for 1999-2000 - Final price direction". I move:

That the Assembly takes note of the paper.

Mr Speaker, I seek leave to have my presentation speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker, I present the Independent Pricing and Regulatory Commission's report, 'ACTION's Bus Fares for 1999-2000, Final Price Direction', pursuant to the Independent Pricing and Regulatory Commission Act 1997.

This report is the first review of ACTION's fares by the Commission and I thank the Commissioner, Mr Paul Baxter, for his report.

The Government referred ACTION bus fares to the Commission to meet the price oversight requirements of the National Competition Policy and to ensure transparency of public transport pricing. The Terms of Reference for the investigation of fares were gazetted on 23 December 1998 and tabled in the Assembly on 2 February 1999.

Mr Speaker, I welcome the Commissioner's Direction on ACTION as a realistic assessment of where we are now and future directions.

In summary, the Commission directed that:

• Average fare price increases for ACTION in 1999-2000 should not exceed the growth in CPI;

•ACTION should submit any new fare structure to the Commission for approval against the Price Direction;

• There be no increase in average student fares in 1999-2000 with the highest student fare capped at its current level; and
• Should ACTION decide not to alter its fares in 1999-2000, there will not be an automatic crediting of any cost increase over the year towards future possible price changes.

The Commission also recommended that:

• Minimum service requirements for the bus service in the ACT be agreed between the Government and ACTION as the basis for the Commission to determine a 'commercial fare';

• Detailed independent surveys be undertaken of bus travellers and nonbus travellers over the next six months. This information is designed to allow the Commission to consider further the issue of equity in the fare structure; and

As part of these further studies, particular attention be given to a review of school transport movements and of alternative fare structures for school student travel.

Public transport is designed to provide affordable transportation options for the community and to help to contain emissions and traffic congestion that would otherwise be caused by private motor vehicles.

Mr Speaker, this Government is committed to providing effective, efficient and accessible public transport for Canberrans. In recognition of the important role of public transport in the community, the Government contributes significants funds to maintain ACTION's current level of service. Currently forty six million dollars in funding is provided in the ACT Budget to maintain ACTION's current level of service, particularly non-commercial services and fare concessions.

The Commission's inquiry and report help to ensure that the Government is accountable and the processes it uses to support and regulate ACTION services are transparent. This accountability comes, in part, from the very nature of the Commission's inquiry process with its important element of broad community consultation into ACTION's services and its subsequent analysis of information.

The Commission's consultation and review period of several months ensured that a large cross section of the community could express their concerns and views about ACTION's services. The Commission's process involved several steps over three months of investigation. The Commission released the draft price direction in February 1999, took submissions, and then conducted a public hearing on 30 March 1999. The Final Price Direction was released in April 1999.

Mr Speaker, the Commission's directions and recommendations provide the Government with a worthwhile assessment of ACTION's current strategies and performance and I am pleased to point out that the Commission's recommendations have been accepted and are being implemented.

The Assembly will be aware that although the Commissioner made provision for a small increase in fares, the Government has decided to not increase bus fares in 1999-2000. Network 99 has only been in place since January this year. Given the recent significant changes to the network and the fares system, it is important that we provide an opportunity for the community to respond to the improved level of service Network 99 provides and the changes it entails, before considering adjustments in bus fares.

My Department has developed minimum service requirements for ACTION and these are monitored and reported on a quarterly basis.

I am also pleased to advise that with the services of an expert consultant, my Department is currently undertaking surveys to assess community satisfaction with ACTION's services and community's response to the new network arrangements. The surveys and analysis of patronage data will allow the Commission to further consider fare levels in its future determinations.

One of the more contentious issues for the Commission was that of the impact of Network 99 on some school fares. The Commission recommended that attention be given to public transport for schools and proposed that a study be undertaken that considers alternative fare structures. Such a study was undertaken for the Government by Roger Graham and Associates in 1998. The findings of the Graham report were discussed with the Standing Committee on Urban Service in relation to the Committee's inquiry into ACTION bus services for school children. Honourable members might recall that the Government responded to the Committee's report in December 1998.

Until we have access to better ticketing technology, I do not consider that it is feasible to make any substantial improvement in the equity of student fares. The Commission's report notes that the introduction of new technology may permit the introduction of fares that are more closely aligned to distance travelled. My Department will advise the Commission of ticketing technology developments and options in the context of the Commission's 2000-2001 review.

I am pleased that the Commission has noted that ACTION prices for student travel are not out of line with other States.

Mr Speaker, the Commission's analysis and report acknowledges the Government's commitment to strong financial management and reform. I am delighted that the Commission has recognised ACTION's progress in achieving cost savings under the recently negotiated enterprise bargaining agreement. The Commission urged that we maintain the present momentum towards realising further potential efficiencies.

ACTION's strategy involving new network services, zone based fares and labour reforms, focus on the challenges that have been outlined in the Commission's recommendations. The imperative now is to maintain the present momentum of financial reform and service improvement to contain costs and increase patronage on buses. Mr Speaker, the Government is committed to this challenge.

The Government welcomes the Pricing Commissioner's Price Direction and looks forward to future determinations and associated recommendations concerning the costs and funding of ACTION's services.

1 commend the Commission's 1999-2000 Price Direction for ACTION bus fares to the Assembly.

Question resolved in the affirmative.

EDUCATION - STANDING COMMITTEE
Report on Work for the Dole Project in Primary Schools - Government Response

MR STEFANIAK (Minister for Education) (3.29): Mr Speaker, for the information of members, I present the Government's response to the Standing Committee on Education's Report No. 2, entitled "Work for the Dole Project in Primary Schools", which was presented to the Assembly on 11 March 1999. I move:

That the Assembly takes note of the paper.

Mr Speaker, I am responding today to the majority report of the Legislative Assembly Standing Committee on Education's inquiry into the work for the dole project for primary schools, and I have tabled the Government's response to the committee's recommendations. A project where work for the dole participants help out in our schools has always been a very worthwhile project to pursue, in the Government's opinion - worth while because it provides valuable experience for the participants and worth while because it provides extra help for schools.

Mr Speaker, let me read from the committee's own report the objectives of the work for the dole program. They are:

. to develop work habits in young people;

. involve the local community in quality projects that provide for young people, and help unemployed young people at the end of the projects; and

. provide communities with quality projects that are of value to that community.

In relation to developing work habits, participation in the project is expected to develop or enhance the ability of participants to work as part of a team, take directions from a supervisor, work independently and improve their communication skills, motivation and dependability.

Mr Speaker, the Government is disappointed that the majority of committee members have attempted to politicise such a worthwhile project. We feel that the scheme is a good thing for the unemployed and for primary schools. Mr Speaker, I appreciate that the opposition voiced by the majority report of the standing committee does make it more difficult for schools to participate in the program. I recognise that the ideological tantrums of some members may dissuade some schools from taking up what the Government sees as a great opportunity.

I turn now to the report. Mr Speaker, if one looks at this rationally, the outcome of the majority report is to block opportunities for some of Canberra's young unemployed. After declaring their impartiality, the majority report members have in fact been extraordinarily selective in the use of material. In the Government's view, the timing of the inquiry and the long time the committee took to report have impeded progress on the project, and this has significantly undermined opportunities for our young unemployed.

The inquiry commenced in October 1998, while intensive planning was under way in preparation for a start in February this year. The inquiry effectively blocked any further work. Mr Speaker, it has taken the majority members some five months to complete their report - five months.

The majority members, by recommending that industry-recognised training be provided, have clearly misunderstood that work for the dole is not a vocational training program. But it is a worthwhile work experience initiative to give young unemployed some worthwhile employment, some dignity and some confidence. The majority members of the committee should appreciate and know the value of pre-vocational courses and structured work experience for the long-term unemployed. These opportunities provide a valuable preparation and support for industry-accredited training and employment.

Mr Speaker, as I have said, the work for the dole scheme is not a vocational training course. It is something else. It is a project which provides long-term unemployed young people with a means of entry or re-entry into the work force through structured and supported work experience. Participants would be employed on tasks that would provide a real and valued contribution to schools. The Government feels that all this is ignored in the report. The project is criticised not for what it is but for what the majority members believe it ought to be.

Another disappointing feature of the majority report is that it ignores information provided by the Government and my department. Consideration of that advice would have provided a proper balance. Instead, the majority members have focused narrowly on information which supports their preconceived ideas. For example, a great deal is made of what we see as irrelevant information on insurance. There are lengthy quotations from a particular submission in order to make points that are unnecessary. The report completely excludes relevant information detailing the comprehensive and fully adequate insurance cover provided by the Commonwealth and ACT governments. It is just absent from the report. This is an unfortunate example of majority members making the facts fit what we see to be their predetermined views. It carries the bizarre implication that neither the Commonwealth nor the ACT government is capable of managing insurance matters.

Similarly, information provided to the committee by my department on the development of a detailed selection process has not been given due weight by the majority members. They have not appreciated the need to develop the selection process in conjunction with schools at the appropriate time. The majority members can make unfounded criticisms of consultation, but apparently they have not appreciated the need to develop the project in consultation with schools. Furthermore, the majority report fails to acknowledge that the timing of the inquiry seriously inhibited the ability of my department to develop selection procedures.

A more disturbing issue is the underlying suggestion that the project is a threat to schools. The segment in the report that deals with support for the project is used to generate all kinds of anxiety and concerns. The majority report questions whether schools can cope with this kind of project. Mr Speaker, it is fundamental to this project that schools' participation is entirely the choice of school communities - the school board, the principal and the staff. The majority members of the committee appear to have a very low opinion of the judgment of school communities. The implication of the

report is that school communities cannot assess the schools' and their own capacity to manage a project of this kind. It is further implied that school principals and staff cannot select people, cannot match people appropriately to tasks, and cannot guide and support people. The Government totally rejects this implied assertion.

The segment on support is also used to raise doubts about the suitability of any unemployed person being assigned to work in a school. Again, any positive information is simply absent from the report. There is not any mention whatsoever of the Commonwealth's submission. That submission cites a dozen extant projects in schools and states that "the central place that schools play in the community makes them an important element in the work for the dole strategy". It goes on to conclude that "overall the Department of Education and Community Services' proposal is considered as an excellent opportunity for 140 work for the dole participants to gain experience in a range of tasks across the ACT" and that "there is excellent employment outcome potential for many participants".

Mr Speaker, this is not just an Australian initiative. It is interesting that Mr Blair's Labour Government in the United Kingdom is doing something very similar in Wales. Mr Peter Haines, the Welsh Education Minister, was reported on the BBC News Online Network of 9 April 1999, when describing a very similar scheme in Welsh schools, as saying:

> I have received many positive responses to this idea. Offering opportunities through the New Deal will not only benefit unemployed people but also the wider community.

Mr Speaker, the standing committee majority report relies very much for its arguments on the AEU submission. Members of the Assembly will know that the AEU, from the outset, has opposed the work for the dole scheme. The lengthy quotations from the AEU submission refer to the national literacy enhancement project, a project in which the union was involved. The national literacy enhancement project engaged long-term unemployed people to work with teachers in classrooms as auxiliaries for classroom activities. Mr Speaker, the literacy enhancement project was different from the current proposal. Literacy enhancement officers were working with teachers in the classroom on tasks with students.

The work for the dole project involves unemployed people working on a variety of tasks to support the school operations. Most of the tasks are outside the classroom. Where support is provided for teachers, this is administrative support or support with equipment. It is not working directly with or for students. Most of the information provided by the AEU, therefore, and relied on by the inquiry has limited relevance and could mislead. The effect of the information is to question the suitability of young unemployed people for any work whatsoever in schools.

I repeat that information provided by the Commonwealth on a dozen successful projects in schools is not mentioned. The report creates a negative, pessimistic and discouraging representation of the capacities and potential of the project, young unemployed people and school communities. The reality would be otherwise, given a sensible, compassionate approach to supporting young unemployed people in the ACT. The project is designed to provide encouragement and inclusion for unemployed people and

to demonstrate to the young participants and to the general community that they are valued, contributing members of society. It is a project that provides individual participants with a range of structured and supported work experiences and a solid foundation for training and employment.

Due to the length of the inquiry and the timing of the introduction of the proposal, there are now real and potential problems with the project continuing this year. The report compounds this error by saying the project should not proceed without additional funding. What nonsense. The project would be adequately funded. Over $1,000 per participant, up to $197,000 in total, would be provided by the Commonwealth to my department to implement the project. This is in addition to the individual payments that participants would receive. Mr Speaker, the Government feels that this is a good idea for the ACT. We would get young people helping out in our schools, and with more than $1,000 per person thrown in to support them. What do the majority members want – a 24-carat-gold blackboard duster for every school? Mr Speaker, I am also sorry to say that the negative nature of the inquiry has been damaging. The majority members' report is not helpful at all.

It is the Government's intention to proceed with the work for the dole project and to provide ACT primary schools with the opportunity to participate if they wish. I am hopeful that many ACT primary schools will consider very carefully the pros and cons of the work for the dole scheme and decide to give some young long-term unemployed people a go. I am also hopeful that they will decide to give themselves the advantage by using the extra resources made available to them through the scheme. I am sure that when the dust settles school communities will plan calmly about how they can use work for the dole participants to improve their schools. The Government will proceed with what it sees as a most worthwhile project.

Mr Corbell: It sounds like you wasted your time.

MS TUCKER (3.37): Mr Corbell thinks I am wasting my time, but I feel I have to respond when I listen to something like that.

Mr Corbell: No, you wasted your time, listening to the Minister's response.

MS TUCKER: Yes, I know. Is it worth it? It is, because I think we have to get on the record what the committee did. It is interesting to me that the Minister said at one point that he was offended because in the report the project is criticised not for what it is but for what the majority of members believe it ought to be. What I have heard from this Government so many times - and it is amazing to me that even Mr Moore cannot see the irony in this; he is usually quicker than that - is that they like to see constructive suggestions. They like to see not just damning statements. They like suggestions.

As he has said, the report made some suggestions on how the project might be okay. We did not get the information out of the terribly biased mind-set we are accused of having as a committee. We got the suggestions from the professionals in the ACT, who came to the committee in many numbers because they were very concerned about this Government's ad hoc, ill-informed approach to this particular project. It was not at all difficult to get people to come and talk to the committee, let me assure you. We did not

have to go looking for the professionals. We did not have to go looking for the principals, the Australian Education Union, the professional counselling people or the sportspeople.

I am sorry that I did not know this was coming up. If I had known, I would read for the benefit of the Minister, who seems to be totally unaware of how much community interest there was, the list of community professional people with expertise in the area of education who were concerned. They are the people the committee listened to. That is why the committee came out with the recommendations that we did showing where the Government had failed. For heaven's sake, during the process of the committee, the department admitted that they had failed, because they changed their project as we went through the process. They acknowledged, "Yes, we should have probably consulted with the counsellors". I remember that one. They also said, "They are a bit overloaded, aren't they? Yes. Maybe we will give them the task of counselling young people if they find the experience of working for the dole in a primary school difficult". That is just one example of where we saw this project to be very poorly thought through.

It is really an outrageous and silly response that we have just heard from Mr Stefaniak. He accused the committee of being political. When you have a report with that much evidence from many professional groups, it is quite a shocking response.

Mr Stefaniak said that it was irrelevant to consider the issue of insurance. The Ombudsman did not think it was irrelevant when he made comments about previous similar schemes. It was a perfectly legitimate thing for the committee to look at. We got expert advice once again from a legal person who also had some concerns about that particular issue. For the Minister to determine that the insurance cover for these young people was well and truly solid and an irrelevant issue is really alarming.

I can also remember the Minister on another occasion trying the line that it was irrelevant because it was a Federal program. That was another classic. Because work for the dole was a Federal program, we did not have the right to look at it. The fact that it was going to be impacting on ACT schools, ACT children, ACT teachers and ACT young unemployed people seemed to be irrelevant.

Another group that came to speak to us were advocates for young people. This is not just about the educational professionals who talked to us. It is also about people advocating for young people. They were not necessarily totally not supportive of finding these sorts of work experience opportunities, but they wanted to see structures and support in place to give it a reasonable chance of being a positive experience. What came out clearly from those people who work with young unemployed people or young people generally is that it is not good for them to continue to have negative experiences in this climate of unemployment. It has quite serious impacts on them if they get put into situations in which they fail.

I now have the report, so I can tell you that we heard from the Australian Education Union, who of course had a very powerful and well-researched submission, as always; the Primary Principals Association; the Liquor, Hospitality and Miscellaneous Workers Union; the CPSU; the School Board Forum; ACTCOSS; the Youth Coalition; the Australian Youth Policy and Action Coalition; the Australian Guidance and Counselling

Association; the Australian Career Counsellors Association; the ACT sport and recreation industry; and the ACT and Region Chamber of Commerce and Industry. I think the last one was the only one that really liked the project, but unfortunately their evidence did not have very much substance at all.

I am quite offended when I see this statement in the response:

> The reality would be otherwise, given a sensible, compassionate approach to supporting young unemployed people in the ACT.

If Mr Stefaniak is implying that the number of community groups I just listed do not have a compassionate and supportive approach to young people, then he needs to put that on the record very clearly. I can assure him that my experience of their work is that they do indeed and that they have a lot of experience to show what other structures need to be put in place to ensure that a sensible, compassionate approach is in place. It is all very well to use this kind of rhetoric about being sensible and compassionate, when in reality the project showed that these young people were possibly in danger of having quite negative experiences; that schools would feel the impact in a way that was not appropriate; that students could suffer as well; and that it was not a well thought out program. As I have already explained, it had to be changed during the process of the committee as evidence came to light and the department could not answer or respond in a satisfactory way.

Mr Stefaniak complains because of the length of time the committee took. Once again, I would have to point out that we had so much interest from the community that we were not prepared to say, "Go away. Mr Stefaniak is in a hurry". If Mr Stefaniak had come up with more consultation processes before they came out with this project, the committee would not have been necessary. That was a very clear message that came through from most witnesses. Consultation did not occur. Once again, I think the Chamber of Commerce thought they were consulted, but as they were not people who had educational experience that was not necessarily very impressive.

Mr Stefaniak says, "What do the majority members want - a 24-carat-gold blackboard duster for every school?". Once again, that is a really damning statement from a government which has once again shown itself to be very inadequate in the area of education policy.

MR BERRY (3.45): Mr Speaker, this work for the dole program started out as an ideological push from this Government in relation to unemployed workers. In other words, it is about punishing the victims by forcing them to do something that they might not otherwise wish to do. The first and fundamental mistake that the Government made was in its refusal to consult with all of the stakeholders in relation to the matter. Witness after witness came to the committee and informed us about the lack of consultation. In fact, it was discovered early in the piece that the Department of Education and Community Services had not complied with the Government's consultation protocol. A recommendation was made in respect of that, and all the Government could do was say, "Noted".

The report also recommended that compliance with the Government's consultation protocol be included as a performance measure in the contracts of all senior executives. "Not agreed", said they, and they went on to explain that away by talking about senior executives being required to comply with all duties as directed by the employer. Then they said that this includes the Government's consultation protocol. What are they going to do about senior executives who do not comply?

This particular program was not well thought through and in fact was changed not far into the program. This demonstrated that the need for consultation had been passed over just to allow the Government to facilitate an ideological approach in relation to the unemployed in the ACT. Youth unemployment has become a prickly matter for the Government, and they wish to look as though they are doing something. But the ideological boundaries in which this Minister and this Government operate dictated to them that they ought to take the simplistic and populist approach of blaming the unemployed. Mr Stefaniak said in his speech:

> It carries the bizarre implication that neither the Commonwealth nor the ACT governments are capable of managing insurance matters.

It is abundantly clear that you are not capable of management, and I only want to cite Bruce Stadium. I do not want to go any further than that in relation to that matter. Insurance is a far more complex matter than Bruce Stadium, let me assure you. For the Government to claim that it is deeply wounded and hurt by our claim that there is a bit of a problem with their management is being just a little bit precious.

Mr Speaker, the Government says that it is going to go on with this work for the dole program, notwithstanding the committee's recommendation that there ought to be additional funding for the matter. That demonstrates that the Government has no interest in the quality of outcomes for those who might participate in the program or indeed the quality of outcomes which might apply in respect of the schools where this program is implemented.

It is a voluntary program, as they say, and I fear that cash-strapped schools might see this as an opportunity to have cheap labour around schools in order to allow them to have money available for other educational matters. I know of a school where paint is purchased and a parent does the painting outside for nothing. This is so that the school community will have more disposable income for educational purposes. The problem I see with the whole program is that the young unemployed are going to be exploited in this way as well in order that cash can be made available for other educational purposes. Mr Speaker, that is quite unsatisfactory.

One of the things that I found quite shocking in relation to the consultation process was the way the Government consulted with the business community. The Government boasted about the fact that it had the endorsement of the Chamber of Commerce and Industry in the Australian Capital Territory for this program. They produced a letter showing their endorsement for this program and they said, "What a jolly good program this is". Of course, when we delved into it a little bit further, we found out that the letter was drafted in the department. That is not consultation. That is just calling in your bets from your mates to get a bit of support for a controversial program. Minister, for you to

stiffen yourself and resist proper consultation against that background, I think exposes you to ridicule. It is surely a ridiculous process when the department writes the letters of congratulations for other people to sign. For heaven's sake, this is 1999.

It was only a couple of weeks ago that we saw reports in the *Canberra Times* and heard evidence that young people, kids, were being used for cleaning in our school system. They were being used as cheap labour. This is back to the coalmine stuff. The reason they were being used was that the lowest contract price for cleaning was being taken by the schools. The end result is that wages and working conditions get forced downwards to the point where children from the family operators are being used in the cleaning of schools. That is the sort of thing that I worry about in the context of this work for the dole program. That worries me considerably. I see the Government's stubborn commitment to this ill-founded program, and I see that they are going to proceed with it. I can tell you, Mr Speaker, that this Minister will be held accountable for this. If there are any moves in this program which offend standards of decency, this Minister will be called to book.

The approach to this committee's report has been most arrogant and inconsiderate. It was a long and difficult inquiry, I found. Quite often people were not willing to speak their mind because of the repercussions of that, but there is stiff resistance, as I see it, within the department. That tells me that there is a political edge on this decision and the department is being forced to do something it does not really want to do. The Executive might say, "We are in charge here". You are not in charge. This is a minority government, as was demonstrated yesterday, and you will get exposed for illegal and unconscionable actions, as you should be.

Mr Speaker, this is a disgusting response to the committee's report to this Assembly. It shows that the Government does not like scrutiny, as has been demonstrated by its response to many other scrutiny reports in this place. I intend to make sure that the Government is held accountable for standards of decency and fair treatment in our education system, and I am sure that my colleagues on this committee will support me in that. Indeed, this was a unanimous report, and the Government ought to take it seriously.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (3.54): Mr Speaker, I just wish we would see a bit of honesty about the approach here. We know that those opposite - Ms Tucker and Mr Berry - do not like the idea of work for the dole. They want to do it in, but they do not have the guts to come forward and say, "We do not like this idea. We think it sucks. We think the Federal Government should stop in its tracks and therefore we oppose it and will vote against it on the floor of the Assembly". That would be a nice up-front, honest approach. Confession is good for the soul, they say.

Why not just come forward and confess your views, rather than go through this convoluted process to knock it off by throwing up conditions and saying that we have to have a review of what is going on here, have further consultation and keep talking to people? There are some people in this town who when we come through the door and start talking to them further about things say, "Oh, my God, not the Government again. We cannot take it. No more consultation, please". They leap out of windows rather than have us talk to them further about these issues. I know Ms Tucker loves consultation.

Ms Carnell: She does not like doing anything.

MR HUMPHRIES: That is right. You do not need to do anything. As long as you consult, you have a satisfactory outcome. For some of us, life is about doing things, about achieving things, about making a difference - in this case, making a difference to the welfare of people who are unemployed, who might want a viable kind of work experience to give them the chance to get out in the community and, on a remunerative basis, earn a reasonable living. I think that is a worthwhile goal.

Even the Federal Opposition had the sense to realise that it should not stand in the way of work for the dole. It did not engage in this kind of nonsense in the Senate, and I would urge members of this place not to try to hold up what is seen clearly by the community as a positive, worthwhile way of delivering better results for the unemployed of this city and this community.

MR HARGREAVES (3.56): I do not like the dole. I do not like anything to do with the work for the dole program. I think it is exploitation of people, and I will oppose it.

MR SMYTH (Minister for Urban Services) (3.56): Mr Speaker, I wish to follow on from what Mr Humphries said. Once the success of the program was seen after the hypocrisy of Federal Labor, I believe they even tried to steal credit for it, saying it was their notion of reciprocal responsibility that they had fostered in the 1996 election. Let us not be hypocritical about this. This is an opportunity to give people skills, to give people an entree into the work force. It is a wonderful program. It is working very well around the country, and it has the overwhelming support of most Australians.

Question resolved in the affirmative.

CONSIDERATION OF ASSEMBLY BUSINESS
Suspension of Standing and Temporary Orders

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

> That so much of the standing and temporary orders be suspended as would prevent notice No. 6, Assembly business, relating to the establishment of a Select Committee on Housing, being called on forthwith.

HOUSING - SELECT COMMITTEE
Appointment

MR WOOD: I move:

> That:
>
> (1) a Select Committee on Housing be established to inquire into and report, by 30 November 1999, on the role of public housing in the ACT with particular reference to:

(a) the role of government housing policy in alleviating poverty and other forms of disadvantage and contributing to social cohesion;

(b) the arrangements for developing regulatory policy for community housing and the competition related issues for providers;

(c) the impact on the ACT community of the Government's proposed changes; and

(d) any other related matters;

(2) the members of the committee shall be Ms Tucker, Mr Hird and Mr Wood.

I think all members would agree with me that the need for a roof over one's head is one of the primary needs of people in our society. In large measure, that need is provided by government in the ACT with some 12,000 homes. I think 12 per cent of homes in the Territory are provided by government. I sometimes believe that the Government does not recognise the difference between a house and a home. We put a tenant into a house, but for that tenant it becomes a home. It is a key aspect of their life. If there is any threat to that, it causes considerable difficulty to that tenant.

Among other matters that I want to look at in this select committee is security of tenure. The Government has recently announced that it wishes to change some of the requirements. That has caused considerable concern to people in the community. In the future, if your circumstances change, you may no longer be invited to live in a government residence. I think that is very unfortunate. I believe that the tenants require security. They need to know that this is a home that they can take care of and that will be theirs as long as they fulfil the conditions of the contract in terms of rent. I am not convinced that to suggest that if they get a job when they did not have one, or if they get a better job when they had a lower paid job, they should then move on is necessarily a very good thing. Therefore, I would like to explore that matter through the committee that I propose be established.

There is a range of other issues around housing, as members will note in the proposed terms of reference, that I would like to see examined. The first is the role of government housing policy in alleviating poverty and other forms of disadvantage and contributing to social cohesion. We acknowledge, do we not, that government housing has a large role to play? Are we tending to drift away from that?

The other matter that is referred to in the proposed terms of reference is the role of community housing. I support the proposals in principle, but I have some difficulty with the way in which they seem to be applied. There seems to be a rush to dispossess ACT Housing of a large number of homes and push them into the community sector. I am not convinced that that rush is a good thing. It will benefit me and other members,

and ultimately the Assembly, if we understand fully the reasons for the Government's policies. It may be that we will be convinced by them, but let us go into them carefully and thoroughly, listen to what the community has to say, and make a considered report to the Assembly.

MR SMYTH (Minister for Urban Services) (4.01): Mr Speaker, the Government is always willing to have consultation. We already have a standing committee well able to look after this issue. That is the Urban Services Committee. This is the job of the Urban Services Committee. I do not understand the need for this plethora of select committees suddenly coming on the scene.

The purpose of aligning committees with portfolios was to ensure that we worked better together and to reduce the need for select committees. Having members with a knowledge of the issues, across the issues and aware of ongoing issues is a better utilisation of resources. There is a lot to be said for following that precedent, so I foreshadow that I will be moving amendments to the motion.

Mr Speaker, the housing reforms announced in the budget will better target housing assistance and will ensure that limited resources are directed to the people most in need. That is the purpose of these reforms. The package of housing reforms has been developed to minimise poverty traps and disincentives to work, and many safeguards for the public tenants are integral to the package.

Further information was supplied to the Estimates Committee when they asked questions. We have given them the list of the exemptions. Mr Wood said that we are removing tenure from existing tenants. In the majority of cases - - -

Mr Wood: No, I did not say that - not from existing tenants. I can read.

MR SMYTH: I will concede that. The assistance that is provided through public housing should be first and foremost targeted at those most in need. Liberal and Labor will perhaps have differing views on what public housing's role should be and on the need for social housing, as some would call it. In this time of tight resources I am quite proud of the diminishing waiting list, but we still have a waiting list and it is important that we ensure that those most in need get the assistance they deserve.

Mr Speaker, Canberra has an interesting situation in regard to its public housing. It is like no other part of the nation. Some 12 per cent of the stock is given over to public housing. We have the largest amount of public housing. Oddly, for the youngest capital city of the country, we have the oldest stock, with an average age of some 25 years. We have problems in that that stock does not meet the needs. We have problems in that that stock does not meet the location requirements of the tenants. We have problems in that a percentage of that stock is underutilised. These reforms are aimed at ensuring that we get maximum effect from the stock for as much of the time as we can to assist those most in need.

There are safeguards in the reforms. In regard to tenure, for instance, tenants will be assessed as no longer requiring assistance only when their incomes exceed the entry level income barrier by 10 per cent over a period of some 18 months. That is reasonable. People most in need will enter public housing. That is right; that is appropriate. We do that through the list or through priority access. But once tenants are well able to survive on their own in the private market, it is essential that these houses be freed up for those still waiting on the list. Under provisions of the Residential Tenancies Act 1997, tenants who are asked to relocate to private housing will be provided with 26 weeks' notice, so there are further safeguards there.

People with disabilities will not be asked to move to the private market, where housing would not meet their needs, even if they do not meet the relevant income and assets tests. There are further safeguards there. Tenants may have the termination of their lease reviewed by the Housing Review Committee and may appeal to the Residential Tenancies Tribunal. There are more safeguards there. Where tenants are relocated to smaller accommodation at the request of ACT Housing, they will not be offered a property which would result in overcrowding. Consideration will be given to their preferences in relation to region and stock type, and ACT Housing will pay for the costs associated with reconnection of utilities and furniture removal so that we can take the house that they are in, which is perhaps being underutilised, and make sure that it is appropriately utilised by a family in need. New tenure arrangements will not impact on existing tenants in most cases.

These reforms are reasonable reforms in comparison to the other States when you look at the tenure that is offered. In some States and Territories, the initial sign-up contract is for as little as six months. We are saying that we understand people's needs and that the initial sign-up contract will be for three years. For those who for the rest of their lives will be on a Centrelink pension, an age pension or a disability pension, that will be extended to five years.

This is about using the assets that belong to the people of the ACT in the best manner to cope with those still on the waiting list. We have all heard the stories of well-paid public servants with Commonwealth cars and access to ACT Housing. You have to ask yourself: Is it appropriate that somebody on a very high income, an income much higher than average weekly earnings, and provided with a government vehicle should have access to public housing? Is their presence there denying somebody more in need? These reforms are important to make sure that we are best able to target the assistance that we offer to those in need.

We have changed some of the eligibility criteria. For the first time in 10 years, the increase in the asset limit, from $20,000 to $40,000, will in particular assist many older people, for whom $40,000 may well be the possessions they have accumulated over a life. A car and some furniture will easily account for $40,000. The $20,000 limit is definitely out of date and it is appropriate that we lift that limit.

People with disabilities who may not meet the new eligibility requirement but for whom private housing is not a viable option will continue to be accommodated in public housing.

The many reforms are reasonable. They ensure that we can use the public housing stock as best we can. With that in mind, and in line with the process that we have developed here that committees look after relevant portfolios, I seek leave to move three amendments together.

Leave granted.

MR SMYTH: I move:

> (1) Paragraph (1), omit "a Select Committee on Housing be established", substitute "the Standing Committee on Urban Services";
>
> (2) Paragraph (1), omit "30 November", substitute "30 September"; and
>
> (3) Paragraph (2), omit the paragraph.

Under my amendments, the matter will not go to a select committee but to the responsible standing committee, the Standing Committee on Urban Services. We would like to see a quick report and therefore seek to change "30 November" to "30 September". The amendments also delete the second paragraph of the motion, as the Urban Services Committee membership is already defined.

I am pleased that we will have such an inquiry. It is important that we continue to discuss this. This Government is very keen that community consultation take place. It is interesting that many of these matters have already been discussed. The Auditor-General, in his report on housing, raised these issues. The standing committee's response to that report suggested that they did need to be looked at and considered. Because some $2m is involved, the Government has decided to introduce these reforms through the budget. We believe the reforms are appropriate and acceptable and will allow us to use the stock that ACT Housing holds to maximum effect for all of the residents in the ACT who would like to access ACT Housing. I commend the amendments to the house.

MS TUCKER (4.10): I will speak to the motion as well as Mr Smyth's amendments. I will be supporting this motion to establish a select committee to inquire into the proposed changes to ACT Housing and their effect on the housing market of the ACT as well as the broader issues around the role of public housing in our society. It is interesting to hear Mr Smyth now say that he does not mind a committee looking at the matter, as long as it is Mr Hird's committee and the inquiry is shorter than proposed in the motion, so already, in my view, we can see a lack of commitment to a thorough and rigorous investigation of the broader issues. One has to ask the question: Why is the Minister now welcoming the opportunity to discuss these issues when he should have involved the community before?

Once again, at the risk of being repetitive - and I know how the Government has no interest in the subject of consultation except to say that it is all rather silly - I point out that it would have been useful for the community sector, whose lives are centred on the issue of housing and supporting people who are disadvantaged, to have been consulted on these changes. When we asked Mr Smyth about this in estimates, he said that there is no requirement at all to consult if it is a budget issue, which in itself is a curious statement, considering there are several pages of government notes on what the community said when they responded to invitations to put views on the budget.

It is inappropriate that these broad social policy changes were linked with the budget. One has to suspect that it was somehow to coopt Mr Osborne and Mr Rugendyke into supporting them because they have made a publicly stated commitment to supporting budget initiatives, but fortunately they are open-minded enough and can see that really this is about the social policy of this Liberal Government, that it is not necessarily related to budget and should not have been linked to the budget in the way it was and that there should have been consultation. As I understand it, concerns have been expressed to those members by the community sector on this and they have received a sympathetic hearing.

We can establish that we need to belatedly look at these issues that the Government suddenly came up with out of the blue. The argument today seems to be based on whether the committee should be a select committee or a standing committee. The Government want to make the inquiry shorter because they are such a good can-do government. They just want to get on with it. They will have a short consultation, maybe, and will have much more limited terms of reference. That is why I, the Labor Party and hopefully the crossbench members are supporting a select committee. We want to do that because we have all had many meetings with people in the community sector who recognise that the issues involved in this debate are much broader than the terms of reference of the Urban Services Committee would normally be interpreted to allow. We often hear that the Urban Services Committee is overworked, so that is an issue as well.

For the benefit of the members of this place, particularly the Liberals, who do not listen anyway, I want to refer to the executive summary of a document that came from the Western Australian Government, called "Community Choices: Individual Lives". It was written by a task force put together to look at the issue of poverty in Western Australia. It was produced in 1998 as a response to the United Nations International Year for the Eradication of Poverty. This report said that housing was a significant issue - yes, we all seem to be able to agree on that - but that there was a need to have a broad look at social issues in an intersectoral, interdisciplinary way. They made specific recommendations on that matter that I will read into *Hansard*:

> That Cabinet acknowledge the cost to individuals, the private sector and governments of relative poverty ...
>
> That the Minister for Family and Children's Services take a proposal to Cabinet to establish an advisory group and/or unit that reports to the Cabinet on social policy matters. It should have an across portfolio mandate including:

a) responsibility for promoting the interests of individuals and families in greatest need, especially people living in poverty.

b) creation of an interdisciplinary social policy overview of Government decisions and activities

c) the capacity to monitor social impact, especially changes affecting those in greatest need ...

There were about four or five other dot points. This significant report produced by eminent and respected people recognised the need for a cross-sector and interdisciplinary look at social policy issues. This Government rejects that notion. They do not need a social policy unit; they just do it so well already. What we are seeing in the community sector and in the results of their work in the ACT is that this is not working and that there is fragmentation and a lack of communication between agencies. Every single report that I produced in the Social Policy Committee last year pointed out the fact that interagency connections and communication were lacking and had serious implications for people who were receiving services.

For that reason it is absolutely critical that we have a select committee to look at the issue of housing. Housing cuts across more than bricks and mortar, as Mr Smyth has been heard to say publicly in this place. When we raised the issue of legislative protection for tenants in the Narrabundah long-stay caravan park, I asked him whether he was aware of the Community Law Reform Commission report on legislative protection for that particular group, and he said, "Why should I know that? It is not my core business". I think you can see, Mr Speaker, that we might have a problem here. Housing not only cuts across the legal issue of tenancy; it cuts across other portfolio areas. It cuts across health; it cuts across family services and people who have supported accommodation and so on. There are a lot of broad social issues that need to be debated in that broad context. It is not good enough just to refer them to the Urban Services Committee with a shortened timeframe. The Government's amendments show that the Government does not care about these really important social issues, although it still makes the proud claim that it is a caring government.

I ask members of the crossbench to support this motion, which proposes a select committee. I have talked to them individually. I know members of the community have expressed to them the need to have a select committee so that we have a cross-sector approach to this issue. I ask them to support this motion.

MR WOOD (4.17): I would ask members to resist the amendments. As Ms Tucker has pointed out, the inquiry encompasses a deal more than just those areas under the auspices of ACT Housing, so it does require the broader sweep that the select committee will be able to give it. On that basis, I ask members to support the reference to a select committee rather than to the Urban Services Committee.

Question put:

That the amendments (**Mr Smyth's**) be agreed to.

The Assembly voted -

AYES, 8	*NOES, 9*
Ms Carnell	Mr Berry
Mr Cornwell	Mr Corbell
Mr Hird	Mr Hargreaves
Mr Humphries	Mr Kaine
Mr Moore	Mr Quinlan
Mr Osborne	Mr Rugendyke
Mr Smyth	Mr Stanhope
Mr Stefaniak	Ms Tucker
	Mr Wood

Question so resolved in the negative.

Motion agreed to.

JUSTICE AND COMMUNITY SAFETY – STANDING COMMITTEE
Report on the Establishment of an ACT Prison

MR OSBORNE (4.23): I present Report No. 3 of the Standing Committee on Justice and Community Safety, the first interim report in the prison series, entitled "Inquiry into the Establishment of an ACT Prison: Justification and Siting", together with a copy of the extracts of the minutes of proceedings. I move:

That the report be noted.

The committee went into the inquiry with six terms of reference and intends to table a series of interim reports over the next couple of years. This first report addresses the first term of reference only, namely, the justification for a prison in the boundaries of the ACT. Additionally, at the Government's request, the committee has also made a recommendation regarding the siting of a prison. The committee's second report is expected to be tabled in August this year and will address the important issues of prison design and programs, cost-effectiveness, community involvement and accountability. It will also consider whether the prison should be privately or publicly run. Further reports will cover such issues as best practice models, prisoner rehabilitation and the avoidance of deaths in custody.

The committee has consulted widely during this inquiry and has received over 70 written or verbal submissions. In addition, members have visited nine prisons in Victoria, South Australia and Queensland. Although not as part of this inquiry, Mr Hird and I visited several prisons in New South Wales as members of the previous Assembly's Legal Affairs Committee.

Mr Speaker, the issue of whether the ACT should have its own prison has been considered in numerous reports over the past 15 years. I think it is important to point out that all those reports have recommended that a prison should be established. The overwhelming majority of submissions received by the committee supported the need for an ACT prison based on a combination of solid economic and social arguments. Not only would having our own prison create enormous benefits; it would also greatly benefit prisoners and their families.

One of the reasons for sending people to prison is the hope of some sort of rehabilitation. An ACT prison would afford the Canberra community greater control over the rehabilitation and restoration process of its prisoners instead of leaving this up to either Goulburn or Junee. The committee believes that there is no justification for allowing the situation to continue where a large number of prisoners come out of prison with greater emotional or physical damage than when they entered. While having our own prison will not solve all our problems in this area, it will at least ensure an integrated approach to individual case management.

Perhaps the most compelling evidence the committee heard in support of a prison came from family members of prisoners and prisoner support services. It is almost impossible for families to maintain regular contact with ACT prisoners sent to New South Wales gaols, except perhaps those sent to Goulburn. As an example, for families without cars, a trip using public transport to Junee takes up to about six hours and requires an overnight stay and a half-hour walk from the township to the prison facility. The committee accepted evidence that lack of regular contact between a prisoner and their family is detrimental to the prisoner's rehabilitation and for the readjustment of the family unit upon the release.

Finally, having our own prison would also mean that we could finally do away with the poorly designed and substandard Belconnen Remand Centre. The committee has made three recommendations in support of an ACT prison, including a recommendation that the Government continue to consult with the committee on major decisions.

As would be expected, there was a high level of interest in where a prison will be sited in Canberra. At the Minister's request, the committee agreed to participate in the site selection process. The Government came up with six possible sites, to which the committee added another four. The 10 sites covered each electorate. The committee has visited each potential site several times and judged them according to the Government's siting criteria for a 300-bed facility. These criteria cover aspects such as size of the site, distance from the city, public transport, environmental issues and infrastructure costs.

To cut a long story short, the committee has recommended that the Government consider building the prison at either the Kinlyside or Symonston sites. Both sites have small advantages over the other areas, but the committee believes that both would serve equally well. The Symonston site would be cheaper to develop, but there are a number of environmental concerns. Kinlyside rated well against each of the selection criteria but would be more expensive to develop. The government member on the committee, Mr Hird, initially suggested that Kinlyside be considered as a potential site, but no longer - surprise, surprise - supports it as a suitable location. I commend the report to the Assembly.

MR HARGREAVES (4.27): This report, in my view, is the first big step we are making towards stopping the warehousing of our prisoners and recognises the fact that the situation with ACT prisoners is no different today from what it was for British prisoners in the 1700s - stuck in New South Wales and forgotten about. I recommend that all members of the Assembly take an interest in progressing this matter.

I would like to refer very briefly to section 2 of the report, entitled "Justification for the Prison", and draw members' attention to three of the arguments in favour of an ACT prison. Of course all of the arguments put there are valid, but three of them struck me as being big. One is responsibility for our citizens. Chucking people into gaols where we have absolutely no say in what happens to them is not, in my view, accepting our responsibility. The Government's commitment to providing a prison accepts that responsibility, for which they should be congratulated. Another argument is that in a New South Wales prison, or any other prison for that matter, we have absolutely no control over rehabilitation and restoration, as the chairman, Mr Osborne, said. There is no better example of that than the recent case of a prisoner with schizophrenia who was table tennis batted all over New South Wales, much to his detriment and his family's detriment. Absolutely no good has come out of that system. As a government and as a corrective system, we sat by impotent. We could not do anything about it, so the sooner we have our own gaol, the better. Thirdly, I think it is pretty obvious to anyone who has heard anything about it or been there that the Belconnen Remand Centre needs replacement, and I do not need to go on about that.

I would like to highlight paragraphs 2.11 and 2.12 of the report, which I believe encapsulate the position the Standing Committee on Justice and Community Safety has come to. I would like to pay a tribute to members of the committee for moving away from the old system of retributive justice towards the restorative model, recognising as they have the continuum of the justice system that we have to address. All too often we just address the physical aspects of a gaol or sometimes the programs that go with it, and we are very sympathetic to the difficulties people there have. We unfortunately sometimes do not pay enough attention to what happens to them post-release. We need to look at the whole continuum and address those issues. If we do that and embrace full restorative justice philosophies, in my view, we will give life to best practice and lead the way in this country.

With this prison, we get only one chance and we have to get it right, so before we talk about bricks and mortar we need to pay attention to the programs that go in there and the programs that will apply to people on release. Because of the different types and classifications of problems which put people in there, it will be a very difficult prison to design. The best way to do it is to develop those programs and let those programs drive the architecture, which will drive the bricks and mortar contract.

I draw members' attention to recommendation 3 on page 15. The committee recommends that the Government move rather quickly to invite expressions of interest in the provision of project direction services. We understand that the bricks and mortar bit and the private versus public bit will happen at their own pace, but we believe that the ACT could do with the expertise of people who have had experience in developing gaols, both public and private. The Government could do with that advice and have those people develop the sorts of programs and outcomes that we all would agree on so that we can get a mind's eye of what sort of best practice prison we are going to provide.

It will take some time for that work to be completed, and presumably there will be proper community consultation in that process. The committee supports any move to get on with the job, and we would urge the Government to do that. We notice that in the capital works program of last year there was some $400,000. I understand that that has rolled over and that the Government therefore has the money to be able to do it. It would make the committee's job very easy if this work were to commence. We would like to see it commence. We have been pushing for it for some time. I think this formalises the request.

I would like to echo the chairman's words of appreciation for those who have assisted us. I would like to congratulate the committee secretary, Fiona Clapin, for the work that she has done and the assistance she has given us, and I would like to congratulate all of the members of the standing committee for their multipartisan approach, because it shows a genuine concern for human beings and a desire to get a speedy and proper outcome.

Question resolved in the affirmative.

NATIONAL APPROACH TO ILLICIT DRUG USE AND COAG ILLICIT DRUGS DIVERSION INITIATIVE
Ministerial Statement

MR MOORE (Minister for Health and Community Care) (4.34): Mr Speaker, I ask for leave of the Assembly to make a ministerial statement on the national approach to illicit drug use and the COAG illicit drugs diversion initiative.

Leave granted.

MR MOORE: I know it will disappoint members, but I table my statement and ask for leave to have it incorporated in the *Hansard*. I know that members love to hear me talking about drugs.

Leave granted.

The statement read as follows:

> Mr Speaker, I rise today to announce a very important stage in the development of a nationally coordinated approach to services for drug dependent people in Australia.
>
> As Members may be aware, the Attorney General and I attended the Ministerial Council on Drug Strategy (MCDS) meeting on 10 June, at which Commonwealth, State and Territory Health and Law Enforcement Ministers agreed on a national approach to the development of the illicit drug diversion initiative agreed by the Council of Australian Governments (COAG) in April of this year.

This agreement will facilitate the early implementation of a diversion approach which will result in people being given early incentives to address their drug use problem, in many cases before incurring a criminal record.

It will also increase the number of illicit drug users diverted into drug education, assessment and treatment; and reduce the number of people appearing before the courts for use or possession of small quantities of illicit drugs.

As part of a new investment in prevention, early intervention, education and the diversion of drug users to counselling and treatment, the Commonwealth has announced funding of $220 million over four years.

The ACT Government supports this additional focus on treatment and diversion programs for drug, dependent people.

As Health Minister I welcome additional funding for the ACT and the other jurisdictions in this respect.

However, the ACT Government has made it clear that it does not and will not support a wholly zero tolerance or totally "tough on drugs" approach to managing Australia's drug problems.

Rather, our approach is based on the comprehensive harm minimisation philosophy which underpins the National Drug Strategy and our own ACT Drug Strategy.

The Government also remains concerned about the compulsory treatment approach advocated by the Prime Minister.

As the Chief Minister noted in her recent Ministerial Statement concerning the outcomes of the COAG meeting, it is important to tread very carefully when talking about the concept of "compulsory treatment".

Governments need to be there to help people who want to make the move from a drug-using lifestyle, by providing them with a range of treatment and counselling options to assist them to exit that lifestyle.

While illicit drug use and its associated harms can never be condoned, it is essential to take a broad approach if the best outcomes are to be achieved. These outcomes relate to both drug dependent people themselves and the broader community.

At the MCDS meeting last week, Health and Law Enforcement Ministers from around Australia agreed that a flexible approach to the implementation of diversion programs in the States and Territories was necessary.

The ACT Government is to also focus energies on the diversion of high risk offenders.

It is the hard core drug users who cause most harm to themselves and the community through crime and self-harm and therefore on whom resources are best expended.

Individual States and Territories know what works best for them.

They need to be in a position to ensure that any diversion program takes account of existing legislation, policy and practice.

Decisions about the precise nature of the target group and the most appropriate points of exit from the criminal justice system need to take into account local circumstances.

I want to ensure that the approach taken in the first phase of the National Illicit Drug Strategy, whereby funding went direct to non-government organisations without adequate consultation with State and Territory policy-makers, is not repeated.

The ACT Government wants to ensure that if it proceeds with implementing a particular model of diversion, it complements existing diversion and treatment programs.

Aggressive targeting, that is, seeking out those who do not come to police attention via current policies and procedures, would represent a major policy shift in both policing practices and in our overall health response to illicit drug users.

As some members will know, we already have some successful diversion programs in place in the Territory:

A Treatment Referral Program, which provides courts with reports on suitability of treatment as a sentencing option and progress of clients on treatment orders;
Diversionary conferencing; and
Griffiths bonds, which are a form of long term remand during which time an offender undertakes a treatment program.

Furthermore, proposals are being developed which will complement and enhance existing measures which include:

on the spot in-court assessments of offenders by drug and alcohol professionals as a more effective and efficient method of advising magistrates on the appropriateness of treatment options; and providing, the ACT is successful in working with the Commonwealth and is able to attract funding under the National Illicit Drug Strategy, the provision of **residential or day program rehabilitation for**

remandees who have committed offences related to their drug use. This early intervention criminal justice program would be initiated at the first court appearance stage.

Mr Speaker, this Government supports additional diversionary mechanisms for people confronting the criminal justice system because of drug related crime.

Consideration needs to be given to whether the police diversion approach proposed by the Commonwealth can be implemented successfully and will complement current and proposed ACT policy and practice, or whether the associated costs and disruption do not justify it.

For these reasons I have argued strongly that all States and Territories need to work directly with the Commonwealth to design their own diversionary projects which are consistent with jurisdictional priorities and clearly defined outcomes.

The funds that will be directed to the ACT are limited, and will not achieve the substantial expansion of treatment programs that the Commonwealth suggests.

Indeed the concern by State and Territory Ministers about the adequacy of funding was noted in the joint communique from the council.

The ACT will therefore be examining priorities for treatment funding, highlighting the best opportunities for diverting people who are drug dependent.

Officials from my Department will work with the Department of Justice and Community Safety to develop a diversion proposal which complements existing and proposed ACT programs, is appropriately linked to counselling, education and rehabilitation services, and achieves real outcomes both for drug-dependent people and the wider community.

What is important here is not that ‘X’ number of people are apprehended and forced into treatment. 'Runs on the board' aren't enough, to use one of the Prime Minister's analogies.

For me, indicators of the real success of our programs are that people:

are assisted to move away from a drug-using lifestyle, and are kept alive and in the best possible health while they are making that decision;
are able to lead relatively normal lives through methadone or other pharmacological maintenance programs;

are provided through rehabilitation with behavioural strategies to assist them to remain either drug free or to control their drug use; and are supported and given another chance to become drug free, whether they fail once or a dozen times in achieving that goal.

The introduction of a national approach to diversion needs to complement and broaden existing initiatives, rather than override them.

Of course, we must continue to work hard on the prevention and health promotion end of the continuum, to discourage young people from misusing all drugs, including tobacco and alcohol.

It is for this reason, Mr Speaker, that I am delighted to announce that a National Tobacco Strategy was endorsed by the Ministerial Council, representing the first of the National Drug Actions to be developed.

The overall goal of the Strategy is to improve the health of all Australians by eliminating or reducing exposure to tobacco in all its forms.

As fellow Members will be aware, Mr Speaker, the ACT has demonstrated national leadership in this area through its landmark implementation of smoke-free legislation.

Our cutting-edge approach will be taken even further this week, when a Tobacco Amendment Bill, which will end point of sale advertising and limit tobacco product display, is introduced into the Assembly

Health and Law Enforcement Ministers also agreed to ensure that appropriate State and Territory authorities restrict the sale of alcoholic liquor pops to licensed outlets, a very important initiative given the possible consequences of availability of this product to minors.

In the development of a coordinated national approach to illicit drugs, it is essential that health promotion and education programs are comprehensive and well-targeted.

Even in schools, a range of approaches to illicit drug use is important. Simply telling young people to "say no to drugs" will not always work and support structures need to be in place for those young people who continue to use drugs.

The *Draft Drug Education Policy Framework,* recently released for consultation by the Department of Education and Community Services, provides clear support and direction to ACT schools in this area.

Additionally, the ACT Government will work with the Commonwealth to assist school communities to respond to illicit drug use including through:
development of enhanced protocols on a national basis;

provision of educational material for schools and building school and community awareness and involvement in addressing drug use problems; and
provision of resource materials to all schools for the design of their own local summits to strengthen the response of schools and communities to the challenge of drugs.

Mr Speaker, one of the most important things to emerge from the National Drug Strategic Framework and COAG involvement in the drugs issue is the commitment to a partnership approach.

The Commonwealth, States and Territories have agreed to work together to better manage the issue of illicit drugs and this means carefully drawn, explicit and practical links between education, law enforcement and treatment efforts at all levels of government and the wider community.

The ACT will respond to this challenge.

I will be working with my colleagues, the Attorney General and the Minister for Education, to develop practical ways to reduce the problems associated with drug use in the Territory.

MR MOORE: I move:

That the Assembly takes note of the paper.

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

RATES AND LAND TAX (AMENDMENT) BILL 1999

Debate resumed from 4 May 1999, on motion by **Ms Carnell**:

That this Bill be agreed to in principle.

MR QUINLAN (4.35): You would be surprised to hear that we cannot support this Bill. It does continue the process of rendering the collection of general rates in the ACT more and more regressive. I note from the Government's reply to the Estimates Committee report that they thought that the much earlier rating system was overly progressive. I guess here we exchange our differences on the absence of real policy. The Estimates Committee, in its recommendations, asked the Government to articulate its policy towards land rates. We asked what target the Government had in making rates more regressive and what its upper limit for fixed charges was. There were two answers.

Mr Humphries: You agreed to all of this two years ago. It was your formula.

MR QUINLAN: That is a furphy that came up last year. It probably came up in previous years also. We agreed to an A plus BX formula. We did not agree that you could keep changing the "A", the balance, in that formula, whenever it suited you. We are not talking about throwing out a formula. We are talking about the way you are misusing the formula by adding something like 17 per cent to the fixed component of the formula while only adding a fraction to the variable component. You are flattening out rates.

As an Estimates Committee, we said, "Tell us what your target is". The answer to that was: "We do not know. It is part of a process of making these rates less progressive. On the other hand, we will just continue to look at it year by year". There were contradictory statements within the space of about five or six lines. In one paragraph you say it is a gradual move towards a more equitable user-pays system. In the next paragraph you say, "We will continue annual reviews". That, to me, says that you have no policy. That says that you are meandering from year to year. I contend that "a more equitable user-pays system" is probably an oxymoron. We could just about put your rates policy on the back of a business card. It says, "What suits us at the moment". That is it. We asked what the philosophy behind it was. The answer was: "Cannot say".

Ms Carnell: The philosophy is to flatten out the increases.

MR QUINLAN: To where? To what number?

Ms Carnell: As little as possible within a fair and equitable approach.

MR QUINLAN: Do we have you on record saying that you want flat rating across the ACT?

Ms Carnell: No. We said we did not want that.

MR QUINLAN: We do not want flat rating. We do not want what we used to have. We do not want exactly what we have now, but we do not know what we do want. Is that a reasonable summary of what you have just said?

Ms Carnell: No, it is not.

MR QUINLAN: Feel free to interject with what it is.

MR TEMPORARY DEPUTY SPEAKER (Mr Hird): Order! Mr Quinlan has the call and the Chair knows what it wants. It wants Mr Quinlan to address his remarks to the Chair.

MR QUINLAN: The ALP believes in progressive taxation. We believe in equity through payment according to means. At the same time, we must recognise that a progressive system may cause some problems for older residents in areas where land values are appreciating. I believe that it is incumbent upon government to actively promote the rates deferment system so that we can have a progressive system where people do pay according to means but at the same time we do not penalise those caught up in the particular areas of Canberra appreciating rapidly as the city develops. Overall, we cannot support the Bill.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (4.41): I will be brief in commenting on this Bill. I simply want to record very clearly that the process of arriving at this system in the last Assembly was a tortuous process. In fact, members who were there then will recall that the Government put forward a formula for improving on the rates system of the past, the system which saw huge increases, 30 per cent increases in one year, in some suburbs and decreases of the same amount in other suburbs. We argued before the 1995 election that there had to be an improvement in the rates system to get away from that roller-coaster ride.

In the course of the last Assembly we delivered a different model. That model was initially rejected by the Assembly and it was refined somewhat. We came back and we got a model which was acceptable to the Assembly, and it was then passed. The model that is there today was the innovation of the Government, but it was a model which was ultimately approved by the rest of the Assembly.

The mechanisms used in that formula to increase the fixed charge were mechanisms that were clearly flagged in the debate on that rating system in the last Assembly. Those opposite have now said that they do not like the system; that they want more information about the system. In the last Assembly they were prepared to support the equivalent Rates and Land Tax (Amendment) Bill notwithstanding the lack of that information. They were prepared to support the Rates and Land Tax (Amendment) Bill last year, in the Fourth Assembly, without that information as well. Now, suddenly, they say they want information and are not going to support the Bill in this year's budget without that information. It is capricious and it is opposition for the sake of opposing.

I am reminded of the words that the former Opposition Leader, Mr Whitecross, used in debate in this general area of rating. On 26 June 1997 he said:

> The other two main tools of the new rating system - the flat fee component and the $19,000 threshold - are also supported by Labor. However, Mr Speaker, I would like to say that a flaw in the flat fee component is that it is not linked to any explicit services provided by the Government.

What we are doing here is linking the flat fee component more explicitly to the level of government services which each person in the ACT enjoys, irrespective of whether they live in a very modest dwelling in Monash or in a mansion on three acres in Red Hill. We are linking that flat fee more to those across-the-board services consumed by people, which is what Mr Whitecross called for in 1997. We are doing what the Labor Party has asked us to do - at least the Labor Party as per Mr Whitecross. We have already heard Mr Corbell today disavow former Labor candidates in this Assembly. I do not know whether Mr Whitecross is one of those who can be discarded so easily, even though he was the leader of the party at the time. Mr Whitecross's words apparently do not count anymore for what Labor thinks in this place. This is another example of the highly capricious behaviour of the Opposition, which is very hard for a government to deal with.

We need a system very much like the system the Government puts forward today in the Rates and Land Tax (Amendment) Bill to generate fairness of outcome and consistency of approach from year to year. We are increasing the flat fee component to reflect the actual level of consumption of government services in the ACT, as the Labor Party asked us to do in 1997. That is what was asked of us at that time. Mr Whitecross said that it was a flaw in the system that we did not link that fee more specifically to government services.

We are now doing that, and the Labor Opposition is seeking to oppose the Bill. Of course, that includes Ms Tucker. What are we supposed to do instead? We are told that we have to set some sort of target for this. Our target, in a broad sense, is to more accurately approach the actual cost of government services which everybody in the ACT consumes. A person who lives in a very expensive house that consumes more of a particular type of service obviously may pay more on the fluctuating component. But presumably that person will still use the same amount of other services such as garbage services as a person who lives in a very modest place in Monash, for argument's sake. We are targeting those fixed services everybody consumes. We obviously cannot give a dollar figure for that, because from year to year that changes, and probably increases. Why is it that the Assembly is now faced with the Labor Party and Ms Tucker saying that they - - -

Ms Tucker: You are making a bit of an assumption.

MR HUMPHRIES: It is a pretty fair assumption, based on your performance in the last 18 months, Ms Tucker.

Ms Tucker: You might be wrong. I look at the issues on their merit. You are just wrong.

MR HUMPHRIES: Ms Tucker, shock us and vote in favour of our Bill. In the absence of any better formula from the Labor Party and Ms Tucker, I think we have to ask ourselves what it is that they want. If we asked them today to spell out what their ultimate target was for other government fees and charges, they would not be able to do it. You were almost in government. But for one vote, you would have been sitting over here today. If I asked you now what rate of taxation you were going to set into the foreseeable future, I think I would expect some sort of answer, a general answer. But I am not going to get that answer, am I, Mr Quinlan? If you cannot answer that question, with great respect, why should we? In the absence of an answer to that question, the Rates and Land Tax (Amendment) Bill 1999 should be passed by the Assembly tonight.

MS TUCKER (4.49): The Liberal Party seems to find it a strange concept, but I do look at each issue on its merits. The fact that I do often vote with Labor just shows that they are on a more consistent path with the Greens' policy. We obviously have policies more in sympathy with them than I have with the Liberal Party, and we are not surprised about that either. But surprisingly enough, I am not opposing this piece of legislation.

What I a saying is that there are some concerns which are very legitimate. Mr Humphries needs to pick himself up off the floor. The Labor Party has raised some very legitimate concerns. I have already stated the same concerns in the estimates process. The increases in rating factors that are incorporated in this Bill have been established to ensure that overall rates revenue increases by 2.5 per cent. I think it is reasonable that rates revenue rise over time to match increases in the consumer price index.

However, like Labor, I am concerned about the impacts of these rates increases on individual householders and about ensuring that the rates increases are equitable. In particular, I am concerned that the fixed charge component of the rates is increasing faster than the overall rates amount. While overall rates revenue has increased by 2.5 per cent, the fixed charge has been increased by over 8 per cent from $240 to $260. There was a similar increase in the previous financial year. This means that the progressive nature of the rates charge and the differential between the bottom and top rates are being steadily eroded, and that is a concern. I think it is a retrograde step.

The Government says that this is about applying the user-pays principle and distributing costs more evenly across property owners. That is okay to a point, but the Government seems to forget that the user-pays principle has to be balanced against the principles of social justice. The Government is not taking into account people's ability to pay and the principle that those who have a greater ability to pay should pay more to make up for those who cannot. It has been a longstanding principle with rates that those property owners who can afford to live on highly valued land should pay proportionately more than those people in low-value properties.

Because the Government is eroding this principle through increasing the fixed rates charge, so that over time rates charges will be reduced to a narrow band which will proportionately increase the rates for lower income earners and favour the wealthy, I have expressed concerns. I am asking government to take those concerns on board. I will not be opposing this legislation.

MS CARNELL (Chief Minister and Treasurer) (4.52), in reply: I have some amendments to move in the detail stage. I will start by addressing Ms Tucker's concerns and going back to the 1994 scenario, when the Labor Party was in power last. The Labor Party did conduct a review of rates in 1994 and then proceeded to do nothing. Why did they conduct a review? They conducted a review because of an inequity that I cannot believe that Ms Tucker would support.

Rates were not based on people's ability to pay but on where they lived. Consequently, people who had lived for a long period in an ex-government house in, say, Curtin, usually older Canberrans, had rate increases of 60 per cent, absolutely amazing increases, over quite short periods of time.

When we came to government, we changed the increases to straight CPI increases on last year's rates. The Assembly as a whole did not like that much, although it did give people the sort of surety that they needed. We then did a review of rates and spent quite a lot of time looking at a way to produce a rating system that, as Mr Whitecross said, was fair and equitable. It had three components - the $19,000 threshold, the flat fee and the

component that reflects the unimproved capital value of the property. The idea of having three components of the rates bill was to try to flatten the huge increases that were happening under Labor. For many people, their rates bills increased by 60% or more over three years.

The flat component was put in place to reflect the cost of providing the services everybody gets, as Mr Humphries was saying. The proposed increase in this bill from $240 to $260 in 1999-2000 is part of a gradual move to a more equitable user-pays system. As this rating formula has three separate components, it would be ridiculous to look at any one component of the package on its own. The formula results in minimal changes in rates from last year but reflects the cost of the services that everybody gets and the unimproved capital value. It is an integrated system, one that I believe gives ratepayers significantly more confidence than was the case under the previous system.

To answer Mr Quinlan's comments, yes, it is true that it is the Government's view that we should have a gradual move in the flat fee component to more adequately reflect the cost of providing municipal-type services and to enhance rather than undermine the equity and the fairness of the whole system. I think it is important to note that the actual cost of municipal-type services for each property in the ACT is, on average, about $780. It is significantly higher than the $260. Obviously, we would never be anywhere near that level, because that would undermine the whole system.

I think the new rating approach is working very well, when you compare it to the past systems, which caused huge social problems, usually to the people least able to pay. Fixed income retirees living in the inner north and inner south were being placed in positions where it was very hard for them to handle the increases. This particular approach, I believe, overcomes that problem. One of the architects of the amendment is in the house today. We call this the Marina-Dawson amendment. It has produced a system that is very appropriate.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail Stage

Bill, by leave, taken as a whole

MS CARNELL (Chief Minister and Treasurer) (4.58): I present a supplementary explanatory memorandum. I ask for leave to move two amendments circulated in my name together.

Leave granted.

MS CARNELL: I move the following two amendments:

> Page 1, line 6, clause 2, omit the clause, substitute the following clause:

"2. Commencement

This Act is taken to have commenced on 1 July 1999.".

New Clause -

Page 4, line 1, after clause 13 add the following clause:

"14. Insertion

After section 48 of the Principal Act the following section is inserted:

'49. Transitional provision - certain determinations may be retrospective

'(1) Despite section 7 of the *Subordinate Laws Act 1989*, if a determination of a fee under section 36 -

(a) is made before 31 July 1999; and

(b) is expressed to have effect from a date not earlier than 1 July 1999;

the determination is taken to have effect from that date.

'(2) This section ceases to operate on 31 July 1999.'.".

Are we happy to let these through?

Mr Quinlan: We have checked them. They are only tiny, are they not?

MS CARNELL: Yes. There will be a whole series of these amendments in Bills. It is to do with the fact that we were not sitting last week. The amendments allow the Minister to retrospectively determine fees under section 36 of the principal Act as at 1 July 1999.

Amendments agreed to.

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

Bill, as amended, agreed to.

ADJOURNMENT

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

That the Assembly do now adjourn.

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

Question resolved in the negative.

AMBULANCE SERVICE LEVY (AMENDMENT) BILL 1999

Debate resumed from 6 May 1999, on motion by **Ms Carnell**:

That this Bill be agreed to in principle.

MR QUINLAN (5.00): The Opposition has no problem with this Bill. It imposes a levy on health benefits organisations, bringing us into line with New South Wales, as I understand it. We have no objection.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail Stage

Bill, by leave, taken as a whole

MS CARNELL (Chief Minister and Treasurer) (5.01): I present a supplementary explanatory memorandum and move the following amendment:

Line 6, clause 2, omit the clause, substitute the following clause:

"2. Commencement

This Act is taken to have commenced on 1 July 1999.".

Amendment agreed to.

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

Bill, as amended, agreed to.

REVENUE LEGISLATION AMENDMENT BILL 1999

Debate resumed from 4 May 1999, on motion by **Ms Carnell**:

That this Bill be agreed to in principle.

MR QUINLAN (5.02): The Opposition does not support this Bill.

Ms Carnell: Surprise, surprise!

MR QUINLAN: Surprise, surprise! I believe that there has not been reasonable consultation in relation to this Bill. I believe that there has not been too much thought gone into it, either. I think it should have been researched a little bit more. Certainly, there has been plenty of consultation with the LCA on the gaming machine levy, but apparently this lot just dropped out of the blue. Let us just start at the bottom end of it, though. The Bill puts up lottery fees - very small administrative fees, but fees that mean a lot to the local P&C, junior sporting club or whatever when they run their raffles. I am sure that there was not much consultation with the local P&Cs or the scout and girl guide groups. It strikes me as a pretty miserly action, actually, to get down that low in the fees structure.

The Bill also increases the poker machine tax. Hitherto, there have been year-by-year negotiations with the club industry, consultation, bargaining and trade-offs, but this year that is not so. I do not think the Government has thought through what the impact might be. One of the claims that are made by this Government on a regular basis is that we set our rates, taxes and charges to match those in New South Wales. I have to say that, from what I understand, the top rate being charged in the ACT now is possibly marginally higher than that in New South Wales, or about the same, but there is an ascending scale and some of the more modest clubs in New South Wales in the middle of that scale are far better off than the ones in the ACT. I can use as an example club No. 22 in the ranking in the ACT. It is taxed now up to $167,000. In New South Wales it would probably pay about $117,000 in a year, which is a fair difference. When you get down to the small clubs, when you get down to the clubs ranked in the forties in the ACT, you find that they are paying fairly substantial lumps of tax, such as $15,000, $20,000 or $27,000, whereas in New South Wales they would be paying $2,000 or sometimes just a few hundred dollars. So, we have not created equity between the ACT clubs and the New South Wales clubs at all.

I think that there is an injustice in that. I would have thought, given all of the argy-bargy that has occurred between the club industry and the Government this year, that the Government would have had some formal consultation and the club industry might have been given the opportunity to present the Government with the facts of the matter on the impacts. The Government might even have looked at the odd annual report to see whether some of the clubs might be on the brink of going out backwards. I guess it does not help the argument in one way, but there was an article in the newspapers the other day that said that gambling income has gone up considerably. At the same time, it said that the number of venues had gone down. That may well have something to do with the fact that the smaller clubs are going out backwards. We ought at least to put some structure into our thinking when we are imposing these sorts of taxes.

We do not support the Bill and we do not support imposing increased fees on raffles for clubs, scout groups, et cetera.

MS TUCKER (5.07): I was concerned to see this proposal come out of the budget, because there had not been any notice of it and it was not consistent with the Assembly committee's recommendations about how we should ensure that gambling businesses take responsibility, through contributing financially, for the negative effects of their industry. Throughout the committee inquiry there was a concern that increased taxation increased dependence on gambling revenue, which is obviously an attractive source of revenue for governments. I, too, will not be supporting this Bill.

MS CARNELL (Chief Minister and Treasurer) (5.08), in reply: Mr Temporary Deputy Speaker, the Revenue Legislation Amendment Bill 1999 provides omnibus legislation to implement a number of the Government's revenue initiatives announced in the 1999-2000 budget speech. It amends, where appropriate, the Gaming Machine Act 1987, the Lotteries Act 1964, and the Taxation Administration Act 1999.

Comment was made by Mr Quinlan with regard to gaming machines, and by Ms Tucker as well. I found it really interesting. It is certainly true that bigger clubs, ones with an annual gross gaming machine revenue over $600,000, will pay a 25 per cent tax rate in the ACT, which includes a one per cent levy which goes to the Academy of Sport. Hotels pay a 35 per cent tax rate. Interestingly, even with the new increases, the top tax rate for ACT clubs compares favourably with the ones for other jurisdictions. For example, the larger clubs in New South Wales pay a tax rate of 26.25 per cent. The rates in Victoria and Queensland are 33.33 per cent and 45 per cent, respectively. So, it is 45 per cent in Queensland, 33.3 per cent in Victoria and 25 per cent in the ACT. It is also very interesting to note that in those States there is no monopoly for clubs.

Moving on to other matters in the Bill, I was interested that Mr Quinlan made some comments with regard to lotteries and applications for trade promotion lotteries. I think it is important to note that for the sort of thing that Mr Quinlan was talking about - the girl guides and the smaller clubs - the increase is very minor, if anything. In fact, if the total prize for a lottery is under $500 - I would have to say that in most cases I suspect that is what Mr Quinlan was talking about - the fee is zero, and for $501 to $1,000 it increases from $32 to $40. Is that really going to break the bank? The major increases are not at the bottom, where there is no fee at all, but right at the top where the prize is worth more than $50,000. There are not too many of those in the small local clubs, I would have thought.

Mr Humphries: Progressive taxation, would you say, Chief Minister?

MS CARNELL: One could say that it is actually very progressive; you are quite right. Similarly, with regard to the increases in fees for trade promotions, where the total prize is under $1,000 the increase is from $32 to $40. It is certainly true that where the prize is over $200,000 the increase is quite large, going from $328 to $2,000. There is no doubt about that at all. It is hitting at precisely the end of the market that can afford to pay and, I have to say, at the end of the market where the cost of overseeing these sorts of promotions can be quite high.

The whole approach here is an attempt to structure fees so that the people who can afford to pay do so and the people at the lower end of the rung are either having no increase at all - in fact, some are paying nothing - or the increase is very small. For things such as P&C raffles the fees are zero or low. For larger ones the fees are higher. What a good approach! You would have thought the Labor Party would have said, "Good work, government. Social justice". But we have had none of that, and guess why? It is because the Labor Club will have to pay more tax. It is quite that simple; a tiny bit of conflict of interest, one would say, Mr Temporary Deputy Speaker. In fact, those opposite should not vote on this issue. It is quite that simple; they should not vote on it. But they will because they always do. It seems that they are not in any way worried about the conflict of interest that exists.

Mr Stanhope: There is none.

MS CARNELL: I have to say that there is. Mr Temporary Deputy Speaker, the approach that we take here, wherever possible, is to have our fees or charges in line with those in New South Wales or, alternatively, to reflect the actual costs incurred; in other words, a user-pays approach, which I would have assumed that members of this house would support, with, as I have said, the social justice overlay to ensure that the bigger players pay more than the smaller ones. I commend the Bill to the house.

Question resolved in the affirmative.

Bill agreed to in principle,

Detail Stage

Bill, by leave, taken as a whole

MS CARNELL (Chief Minister and Treasurer) (5.14): I ask for leave to move together the seven amendments circulated in my name.

Leave granted.

MS CARNELL: I move:

> Page 1, line 7, clause 2, omit the clause, substitute the following clause:
>
> **"2. Commencement**
>
> This Act is taken to have commenced on 1 July 1999.".
>
> Page 2, line 22, clause 5, paragraph (c), omit "prescribed", substitute "determined".
>
> Page 2, line 25, clause 6, paragraph (c), omit "prescribed", substitute "determined".

Page 2, line 28, clause 7, paragraph (c), omit "prescribed", substitute "determined".

New clauses -

Page 2, line 29, after clause 7 insert the following clause:

"7A. Insertion

After 67 of the Principal Act the following section is inserted:

'68. **Transitional provision - certain determinations may be retrospective**

'(1) Despite section 7 of the *Subordinate Laws Act 1989*, if a determination of a fee under section 66 -

(a) is made before 31 July 1999 for the purpose of -

(i) paragraph 14(2)(f); or

(ii) subsection 22(2); or

(iii) subsection 45G(1); and

(b) is expressed to have effect from a date not earlier than 1 July 1999;

the determination is taken to have effect from that date.

'(2) this section ceases to operate on 31 July 1999.'.".

Page 3, line 17, after clause 12 insert the following clause:

"**12A. Insertion**

After section 20 of the Principal Act the following section is inserted:

'21. **Transitional provision - certain determinations may be retrospective**

'(1) Despite section 7 of the *Subordinate Laws Act 1989*, if a determination of a fee under section 18A -

(a) is made before 31 July 1999 for the purposes of subsection 7AA(2); and

(b) is expressed to have effect from a date not earlier than 1 July 1999;

the determination is taken to have effect from that date.

‘(2) This section ceases to operate on 31 July 1999.’.”.

Page 4, line 13, after clause 16 add the following clause:

“17. Insertion

After section 140 of the Principal Act the following section is inserted:

‘141. **Transitional provision - certain determinations may be retrospective**

‘(1) Despite section 7 of the *Subordinate Laws Act 1989*, if a determination of a fee under section 139A -

(a) is made before 31 July 1999 for the purposes of subsection 100(2); and

(b) is expressed to have effect from a date not earlier than 1 July 1999;

the determination is taken to have effect from that date.

‘(2) This section ceases to operate on 31 July 1999.’.”.

Amendments agreed to.

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

MR QUINLAN: Mr Temporary Deputy Speaker, I seek to make an explanation under standing order 46.

MR TEMPORARY DEPUTY SPEAKER: Proceed.

MR QUINLAN: I notice that some snide comments were made in relation to the Labor Club. I do admit to having been a very successful president of the Labor Club, running a business a whole lot larger than I think any of you blokes have ever been near, but I have to clarify - - -

Ms Carnell: Mr Temporary Deputy Speaker, I take a point of order. I cannot understand how you can have a personal explanation when I did not mention a person.

MR TEMPORARY DEPUTY SPEAKER: I was about to come to that, Mrs Carnell. I do not believe, Mr Quinlan, that you can use - - -

MR QUINLAN: Mr Temporary Deputy Speaker, I was the only speaker from this side of the house on the Bill. The Chief Minister referred to "they" and referred to what I had said, so I would have to say that it is reasonable to make the assumption that she was actually referring to me.

MR TEMPORARY DEPUTY SPEAKER: I would suggest that you look at another part of the standing orders rather than standing order 46.

Bill, as amended, agreed to.

BRUCE STADIUM REDEVELOPMENT
Papers

MS CARNELL (Chief Minister and Treasurer): I present for the information of members the final certified papers requested in relation to the funding of the Bruce Stadium redevelopment.

VETERINARY SURGEONS (AMENDMENT) BILL 1999

Debate resumed from 6 May 1999, on motion by **Mr Moore**:

That this Bill be agreed to in principle.

MR STANHOPE (Leader of the Opposition) (5.17): The Opposition is happy to support this piece of legislation. The Bill amends the Veterinary Surgeons Act 1965. The Act established the Veterinary Surgeons Board. I understand that each of the five members of the board, including the chairperson, must be a registered veterinary surgeon and the chairperson must be a public servant. This is an old provision, dating from the time Commonwealth public servants were available to fill the position. We have been assured by the Government that they have been unable to fill the position and it has been vacant since September 1998. It is on that basis that we are pleased to support the legislation.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

SUSPENSION OF STANDING AND TEMPORARY ORDERS
Precedence to Executive Business

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (5.18): I move:

> That so much of the standing and temporary orders be suspended as would prevent precedence being given to the following Executive business orders of the day in sequential order following the consideration of order of the day No. 5 relating to the Gaming and Racing Control Bill 1998:
>
> The order of the day relating to the Gaming Machine (Amendment) Bill (No. 2) 1999
>
> The order of the day relating to the Payroll Tax (Amendment) Bill (No. 2) 1999.

I will speak to that briefly. That is to allow the Assembly to consider two Bills which were introduced this morning, as foreshadowed by the Government in discussions at the government business meeting earlier.

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

APPROPRIATIONS - SELECT COMMITTEE - PROPOSED APPOINTMENT

MR QUINLAN (5.19): I seek leave to move the motion relating to the establishment of a select committee on appropriations - more precisely, amendments to appropriations - circulated in my name.

Leave granted.

MR QUINLAN: I move:

> That:
>
> (1) a Select Committee on Appropriations be appointed to examine the Appropriation (Bruce Stadium and CanDeliver Limited) Bill 1999 and any expenditure proposals contained in any amendments to the Appropriation Bill 1999-2000 and any related matter;
>
> (2) the Committee be composed of:
>
> (a) one Member to be nominated by the Government;
>
> (b) two Members to be nominated by the Opposition;

(c) two Members to be nominated by either the Independent Members or the ACT Greens;

to be notified in writing to the Speaker by 8.00 p.m. on Thursday, 1 July 1999.

(3) the Committee report by the first sitting day in November 1999;

(4) on the Committee presenting its report to the Assembly resumption of debate on the question "That the Appropriation (Bruce Stadium and CanDeliver Limited) Bill 1999 be agreed to in principle" be set down as an order of the day for the next sitting;

(5) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

We have been presented with amendments to the Appropriation Bill 1999-2000 plus the Appropriation (Bruce Stadium and CanDeliver Limited) Bill 1999. I would wish that a select committee on appropriations be appointed to examine the Appropriations (Bruce Stadium and CanDeliver Limited) Bill 1999 and any expenditure proposals in the amendments to the Appropriation Bill 1999-2000 and any related matter. The reason for doing so is that I would wish to understand a lot more about what is going on now with the latest numbers. To support what I am saying, let me first point out that the Bill retrospectively amends appropriations going back to 1997-98 - - -

Ms Carnell: Because that is what the Assembly asked us to do.

MR QUINLAN: I did not ask for that. It goes back to 1997-98 and covers 1998-99 as well, to a total of $24,032,902.81. Taken together with the previous appropriations for those years of $12.3m, we get a total appropriation of $36,332,902.81. If you look at the amendments to the Appropriation Bill you will see amendments to cover the same funds. We have a Bill that is going to amend prior appropriations to cover prior expenditure and we have amendments to a current Bill to appropriate the same money, largely, only, unfortunately, it is more, largely. In fact, if you tot up the changes to the Appropriation Bill, you will come up with an excess - the Government appears to be introducing new appropriation at this point in time - of $2.5m plus a bit of change, $338.19. You will have to forgive me - - -

Mr Moore: Of course we won't forgive you.

MR QUINLAN: Give it your best shot. You will have to forgive me but, first of all, I cannot assimilate why we have a Bill to amend past Appropriation Bills, to cover past expenditure, and then we have - - -

Mr Moore: Because we are responsive to the Assembly.

MR QUINLAN: Some of the Assembly, by the look of it. Before I sign on to this proposal, given the events of yesterday, given that it appears that the get-out clause was "the Chief Minister did not know" - - -

Mr Moore: That is reflecting on the vote of the Assembly.

MR QUINLAN: No, it is not. I have really got some reservations about passing a Bill - - -

Ms Carnell: But you are not going to support the budget at all.

MR QUINLAN: There are two damn Bills. I have one Bill here that says, "We are going to fix up the past". I do not know what that means legally, and I want to know before I sign on to it. I want to know what it implies, what it - - -

Ms Carnell: But you are not going to sign on to it; you are going to oppose it.

MR QUINLAN: Yes. But I want to know why we have two Bills for the same money. Why do we have two Bills for the same money?

Mr Moore: But you are not going to sign on to it anyway. You have already rejected it.

MR TEMPORARY DEPUTY SPEAKER: Order! Mr Moore, please! Mr Quinlan has the call and we do not want to have to do CPR.

MR QUINLAN: It is an interactive thing, Mr Temporary Deputy Speaker. So, before I would want to put my hand in the air to say that I approve these appropriations, I would want to know - I demand to know - why we have a Bill and why we have an amendment to another Bill to cover the same money. Does that not strike you as odd? Is it not a little bit odd that we are legislating the same money twice? Might we spend double the money?

Ms Carnell: No.

MR QUINLAN: Why not?

Ms Carnell: Because that is what they wanted us to do and it is what their legal opinion wanted us to do.

MR QUINLAN: The amendment to the Appropriation Bill, from what I see, gives you open slather to spend any amount of money again. You can spend that amount again.

Ms Carnell: No.

MR QUINLAN: Explain to me why not. All you are doing is amending this year's Appropriation Bill by $27,383,241. Legally, from that point on you could spend that money again. You have got a Bill here that fixes up the retrospective stuff. If there is some deep, meaningful legal or technical reason, I would want to know and I would want to know in detail and then I would consider it.

Further, in relation to the $2.5m that was slipped in, I believe every member of this Assembly, before they sign on to another $2.5m on Bruce Stadium, ought to see the most up-to-date estimates of the income and expenditure through time on this stadium. More and more money is being spent - the Government's own brief is $44m - and the $2.5m is on top of that. This $2.5m does not get a run in the brief. We, as an Assembly, need to be assured that this thing is going to be back on track. So I want to know where we are starting from, exactly how much has been spent, where this $2.5m is going to be spent, why there is - - -

Ms Carnell: And if I tell you, will you support it? No.

MR QUINLAN: No. I have to put it in the nicest way, given the argy-bargy across the floor today, but you will have to forgive me for saying that I actually would need a little bit more independent assessment and opinion than we could have from you, Chief Minister, given the answers to questions in this place over about a year-and-a-half on expenditure, incomes, sales, et cetera, in relation to Bruce Stadium.

Mr Moore: If you ever find her misleading the Assembly, you can take her out easily; you know that.

MR QUINLAN: Sorry, I just have this feeling that I really want a bit more independence and a little bit more proof in the numbers that I accept.

Mr Humphries: The lack of trust is mutual, Ted.

MR QUINLAN: I was going to say that. What we do have here is a certain lack of trust. I think we can support ours a little bit better than you can support yours, with experience. You will note - and I know that it is a point of contention - that my motion sets the reporting date out at November.

Ms Carnell: So we cannot pass the budget till November. Good work, Ted!

MR QUINLAN: Just this bit.

Ms Carnell: No, the whole lot.

MR QUINLAN: Rubbish!

Ms Carnell: One bit is an amendment to the Appropriation Bill. How can you pass the Appropriation Bill and have an amendment that does not attach to anything?

MR QUINLAN: You will just have to bring forward a Bill. Is that too hard for you? You have got one here now. It did not seem too hard the first time. You can have two Bills spending the same money, not just an amendment and a Bill. You can have two Bills spending the same money. That would be good. The way I see it, just on the papers I have got, if you pass this amendment to the Appropriation Bill, having covered the past, you have got a blank cheque, and we have not wanted to give you a blank cheque lately, sorry. You will have to appreciate that.

Back to the point. We put the date out to November. The date is out to November because, as I said, we would like to get some concrete information and would like to get some verification of it. I would really want to see the latest numbers on the prospects of this stadium before I commit my name to another $2.5m, as popped up yesterday.

Mr Moore: You have already told us that you are not going to commit your name to it.

MR QUINLAN: Yes, but I am actually trying to convince members of the Assembly that they ought not to. Given the avowed ignorance yesterday of all events relating to Bruce, they might actually avail themselves of an estimates hearing so that we might be able to clarify why we need two Bills, why we need to double approve and why we need another $2.5m. Mr Temporary Deputy Speaker, I commend my motion to the Assembly.

MS CARNELL (Chief Minister and Treasurer) (5.30): Mr Temporary Deputy Speaker, the motion is one that I would assume everyone, apart from those opposite, would oppose because it seeks to use the committee system for straight political ends. People in this house, Ms Tucker particularly, speak in glowing ways about how important the committee system is to this Assembly. This motion just seeks to use the committee system for no purpose whatsoever. Even though there were no dollars for Bruce Stadium in the budget or in the Appropriation Bill that the Estimates Committee looked at, I indicated to the Estimates Committee that we were happy to answer questions on Bruce Stadium and did for a very long period of time. So, the Estimates Committee has already had the capacity to ask any questions it liked on the Bruce Stadium redevelopment.

The issue of how long this inquiry would go is a very real one, because it would be looking not just at the Appropriation (Bruce Stadium and CanDeliver Limited) Bill 1999 but also at the amendment to the Appropriation Bill. Mr Temporary Deputy Speaker, if we pass the Appropriation Bill without the amendment, where would the amendment stand? It would not be attached to anything. What is the point in sending it to a committee if it will lapse? That shows just how stupid and how political this is and how absolutely quirky it is. We should call him Quirky Quinlan, without doubt. This is simply an effort to send the Bruce Stadium redevelopment to another committee; there are no other reasons. If there are any unanswered questions about Bruce, those opposite can ask them in the Assembly and they can put them on notice.

Mr Quinlan asked a question on how the two Bills work. I am very surprised that he does not understand that. Mr Temporary Deputy Speaker, we have a retrospective Bill for payments in the past. Tricky? That is usually what retrospective means. That is for payments in the past. We have got that far. As Mr Quinlan knows, we have a short-term CBA loan which actually expires on 15 July. The CBA refinanced, as we know, or was used to finance some of those payments in the past. The prospective Bill pays these loans plus the money that we have spent on Bruce.

Now, it is easy. Quite simply, we have got money in the past, and that is what the retrospective Bill is for. The prospective one is for money in the past plus $2.5m. What is the $2.5m for? It is for the invoices that are still to be paid. You would not retrospectively appropriate for bills that you had not actually paid. So you have got two sets. One lot is retrospective and one lot is prospective. The prospective one is $2.5m more than the retrospective one because of the invoices that still have to be paid.

We have tabled every invoice, Mr Quinlan. We have given to you every invoice with regard to this project. You could do your homework and add them all up, could you not? You could go and add them all up.

Let us look at it; we will try once more. The prospective amendment has two components, that is, $27.383241m to pay for the balance of the construction, plus $5m for working capital. It is not a blank cheque - absolutely not a blank cheque at all, Mr Quinlan. The amount is clearly in the amendment. Mr Temporary Deputy Speaker, we have the retrospective and the prospective. We have the difference. We know what it all is.

In fact, Mr Rugendyke and Mr Osborne, rather than playing politics, wanted to be confident that the figure was right, too. So, what did they ask for? They asked for a sign-off by the Auditor-General, an independent person, which will be, I understand, available to them before they have to vote on this amendment tomorrow. That approach is constructive. It is about ensuring that they are confident about the figures. Those opposite just want to play politics. Mr Quinlan indicated that if he could get independent advice that these figures were all right, he would be happy. You have got it, so you can support it, Mr Quinlan. Is that not good news?

Mr Quinlan: It is.

MS CARNELL: It is good news that you can support them without having to send them to a select committee, Mr Quinlan. I think that explains exactly what these Bills are about. But most importantly, Mr Temporary Deputy Speaker, the reason these Bills are on the table at all is that Mr Osborne and Mr Rugendyke asked us to do it in this way. It was also, by the way, the preferred situation or the preferred position for the Auditor-General. The Auditor-General that those opposite put so much store in actually thought that this was the way to go. Mr Quinlan is shaking his head; he does not put store in the Auditor-General. That is interesting; we will keep that in mind.

Mr Humphries: If he wants to sell ACTEW, he does not want to put much store in the Auditor-General.

MS CARNELL: Okay. I suggest to all members of the Assembly that they should not support this very stupid motion with regard to a select committee on appropriations. It would mean that we would not be able to pass the budget until after November. Those of us who have been in this house for a while know just how destructive that is with regard to departmental and other expenditure before the Assembly. The CBA loan runs out on 15 July. To refinance that would cost, I am told, about $200,000 a month, so it would just cost the taxpayer. For what reason? So that those opposite can play politics.

MR KAINE (5.38): First of all, although I was not consulted on what was an appropriate method of fixing the money that had been spent without appropriation, I do agree with the process of seeking an appropriation, which the Government has now done. But I do understand why the Opposition was asking some questions about it. The Chief Minister has partly answered those questions, but not entirely.

An Appropriation Bill has now been presented to us for approximately $24.1m for Bruce Stadium and $850,000 for CanDeliver. There was no doubt in my mind until the Chief Minister just spoke that it was seeking retrospective appropriation for money already spent. She has now told us that that is not quite true because it includes $2.5m that has not yet been spent. If it has not yet been spent, why is it not being attached to the Appropriation Bill for 1999-2000, which would be the normal thing to do? Add $2.5m to that and then seek retrospective approval only for that which has been spent without appropriation. I can understand why the Opposition has some questions about it.

Of course, the current Appropriation Bill would have been more explicit if, in paragraph (2) of sections 3, 4 and 5 it had in each case the amplifying words added to the second statement "and is to provide legal authority for expenditure already incurred". That would have removed the doubt Mr Quinlan is raising, that is, whether passing it authorises the Government to spend another $24.1m. The Chief Minister says no, but I can understand that it is a legitimate concern.

The other element about this matter is that the Chief Minister says that this appropriation is required now so that a temporary loan from the Commonwealth Bank of $20m can be retired on 15 July. Of course, that is the first any of us knew that there was such a loan. Indeed, as I pointed out during the debate yesterday, the piece of propaganda that the Government gave to selected media persons only on the Tuesday night said that there was a $10.3m Commonwealth Bank loan; not $20m, $10.3m. If it was only $10.3m on Tuesday night, how did it get to be $20m today? And is it indeed $20m, or $24m, or $24.1m? Just what is the extent of the loan that the Government now needs this approval to retire? So, we come back to the old question that we are still not sure, I think, that we have all the facts on the table that would allow us to debate this new Appropriation Bill with confidence that the outcome will be not only what the Government is seeking, but also to the satisfaction of the other members of the Assembly.

To summarise, I agree with the process. I think the Government is right, the Chief Minister is right, in seeking this retrospective appropriation because I do not see how else the expenditure can be legitimised. In making such a request of the Assembly, we do need to know that all of the facts are on the table and that it is fully explained. I am not certain that the explanation so far has alleviated all of the concerns that people might have.

MR STANHOPE (Leader of the Opposition) (5.42): Just to reiterate the points that have been made, I think that it would be curious in the extreme to expect the Assembly simply to tick an additional appropriation in relation to retrospective payments. In terms of the substance of the debate that we have had about Bruce Stadium - the fact that we are here seeking to redress a most serious mistake made by this Government - it really is just a bit beyond the pale for the Government in this place to stand up and say that they want us to take this proposal on faith and trust and not allow any scrutiny at all of the proposal. It is simply nonsense to expect, in light of the paucity of information that has been provided to members in relation to Bruce Stadium, to expect that we would tick this appropriation without any inquiry or any opportunity to address these issues with officials.

The Chief Minister, in speaking to this motion, said, for instance, that if there were other issues that we wanted to know about Bruce, if there was further information we wanted that we did not have, we could simply ask questions in question time. I sought to do that today. I asked a question of the Chief Minister in question time today. She might like to review the answer she gave me, to the extent that she did. I asked her to give us some explanation of the impact of the fact that the Commonwealth will be seeking a commercial rent after 2009.

Ms Carnell: It's a stupid answer if you don't know what the rent is.

MR STANHOPE: It was not a question of whether or not there was an answer that you could usefully give. You actually asked the Speaker to declare the question out of order and you did not answer it at all. You did not even seek to answer it. You actively sought to avoid it. Here you are standing up now saying, "If there is anything else you want to know, just ask us". I asked in question time today and you refused to answer the question. There is a whole range of other issues that it would be appropriate for us to seek additional information on and we are not going to get it by asking questions in this place because you avoid them.

It is only appropriate that a select committee be given the opportunity to address these issues with officials so that we can have a detailed understanding of the issues which go to the need for this Assembly retrospectively to appropriate moneys to cover past mistakes of the Government. It is a nonsense to expect this Assembly simply to do that. It is just absurd. It is a ludicrous suggestion to expect that we would do that.

The points that Mr Kaine makes I endorse absolutely. Is the alleged $200,000 interest payment on a $20m loan or is it on the $10m that the papers that were revealed yesterday disclosed that we have taken from the CBA? What is the nature of the interest that you are claiming will be affected here?

And then there is the question of the date and the Chief Minister's argument about an inquiry holding up the budget until November. Everybody knows that that is patent nonsense. It is an absolute insult to suggest that it would delay the passage of the budget. It is just an insult to seriously suggest that. The select committee's reporting date of the first sitting day in November has a discretion in it. Perhaps the select committee, once formed, would choose to bring down a report within the next 10 days or so. It could be done that quickly if that is what they chose to do. The fact that there is a sitting day in November simply gives them an opportunity, a discretion, to take that time if they need it.

This is a very sensible motion, Mr Temporary Deputy Speaker. I can see no reason why the Assembly should be denied the opportunity of further investigation of this issue, particularly having regard to the history of the matter. It is just absurd to suggest that we should now tick off on retrospective appropriations simply because it suits the convenience of this Government at this time to rectify 18 months of mistakes.

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (5.46): Mr Temporary Deputy Speaker, if I might respond briefly as well, since we are going to have a second speaker from the Government side.

Mr Stanhope: We agreed to two speakers, Gary.

MR HUMPHRIES: Okay. We are having two speakers as well.

Mr Stanhope: So I noticed, and we are quite happy with that.

MR HUMPHRIES: I am glad to see that, Mr Stanhope. I am very happy that you are happy.

MR TEMPORARY DEPUTY SPEAKER: Order! The Chair is unhappy. Mr Humphries has the call.

MR HUMPHRIES: I am glad that someone is not happy in this place. On Mr Kaine's point, first of all: The amount of the loan, with respect, is relatively immaterial. The Government will appropriate a certain amount. It may spend that amount; it may not spend that amount. It depends to some extent on the course of the particular project. The important point as far as the Assembly is concerned is the appropriation of an amount to cover what the Government anticipates will be the cost of the project. What is important with respect to what Mr Kaine had to say is what the money is spent on, not how much money exactly is being appropriated. There were provisions in the Financial Management Act to vary the appropriation according to the amount that was actually being spent. As far as what the money is being spent on is concerned, the Government has tabled these invoices, so the Assembly knows what - - -

Mr Stanhope: When? When?

MR HUMPHRIES: You have got them already. You claim that you have got those things because you said yesterday that you had read those documents.

Mr Stanhope: That is the lot, is it? That is all, is it? How much did you leave out?

MR HUMPHRIES: We have had comment from Mr Stanhope about the paucity of information concerning Bruce Stadium - the paucity of information. For the last two days - - -

Mr Stanhope: Is it $44m?

MR HUMPHRIES: For the last two days the table on the side of the Assembly was groaning under the weight of documentation the Government had tabled in the last few weeks on this matter. It was positively groaning. I thought the table was going to collapse under the weight of all the documents that had been loaded on top of it.

Mr Stanhope: Has it got the Prime Minister's letter in it?

MR HUMPHRIES: I had never seen so many documents on the table. Yet those opposite have the gall to refer to a paucity of information about Bruce Stadium.

Mr Stanhope: Is the Prime Minister's letter there? Where is the Prime Minister's letter?

MR HUMPHRIES: Mr Temporary Deputy Speaker, there will be more words in *Hansard* from those opposite than there will be from me in this speech. Those opposite are running a line that they are not getting enough information about - - -

Mr Stanhope: Where is the Prime Minister's letter?

MR HUMPHRIES: Mr Temporary Deputy Speaker, I ask for a bit of protection here. I am having constant interjections from those opposite. We are having this line run all the time from those opposite that they are not getting enough information. The fact is that they have not had the time and they have not had the chance to read it all because they have had so much information. I think that the garbage, the lies and the misrepresentations that we are having from those opposite speak for themselves in this matter. They are running a litany of lies on this subject and it is time that they started to acknowledge that the Government has tabled not just ample material on this matter but, in fact, a groaning amount of material, given the boxes of information that were called for and tabled only in the last few days.

Question put:

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

The Assembly voted -

AYES, 8	*NOES, 9*
Mr Berry	Ms Carnell
Mr Corbell	Mr Cornwell
Mr Hargreaves	Mr Hird
Mr Kaine	Mr Humphries
Mr Quinlan	Mr Moore
Mr Stanhope	Mr Osborne
Ms Tucker	Mr Rugendyke
Mr Wood	Mr Smyth
	Mr Stefaniak

Question so resolved in the negative.

GAMING AND RACING CONTROL BILL 1998

Debate resumed from 10 December 1998, on motion by **Ms Carnell**:

That this Bill be agreed to in principle.

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

GAMING MACHINE (AMENDMENT) BILL (NO. 2) 1999

Debate resumed.

MR KAINE (5.54): Mr Speaker, I agree in principle with this Bill, which extends for a year the cap which expires in a few days' time. However, I have circulated an amendment to the Bill which I will move formally later. The amendment extends the date for the target by deleting the date 10 July 2000 from the Chief Minister's Bill and inserting in lieu thereof the date 30 June 2001. I will do that because the Select Committee on Gambling, when we reported on it, had considered putting a two-year limit on this cap but did not do so. We left it open, although we believed that it would take two years for the new gambling commission to carry out the body of research that we envisaged and to establish the database we envisaged that would allow policy decisions about the number of machines that ought to exist in the Territory to be taken.

The Chief Minister mentions in her tabling speech that she believes that this research could be completed within one year. The members of the committee believe that that would be a bit difficult to achieve, so I am seeking to extend the cap for two years instead of the one that the Chief Minister is proposing.

I understand that the Chief Minister has some concerns about this matter because her figures suggest that the number of machines already in place are in excess of 5,000 and that licences are being sought at the rate of about 350 a year. That would indicate that, if they were to continue at the same rate, we would exhaust the cap by about January or February of next year. However, I think that we should stick with the 2001 target for taking the cap off because the whole purpose of putting the cap on was to limit the number of machines that could be in existence. If we are simply going to lift the target every time we start to bump up against it, we might as well not have the target at all.

If the Assembly sees fit to extend the cap until June 2001, which is what I am proposing, it is open to the Government at any time between now and then, if they believe that there is justification, to change the size of the cap - to come back to the Assembly, produce its arguments at that time and say that they think the cap should be lifted by 200, 300, 1,000 or whatever number they think appropriate. Since the original purpose was to limit the number of machines, I would prefer to see that cap stay in place until the body of research and the database that we recommended be created are in place so that we can understand the ramifications of changing the number of machines. Until that is done, I think I would prefer to see the cap in place.

MS CARNELL (Chief Minister and Treasurer) (5.58), in reply: Mr Speaker, the figures that I showed Mr Kaine before are not totally correct. Mr Quinlan might like to listen to this as well. At the end of June 1999 there were 4,970 machines - only 230 below the cap. The legislation currently on the table ensures that the cap of 5,200 on poker machines in the Territory remains in place until 10 July 2000 - halfway through next year. It is expected that this cap will be reached, as Mr Kaine said, during this financial year. On average, about 350 machines are applied for a year. This year it has been higher than that, at 445; the year before it was 423; and the year before that it was only 180; but, on average, it is about 350. That means that we will not even have enough machines inside the cap, under the Bill currently on the table, until 10 July 2000.

I wonder why we would extend the cap for another 12 months, knowing that we are going to run out. It means that we will have to come back to the Assembly to extend the cap and I do not quite understand the logic of doing that.

It is certainly the Government's view that 12 months should be sufficient time for the new commission to examine the impacts of gaming in the ACT, through the research and study required. I do not think that we should be looking at a two-year window for that to be done. I think we should be trying to do it as soon as possible.

Remember, the club industry is an important industry in the ACT. The requirements of the club industry with regard to poker machines, as I said, are about 350, on average, per year. I see no reason to extend the period if we know that we are going to run out inside that period, so the Government will not be supporting Mr Kaine's proposed amendment.

MS TUCKER: I would like to comment on the amendment and on the cap being renewed. The point that has not been made so far - - -

MR SPEAKER: Mrs Carnell closed the debate. Just ask for leave to speak.

MS TUCKER: I thought she was just speaking to Mr Kaine's amendment.

MR SPEAKER: It has not been moved yet. We are still in the in-principle stage. Just ask for leave, please.

MS TUCKER: I seek leave to speak.

Leave granted.

MS TUCKER: The issue of the cap is that it was to be there until information was available for members of the Assembly to make a policy decision about the number of poker machines in the ACT. We did allow an increase in the number of machines. We did not just say that we would have a cap at the number of machines that existed when we considered the legislation because there were a few clubs which had already expended significant amounts of money on the development of their premises on the assumption that they would get extra poker machines. The legislation was clear in its intent and I am sure that if you looked at the debate back then you would see that the extra poker machines were there to accommodate those clubs, often clubs setting up in new areas, which had already spent a lot of effort and money on getting set up on the assumption that they would have poker machines.

The whole idea of having the cap was to say, "Enough. We stop at this point. We do the work, including the social policy research, and then the Assembly can say on behalf of the ACT community, from an informed position, what they think would be a suitable number of machines". This research is needed all round Australia. That came clearly to the select committee from all the people who are working in the area in the different States and also from the Federal people who are looking at it with the Productivity Commission.

We are not in the position where we have any real idea of what is the impact of increasing the number of poker machines in the community. That is why it was one of the key recommendations of the report of the Select Committee on Gambling.

At the time there were some comments of disgust from the Government because they felt that the select committee did not come up with definitive answers on some of these issues; but, as was the case with all of the other groups in different Territories and States who looked at this issue, we found that it was not possible to make an informed decision on things such as allowing poker machines in hotels and taverns, poker machine numbers or whatever was the critical political issue that was being discussed. The intent of the cap was clearly to give a bit of breathing space so that we could get that information and then as elected representatives make some hard decisions or whatever.

It may be that we will say that we do not need a cap at all, but the argument put by the Chief Minister is not what I understand the rationale for the cap to be. I think the proposal for two years that Mr Kaine has put is quite reasonable. If, in fact, the Chief Minister is right and we get enough information collected and research done in a year that people in this place feel confident that they can make a decision on this issue, it would be the right of the Assembly to do so, but at this point I think it is quite okay to leave the situation as the committee recommended and make it two years.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail Stage

Bill, by leave, taken as a whole

Amendment (by **Mr Kaine**) put:

> Page 2, line 4, clause 3, omit "10 July 2000", substitute "30 June 2001".

The Assembly voted -

AYES, 9	*NOES, 7*
Mr Berry	Ms Carnell
Mr Corbell	Mr Cornwell
Mr Hargreaves	Mr Hird
Mr Kaine	Mr Humphries
Mr Quinlan	Mr Moore
Mr Rugendyke	Mr Smyth
Mr Stanhope	Mr Stefaniak
Ms Tucker	
Mr Wood	

Question so resolved in the affirmative.

Amendment agreed to.

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

Bill, as amended, agreed to.

PAYROLL TAX (AMENDMENT) BILL (NO. 2) 1999

Debate resumed.

MR QUINLAN (6.10): Mr Speaker, I think I will have to move for the debate on this Bill to be further adjourned. My office has been in touch with a couple of people in the IT industry and they are not sure that this Bill solves the problem. As it was brought down this morning, I have not had time to get into it. I know that it is a "try to fix" Bill, but we would like to have a look at it.

MR SPEAKER: Do you wish to debate the issue?

MR QUINLAN: I cannot say until I have had a look at it and find out. I move:

> That the debate be now adjourned.

Question resolved in the affirmative.

ASSEMBLY SITTING PATTERN

MR HUMPHRIES (Attorney-General, Minister for Justice and Community Safety and Minister Assisting the Treasurer) (6.11): Mr Speaker, I ask for leave to move a motion relating to the sittings of the Assembly.

Leave granted.

MR HUMPHRIES: I move:

> That the next meeting of the Assembly be fixed for Friday, 2 July 1999 at 10.30 am.

Question resolved in the affirmative.

ADJOURNMENT

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

> That the Assembly do now adjourn.

Alleged Drink-Driving Incident

MR BERRY (6.12): Mr Speaker, I want to talk about an incident which occurred in the ACT last New Year's Eve. There is some humour in this incident, but there is also a side to it which, I think, could be regarded as serious because circumstances developed which might not have developed had there been some sort of safety valve in the course of it. A member of the public came to me and complained that on New Year's Eve he and his partner were watching the cars from Summernats around the streets of Canberra. They were driving a left-hand-drive American motor car.

They were parked in Braddon and his partner, who was sitting in what would normally be the driver's side of the car, was consuming some alcohol. She left the car and was enjoying the passing parade of motor cars - bear in mind that these people are car enthusiasts - not knowing that there were police in a video surveillance van watching as she consumed more alcohol, having a great evening and enjoying herself. Subsequently, the woman re-entered the car on the driver's side of the vehicle and the car moved off.

The police assumed that the woman was under the influence of alcohol, followed the car and pulled it over. Subsequently, there were two motorcycle police involved, a random breath test car, an inspector from the motor registry and the two policemen who were in the video surveillance van in the first place. I do not mean this to be a criticism of the police. I just wish that there had been a safety valve somewhere that could have stopped all of the nonsense going on after it.

The car was pulled over after being pursued by motorcycle police who drove up beside what was the driver's side of the car and yelled at the passenger, through the window, to pull over. The car was a long American car, quite large, and it was difficult to find a spot in busy Northbourne Avenue to pull over and the driver was trying to navigate it into a safe position. The motorcycle constable apparently became a little frustrated with the time it was taking, again drove up to what is the driver's side of the car in normal vehicles and yelled at the passenger, through the window, to pull over and the car pulled over. Of course, the police were getting frustrated by all of this. They were then, according to an internal investigation, flummoxed by the driver alighting from the left-hand side of the car. They had already called the random breath test vehicle. The driver was tested and, of course, had not been drinking. I think he became a little upset at the goings-on, as one would, and one thing led to another.

The traffic inspector went over the car with a fine toothcomb to find something wrong with it and discovered that the driver had replicated the ACT numberplates in a way so that they would fit this car; but technically, if I can use that term, they were unlawful. At this point, a defect notice for about $67 was issued, which means that you have to have an inspection for $30. The driver became upset at this and refused to pay, it ended up in the courts and the courts eventually dismissed the whole matter.

Mr Wood: Properly so.

MR BERRY: But it seems a long way to go to get to the point where a magistrate has to decide that it was all a bit too much and the case ought to be dismissed. From the outside, you can have a belly laugh about it. Thinking about the things that were going on that evening, you could laugh at the agitation that would have occurred with the various people as they got involved in it and the inability of people to back away from their various positions.

The matter has been reported in the *Canberra Times*. The person involved was most upset about it and has been for some time. I raise it here for a bit of light relief, on the one hand, but also as something that people might take into consideration if ever they are talking to others about these matters. There just seems to be a need to find a little safety valve somewhere to stop things running off to the courts, costing us all a fortune and wasting a whole heap of time for everybody.

Reserve Forces Day

MR STEFANIAK (Minister for Education) (6.17): Mr Speaker, briefly, I want to talk about a significant function that was held in Canberra for the first time today. Mr Stanhope and I went to it. I refer to Reserve Forces Day. It occurred first in Sydney last year. It is going to be an annual event. It commemorates the very significant role that the militia and the reserve have played in Australian history. Lots of people may not realise that the initial Australian forces raised after the British units were slowly withdrawn from Australia in the mid-nineteenth century were, in fact, all volunteers. All participated on a part-time basis. They formed the nucleus of the forces that went to the Sudan and the Boer War. Of course, when compulsory part-time conscription was introduced just before World War I, we had a very small standing army of about 1,000 and it enabled us to put about 350,000 troops into the field in World War I. The first Australian killed in World War I was, in fact, a naval reservist - during the landings in New Guinea in September 1914. Of course, they were all basically militia forces and volunteers that fought in World War I.

In World War II the tradition continued. The regular army was about 3,000 in strength at the start of the war and there were some 80,000 militia. Indeed, it was not until we got to the Korean War that the regular services took over from the reserve. The reserve still forms a very important part of the Australian Defence Force and it was great to see the very dignified commemoration that was held at the Australian War Memorial today. Sir William Deane, the Governor-General, was there. I was delighted to represent the Territory, along with Mr Stanhope. It was great catching up on a personal note with a lot of old mates from 3RNSWR and various other reserve units I had served with. I was delighted to see the day a success. I am sure that it will continue to be an annual feature of Canberra. The first one was certainly a success and I think it is timely to note the most significant contribution the reserve and its predecessors have made, not only to Australian military history, but also to the country as a whole.

Question resolved in the affirmative.

Assembly adjourned at 6.19 pm