DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

2 March 2000

Thursday, 2 March 2000

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MR SPEAKER (Mr Cornwell) took the chair at 10.30 and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

PLANNING AND URBAN SERVICES – STANDING COMMITTEE
Report on Betterment (Change of Use Charge)

MR HIRD (10.31): Pursuant to order, I present Report No. 41 of the Standing Committee on Planning and Urban Services, entitled "Betterment (Change of Use Charge)", including a dissenting report, together with the minutes of proceedings. I move:

That the report be noted.

Mr Speaker, on 1 July last year the Territory's parliament directed the Planning and Urban Services Committee to examine the report by Professor Nicholls entitled "A Study of Betterment and the Change of Use Charges in the Australian Capital Territory". This is an issue that has been contentious and of great interest for a number of years. Indeed, it has been the subject of many previous reports. The committee has agreed - even Mr Corbell, I believe - that certainty must be put into the system. We cannot encourage investment in the Territory if no stability is offered to investors. Investment, of course, means jobs, and jobs mean more investment.

Professor Nicholls from the ANU provided a very detailed and a very careful report. The committee unanimously agreed that we should treat it in a similar manner - that is, in detail and carefully. We unanimously agreed to the format used in our report. It is an unusual presentation in that we presented it in landscape format. This enabled the report to show, for each recommendation, Professor Nicholls' recommendations; the rationale for his recommendation as the majority committee understood it; public comment on the recommendation; and the committee's majority view on the recommendation.

Professor Nicholls made 19 recommendations. The committee reached a majority position on the 19 recommendations. Not surprisingly to me, Mr Corbell dissented. What is surprising is that he chose to dissent to the whole report, but that is a matter I am sure Mr Corbell will address the house on shortly. I have been informed by the secretary that Mr Corbell's dissenting report omits recommendation 2. I daresay that will be dealt with later by my colleague Mr Corbell in his remarks.

The format we chose was deliberately selected to allow for informed debate on this important issue. The committee believes that the document will become an easy reference guide to the issue, even if the committee conclusions are not agreed with.

Of the 19 recommendations of Professor Nicholls, two particularly stand out in my mind. First, Professor Nicholls recommends that betterment, or CUC, be adjusted downwards to 50 per cent. I personally proposed, because of my background, that zero betterment was the optimum. After all, as I indicated to the house, development means jobs. To me, it would be a better way of dealing with the problem. It is the way it is done in other parts of Australia.

Mr Berry: Just give the people's land away at no charge.

MR HIRD: We hear empty vessels from the other side of the chamber making the most sound. I will not mention names. The fact is that we could only deal with something in a professional way as it came before us. My preference would have been zero betterment but with constraints. However, that is something that can be dealt with at another time. People who do not understand the arguments should not jump on the bandwagon and try to score political points. However, on this occasion, because of the opportunities that were before us, I agreed with our colleague Mr Rugendyke that we move without delay directly to betterment levied at 50 per cent. That would be appropriate, as is indicated in the report.

The second major recommendation - this is the important one, and a certain member opposite who was quick to jump on the bandwagon should listen to this - is that over time the whole betterment regime be replaced by a scheme similar to that used in New South Wales and elsewhere throughout Australia. However, this would take time, and time is always an enemy of any jurisdiction such as ours. We do not want to hold up the proposed scheme. Even the colleague of that gentleman opposite does not want to hold up the proposed scheme. Pursuing my zero approach would have held up it for some time. We agreed that such an approach was not appropriate at this time.

Notwithstanding the fact that we do not have a unanimous report, all members are deeply conscious of the problems caused by fluctuating rates of betterment over the years. We are also aware of the confusion caused by different methods of calculating values and actual dollar amounts. It is absolutely vital that the decision that this parliament reaches on betterment, no matter what it is, sets a stable regime for the next 10 or 20 years. This is the only way to bring confidence back into the system - the same sort of confidence that existed between 1971 and 1999, when incidentally the rate of betterment was 50 per cent.

As usual, I would like to thank community representatives, government agency representatives and the secretary, Rod Power. The committee would particularly like to thank Professor Nicholls from the ANU for writing his report in the first place and for appearing as a witness before the committee. Mr Speaker, I strongly urge members to read the detail of the report before coming to conclusions on this issue. I also take the opportunity of thanking Mr Corbell and Mr Rugendyke and also members of the Minister's staff for their assistance in making our task much easier. This is our chance to set a long-term standard for the future of development in the Territory. Let us not blow it.

MR CORBELL (10.42): Mr Speaker, I join with my colleagues Mr Hird and Mr Rugendyke in thanking all of the officials who appeared before the inquiry into the Nicholls report, in particular Professor Nicholls, who provided a great amount of his

time so that we could properly examine and discuss with him the aspects of his report that the committee had an interest in. I thank also officers of PALM and representatives of the development industry who made submissions, along with representatives of the community sector who also made very useful submissions.

Mr Speaker, I have chosen to submit a report dissenting entirely from the majority report presented by Mr Rugendyke and the chairman, Mr Hird. The reason for that is that I do not believe that the majority of the report has in any sense attempted to critically assess the elements of the report that was presented by Professor Nicholls. Indeed, I would say that unfortunately the majority report has simply chosen to endorse in full the comments made by Professor Nicholls without any proper assessment of the issue of betterment and its relationship with the leasehold system.

In my dissenting report, I have chosen to outline three key areas where I believe the majority report is deficient. I have made the comment in my dissenting report that there is obviously a range of other issues dealt with by the Nicholls report which should be closely considered by the Assembly when the matter is debated in more detail. But, for reasons that include amongst them time, I have not chosen to go into detail in my dissenting report.

There are three key issues I want to deal with today. From them stem the four recommendations of my dissenting report. The first deals with the change of use charge and the leasehold system. A key purpose of the leasehold system is to ensure that the community receives the improved value of land when a lease is varied. The community is the lessor, and the community provides rights for a charge to the lessee for development of land. As has been acknowledged by organisations such as the Property Council, a lease is simply a contractual arrangement. It does not confer property rights on the lessee.

In my dissenting report I have quoted a comment from the Property Council in a background paper on the consequences of automatic right of lease renewal which I thought summed it up very well. The Property Council said in that document:

> … a lease does not confer property rights on the lessee - it is no more than a contract to use the property for an agreed time at an agreed price for an agreed purpose. The property right remains vested in the owner …

We charge betterment, or change of use charge, because the owner, the community, is selling property rights, rights to use the land for a purpose other than that originally granted, and in return for those rights being sold the lessee makes a payment and is able to use the land for that purpose. That is one of the key purposes of the leasehold system. If the Territory does not levy a change of use charge, we are essentially walking away from one of the key purposes of the leasehold system. That is what is being imposed by the Government and Professor Nicholls in his report, and that is the reason why I must dissent from the majority report.

The claim has been made that the change of use charge does not bring an enormous amount of revenue to the Territory. Certainly, when you compare it with other taxes and charges, it is at the low end. But there is no doubt that it is still a not insignificant

amount. In the period from 1992-93 through to 1997-98 the Territory received $24.1m in change of use charge. I challenge anyone to argue that that is not a significant amount of money. It is. As we all know in this place, any level of revenue the Territory can receive helps us to address the financial position we are in and helps us to provide the services our community needs.

The proposal that was put by Professor Nicholls and endorsed by the majority report is to move away from a change of use charge towards what is called a developer contribution. In New South Wales these are known as section 94 contributions. This proposal should not be considered by members in this place to be a way of achieving greater revenue of itself. The reason for that was very clearly highlighted by evidence presented by the Master Builders Association in its verbal contribution to the committee. They said they would support a developer contribution in place of a change of use charge "provided it is brought back ideally to 50 per cent - the equivalent of a 50 per cent change of use charge level". So the development sector is quite happy to replace change of use charge with a developer contribution, provided they do not have to pay any more. I think that underlines exactly the weakness of that proposition.

Shifting from a change of use charge to a developer contribution will have one other very important impact on the Territory's revenue base. Developer contributions will be required to be spent in specified areas where the development is taking place. It will be spent on infrastructure and on other services and facilities in the area where the development is taking place. That takes away any discretion the Territory can have to spend the money raised from the change of use charge for the benefit of the community overall. That is the whole purpose of change of use charge. We are selling an asset. In return we are getting revenue which can be spent in ways which benefit the whole community, not simply individual parts of the community as would be the case under a development rights charge or a developer contribution charge, such as the section 94 contributions in New South Wales.

The key purpose of the leasehold system is to ensure that the community receives the full return on the improved value of the land it leases. Removal of the change of use charge would remove the ability of the Territory, the community, to achieve this. Replacement of the change of use charge with a developer contribution would not result directly in an increase in revenue compared to a change of use charge, and that revenue would be restricted to being used in the area where the development was taking place.

The second important area addressed in my dissenting report relates to the appropriateness of a 50 per cent level of change of use charge. The Nicholls report and the majority report of the committee propose a reduction in the level of CUC to 50 per cent. The majority report makes this recommendation without recognising a number of key weaknesses in its argument.

First, the majority report does not take account of the untargeted nature of this subsidy compared with the types of grants and subsidies provided by the Government to other sectors of the community. If the change of use charge was to be at 50 per cent, it would be available to every developer who was seeking to vary a lease. It would not matter about the quality of their development. It would not matter about the innovative nature of the development. It would not matter whether it was of a high standard or a low standard. They would all get the subsidy.

If we in this place are interested in encouraging high-quality, well-designed, sustainable development, we should at least be making sure that the subsidy inherent in a 50 per cent change in use charge, or indeed a 75 per cent change of use charge, is available only to those developers who are proposing high-quality development. But that is not the case under this proposal. Poor-quality development and good-quality development all get the same subsidy. That is an untenable position.

Further, evidence presented to the committee about the appropriateness of a 50 per cent change of use charge highlighted the fact that the reduction from 100 per cent to 75 per cent or 50 per cent was a way of encouraging development which was not transparent or well targeted. Evidence presented to the committee by ACTCOSS highlighted the fact that providing incentives in this way created major problems in determining exactly the amount of subsidy provided. ACTCOSS made the point that it would be much better for the Government to remove this type of subsidy through revenue forgone and replace it with a requirement that for all development proposals where change of use is required the developer pay 100 per cent. Then, if the Government thought it was appropriate to subsidise particular types of development, it should do that directly in a way which was transparent and open so that it was much easier to see the exact impact on the bottom line of the budget. Again, that is an issue completely ignored in the majority report.

I did a calculation before coming down for the sitting this morning. In 1998-99 the ACT Government received $4.3m in change of use charge. But the revenue forgone because betterment was not paid at 100 per cent was just over $1m. So last year we gave away just over $1m in revenue forgone. That is one of the weaknesses with the Government's approach.

The most concerning element of the majority report and the Nicholls report is the claim that change of use charge is a hindrance to development. There is no substantive data to back up this claim. Professor Nicholls acknowledges this. Yet Professor Nicholls, the Government and the majority report claim that we must reduce betterment because it is a disincentive to development. There is no data to back this up. ACTCOSS said succinctly in their evidence to the committee:

> We tend to get sent out of the room if we have not got anything to back up our claims.

If a community organisation or other part of the community comes to the Government and says, "We want you to provide a subsidy for this", the Government says, "Back up why it is needed. Demonstrate why it is needed. Give us the data. Give us the facts that back it up". That is not happening in this case. As Professor Nicholls acknowledges, there is only anecdotal evidence. Yet we have this attempt to justify a reduction to 50 per cent betterment.

In the evidence presented to the committee by representatives of the development industry there was an acknowledgment that change of use charge was only one of the factors that affected whether or not a development proposal proceeded. That was acknowledged in the evidence. Yet change of use charge is being targeted as an evil that

must be removed. There is no evidence, there has been no substantive analysis and indeed there has been a concession that it is not the only factor. There is no justification for removing change of use charge or reducing it to 50 per cent.

Mr Speaker, I think I have dealt with the main issues outlined in my dissenting report. In conclusion, I would just like to outline recommendation 2, which is missing from page 46 of my dissenting report. I will make sure an erratum is circulated to members. My recommendation 2 reads:

> The Government develop as a matter of urgency a Development Rights Register, as outlined in the Report into the Administration of the ACT Leasehold, to provide greater certainty for prospective developments.

In my dissenting report I have not taken a purely negative approach. *(Extension of time granted)* I have made two recommendations which will have a positive impact in trying to mitigate the perceived difficulties the change of use charge has on development. The first is the recommendation I have just read out for the establishment of a development rights register. Evidence presented to the committee highlighted the fact that developers often had a problem in understanding exactly what was going to be the full impact of change of use charge. It was very difficult to know exactly what the level would be.

In 1997 the Stein report suggested a way of addressing this problem and yet it has never been properly addressed in any way. The establishment of a development rights register would give developers certainty as to the levels of betterment that will be required to pay for a particular development. It is quite clear that this proposal could work. Yet it has never been properly addressed. I recommend that it should be.

My other positive recommendation relates to the establishment of a process for the developers of proposals to pay change of use charge over the life of the development project. Currently developers are required to pay change of use charge when they vary the lease and before the project begins. Evidence to the committee showed that this is a hurdle for some developers. In our public hearings we explored the option of having change of use charge paid over the life of a development project so that instead of developers paying it up front they could pay the full amount of the change of use charge over the life of the development project as they started to recoup some of their costs as the project came on line in stages. But before the entire project was finished all change of use charge would have to be paid. This is another positive proposal which helps to overcome the hurdles of betterment in the eyes of developer proponents.

I am sure that the Assembly will be considering this issue in much more detail. Members will see that my key recommendation relates to reverting to betterment of 100 per cent. This is no surprise, I am sure, to many members. It is a reiteration of the Labor Party's policy on this issue. More importantly, it is a reiteration of the community's interest in the improved value of land and the sale of development rights to lessees.

MR RUGENDYKE (11.01): This report by the Planning and Urban Services Committee was always destined to be one which would be dissented from, simply because of the diverse philosophical positions of members. Overall, I think the

conclusion that was reached in regard to the 50 per cent was a fair compromise. I saw no reason to disagree with Professor Nicholls, having heard all the evidence and taken it all in. As I say, the philosophical differences caused the dissent. I do not hold any philosophical position. I made up my mind based on Nicholls and based on the evidence.

MR MOORE (Minister for Health and Community Care) (11.02): I have had time to scan through the report of the Standing Committee on Planning and Urban Services. The work that has gone into the issue of betterment in the Assembly since I came here in 1989 is extraordinary. The different opinions in the Assembly indicate that we may well need to take this issue to a referendum to resolve. As the Assembly changes its make-up, the issue seems to wax and wane.

I have very strong opinions on the issue and am delighted with the work done by Mr Corbell in his dissenting report. I do not think I could have done better myself. I think it is a very effective piece of work. It is something that in our private discussions Mr Corbell and I have been at one on since he came into the Assembly. I hope that will continue.

It is a fundamental issue about the prerogative of the community as a whole to get the benefit of the land that the community as a whole owns. It strikes me as a huge irony that those who most strongly advocate getting rid of betterment are almost invariably landlords. Doing away with betterment would be the same as saying to them, "Sorry, but all you get from being a landlord is the rent. You do not get a capital gain on your property". In those circumstances most landlords would say, "Why be a landlord?" and would move away. The irony is that those very same people are denying that the community are the landlords. It is very clear that the community in this case is the landlord. It is exactly the same thing. Just as they would hate to be denied the capital gain on their property, the community would hate to be denied the capital gain - I am using that term fairly loosely, although it is a very accurate description - on their property. That is what the issue is about.

If the landlord, the property owner, is entitled to the full 100 per cent capital gain on his property, so too is the landlord of all the land in the ACT, the community, entitled to the 100 per cent gain. It is as fundamental as that. It may well be an issue that we should take to a referendum. We ought to let the community decide. In my mind, there is absolutely no doubt that the community, understanding that they are the landlord, could say, "Why should we do away with our capital gain? We want it and we want it delivered".

If you want certainty, that might be the way we settle it. It has to be settled with a long-term solution. In the interim, the solutions put up in the dissenting report by Mr Corbell are particularly interesting. I would encourage crossbench members, including Ms Tucker - Ms Tucker and I have generally agreed on leasehold issues, as have Mr Corbell and I - to back the dissenting report. I hope Mr Osborne will continue to recognise the importance of the community as the land-holders, the community as the landlord, and take a firm stance on this issue. If that happens, then the recommendations of Mr Corbell can carry through. We can allow the sunset period on the current legislation to lapse and revert to 100 per cent betterment. That is the best solution for the community as a whole, and I think that is way we should go.

Mr Rugendyke, I am disappointed. There is a difference of opinion here, I understand. I would like to spend more time talking to you about betterment. It seems to me such a fundamentally sensible proposition that a landlord is entitled to capital gains and that in this case the community is the landlord.

I know the opposite position. I understand where my ministerial colleagues come from. They have a much more laissez-faire approach and say, "You are entitled to make whatever money you can out of a proposition". I remind my colleagues that they would not say what they are saying if they were the landlord and they would not say it to landlords, the very same people who are saying it to us.

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

HEALTH PROFESSIONALS (SPECIAL EVENTS EXEMPTIONS) BILL 2000

MR MOORE (Minister for Health and Community Care) (11.07): Mr Speaker, I present the Health Professionals (Special Events Exemption) Bill 2000, together with its explanatory memorandum.

Title read by Clerk.

MR MOORE: I move:

> That this Bill be agreed to in principle.

Mr Speaker, the ACT, for very good reasons, has statutory provisions related to the competence and quality of health professionals who provide services to territory residents. Many of these providers are in occupational groups that require registration against quite demanding entry and conduct standards. Those who developed the Territory's health professional registration requirements did so with a view to ensuring high standards of health care provision from practitioners who have long-term commitments to this community. In summary, the laws say that to practise in one of the 12 health disciplines in the Territory the practitioner must be registered against nationally recognised standards.

The original legislators would not have anticipated a contemporary scenario where the ACT would be host to international events with participating visitors being accompanied by their own health care staff. As it stands, the ACT health professional registration Acts are quite unyielding to such occurrences. Unless visiting overseas health professionals satisfy the ACT's requirement for professional registration, they are not legally able to provide health care services to anyone, including visitors to the ACT.

It is a far from satisfactory situation to ban the practice of a visiting overseas health professional who is simply in the ACT to provide treatment to a restricted group of visitors who are themselves here for a one-off special event. In these circumstances, there is no need to invoke the safeguards and extensive registration requirements contained within the health professional registration Acts.

Mr Speaker, the Health Professionals (Special Events Exemption) Bill has been developed to allow the ACT to accommodate the health care needs of overseas visitors who are in the Territory to prepare for, or participate in, international events. Where these visitors are accompanied by their own health care teams, the Bill will authorise the provision of health care services without the providers themselves needing to be registered in the ACT.

As it name suggests, the Bill in principle allows for certain special events to be exempted from the operation of the ACT health professional registration Acts. An exemption is provided by the Minister for Health and Community Care and a notice to this effect is published in the Gazette. Visiting overseas health professionals providing health services in accordance with the provisions of this legislation are exempted from the requirements of the health professionals registration Acts.

The Bill makes it very clear which events qualify for an exemption and specifies the limits on health services that may be provided under such an exemption. A special event must be one that involves a significant number of overseas participants, a visiting health professional must also be from overseas, and treatment must only be provided to visitors who are in the Territory to participate in the declared special event. The term "visitor" itself is also defined in the Bill as a person who is an overseas resident or an Australian resident who is a member of a visiting group of whom the majority are overseas residents.

In providing health services, there may be occasions when a visiting health professional has need to prescribe medication for visitors. Some of these medications are likely to be from a class of substances that come under restrictions of the ACT's poisons and drugs of dependence legislation. That legislation has been carefully drafted to control who may prescribe those substances and the requirements for filling such prescriptions. Effectively, these requirements are for prescriptions to be written by registered medical practitioners and for a pharmacist to determine that proper authorisation has been given before filling such prescriptions.

While it is not intended that the protective intent of poisons and drugs legislation be overridden, it is also not intended that a visiting health professional be unnecessarily restricted from the responsible prescribing of medication. Accordingly, the Bill also provides for the Minister to authorise, under a special event order, nominated health professionals to prescribe substances that are restricted substances or drugs of dependence. Such authorisations can only be made if the Minister is satisfied that adequate surety exists that the medications will only be prescribed for, and supplied to, persons the health professional is authorised to treat. The legislation also permits an authorised person or class or persons to fill such prescriptions. As added security, the Minister may also apply conditions to any authorisation given in relation to the prescribing of substances that are restricted or drugs of dependence.

In addition to providing authorisations for health care treatment by visiting overseas health professionals, the legislation also clarifies that persons with such an authority who provide health services according to the proposed legislation do not commit offences under the health registration or drugs and poisons legislation. It also proposes that complaints about health services provided under this Act would not be

appropriately taken under the Community and Health Services Complaints Act 1993. Issues about standards of care would, in these circumstances, be managed by the nation that engaged the health care staff.

Mr Speaker, the approaches proposed in this Bill pose no risk to the safety of our community or in any way affect the trade or business of a person engaged in a health occupation in the Territory. Provider organisations consulted about this Bill have expressed no problems with the objectives of the legislation.

Mr Speaker, this Bill meets requirements established for hosting of matches involved with the Olympic football tournament. As members are aware, the ACT will shortly be host to sporting teams from around the world. As I drove down Northbourne Avenue to London Circuit the other day, I saw that we had about 190 days to go. It is required and appropriate that we have legislation to enable these visiting sporting teams to be treated by their own medical support staff. Olympic host obligations aside, it is perhaps equally important that the ACT take advantage of the unique opportunity involved with hosting Olympic events to promote the ACT as an international venue. This Bill, in a small way, supports the promotion of the ACT as a host capable of meeting the demanding requirements of international special events. It also places the ACT on an equal footing with Queensland and New South Wales, which have also established similar legislation. Mr Speaker, I commend the Bill to the Assembly.

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

COMMISSIONER FOR THE ENVIRONMENT AMENDMENT BILL 2000

MR SMYTH (Minister for Urban Services) (11.14): Mr Speaker, I present the Commissioner for the Environment Amendment Bill 2000, together with its explanatory memorandum.

Title read by Clerk.

MR SMYTH: I move:

> That this Bill be agreed to in principle.

Mr Speaker, the Commissioner for the Environment Act 1993 requires the commissioner to submit State of the Environment Reports by 31 March of each pre-election year. This requirement was intended to ensure that the State of the Environment Reports, and government responses, were tabled in the year leading up to each election. This means that State of the Environment Reports can serve as an environmental scorecard on the Government's term in office. It also helps to inform debate generally.

Since this requirement was put in place, the date of the ACT election has been changed from February to October every third year. This means that under the law as it currently stands future State of the Environment Reports are to be produced 19 months before the ACT elections. Of itself, this situation might not require an amendment, but the commissioner has also taken on the task of preparing regional State of the Environment

Reports. The first Australian Capital Region State of the Environment Report was released in 1997. This report received national and international recognition. The next regional report is due at the end of this year. Mr Speaker, regional reports are non-statutory, but they need to align with the statutory obligation of New South Wales local government authorities to prepare State of the Environment Reports in November every fourth year. As the New South Wales and ACT reporting deadlines do not align naturally for most reporting periods, this current year being the exception, this Bill proposes that the ACT reporting date be set separately for each post-reporting period after the year 2000.

Under this Bill, the next ACT State of the Environment Report would be due in November 2000. For subsequent reports, the commissioner would be required, within 12 months of presenting a State of the Environment Report, to make a recommendation on the due date of the next report. The Minister would then decide the length of the reporting period, and the due date for the report, by disallowable instrument.

While the Bill will give the flexibility to balance the competing reporting cycles of the ACT and the Australian capital region state of the environment reporting, it also protects against abuse of the power to move reporting timeframes. Specifically, the commissioner's recommendation to the Minister must be tabled; the reporting period must be no longer than four years; the report itself is due between three and six months after the close of the reporting period; and the Minister's decision is disallowable by the Assembly.

Despite its small size, the ACT has set the standards in a number of aspects of environmental management. In the field of environmental reporting we remain the only Australian jurisdiction with a Commissioner for the Environment and a State of the Environment Report that is guaranteed to be independent. The Australian Capital Region State of the Environment Report has received national and international recognition. The commissioner has received Federal funding to develop the Australian Capital Region State of the Environment Report as a national model for regional reporting.

The commissioner has sought these amendments to help him further his leading-edge work, and the Government supports him in this. Once passed, this Bill will allow future ACT State of the Environment Reports to be prepared at a time that is optimal for both the ACT and the Australian capital region. I commend the Bill to the Assembly.

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

PLANNING AND URBAN SERVICES - STANDING COMMITTEE – Reference - Utilities Bill 2000 and Utilities (Consequential Provisions) Bill 2000

MS TUCKER (11.18): I move:

> That:
> (1) the Standing Committee on Planning and Urban Services inquire into and report on the Utilities Bill 2000 and the Utilities (Consequential Provisions) Bill 2000.

> (2) on the Committee presenting its report to the Assembly, resumption of debate on the question "That this Bill be agreed to in principle" for each of the Bills considered in the report, be set down as an order of the day for the next sitting; and
> (3) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

I have put up this motion to refer the Utilities Bill 2000 to the Planning and Urban Services Committee because I believe that this legislative package that establishes a regulatory framework for electricity, gas, water and sewerage services in the ACT is a very significant and complicated package. It needs detailed examination by this Assembly and also the opportunity for the community to provide comment on its adequacy.

It is interesting to note that the Treasurer said in the presentation speech for the Bill that officials have worked for 18 months on developing this package. It should therefore be quite reasonable for the Government to expect this Assembly to take a bit of time to review this legislation rather than voting on it after only a few weeks.

Members would be aware that this package had its genesis in the moves by the Government at the end of 1998 to privatise ACTEW. The ABN AMRO study found significant gaps in the laws that currently regulate ACTEW. It recommended that a full regulatory framework was needed regardless of the ownership of ACTEW.

Some of these gaps are as follows: There are no customer service standards for water or sewerage supply, and limited standards for electricity supply; there is no independent right of complaint about service standards to a body that can order ACTEW to take action; there are no legally enforceable technical and safety standards for ACTEW's equipment; there is a lack of commonality in approach to regulation across different utilities; and the current regulations are not totally appropriate to the situation where there is more than one provider retailing electricity in the ACT.

I would add a couple more: The need to ensure that strong environmental safeguards are in place, including requirements to reduce greenhouse gas emissions from electricity supply, and the need for regulations regarding public access to information about the operations of the utilities. I also think we need to look at how community service obligations will be handled in a multi-utility environment. There may be other regulatory issues that need to be addressed as well once we look at the detail of the package.

I do not think anyone in this Assembly would say that we do not need better regulation of these essential services. It is more a question of whether we think that what the Government is proposing is adequate enough to protect the public interest across all these areas.

It is interesting to note that there was a flurry of activity about the regulatory framework at the time the Government put forward the proposal to privatise ACTEW. The Government issued a statement of regulatory intent in November 1998 with the intention of having legislation passed in the first half of 1999. Some consultation meetings were held with community groups, but, once the decision was taken in the

Assembly to not privatise ACTEW, things went very quiet. Interestingly, now that the Government is putting forward a new proposal to virtually sell off half of ACTEW, the regulatory framework has now resurfaced and there is a new rush to get it all finalised.

I do not think this is a good enough reason to rush this legislation through. Assembly members need the chance to go through the pile of papers that make up the legislative package and the associated documents - the utilities services licence, the consumer protection code, the benchmark customer contract, the drinking water quality code and the codes of practice. We also need to go back and see how it compares with the earlier work done on the regulatory regime.

Community groups have not had the chance to see how their earlier comments are reflected in the final legislation and the associated documents. It is also the case that the original work only covered electricity, water and sewerage services. This latest package, however, includes regulation of gas services, which we have not had a chance to examine in detail yet. I also note that the scrutiny of Bills committee report contained seven pages of comments on the utilities package which also needs to be reviewed.

I think the ACT community, which depends on these essential services, would expect the Assembly to make sure that their interests are adequately addressed before we move further down the path of opening up ACTEW to further commercialisation and increased competition, so I also express concern now if we are being asked to vote on the enabling legislation at this point. I think this committee, which has the responsibility of looking at the detail of the regulatory regime, must complete this work to our satisfaction before we are asked to vote on such a significant piece of legislation.

MR HUMPHRIES (Treasurer, Attorney-General and Minister for Justice and Community Safety) (11.23): The Government supports the motion that Ms Tucker has moved. I am struck by how curious it is that, despite having introduced legislation which extremely comprehensively deals with the problem of utilities operating in a relatively unregulated environment, despite the fact that there are no common rules between different utilities and different classes, despite the fact that we have taken an enormous step forward in regulating this area and that we have indicated willingness to put this to a committee to be consulted about, we still have criticism from Ms Tucker about the approach that the Government is taking on this matter.

Ms Tucker: I thought you wanted a committee.

MR HUMPHRIES: We do. We are quite happy for that to happen, but I heard a number of criticisms in your speech just now of the Government's position. I have to say, again, that I wonder what we are supposed to do to avoid that sort of criticism. Perhaps we should not bother to expect anything less, but the fact is that we have put this on the table expecting it to be dealt with in this way by an inquiry. We fully accept and expect that.

I think I heard Ms Tucker say it is ridiculous to expect that we should deal with this Bill in the space of a fortnight. I put it on the record very clearly, Mr Speaker, that the Government has never suggested that these Bills should be dealt with in the space of

a fortnight. With great respect, if Ms Tucker was suggesting that on the floor of the Assembly without asking whether that was the Government's intention, that is mischievous.

Mr Speaker, our position is quite clear. This is a major piece of legislation deserving, I think, a little more credit than Ms Tucker has cared to give us for it. I think it ought to be examined critically by an Assembly committee, so we support the motion that has been moved by Ms Tucker.

MR CORBELL (11.25): Mr Speaker, the Labor Party also will be supporting proposals to refer this matter to the committee. This is a very important piece of legislation. It provides a new uniform regulatory framework for utilities providing essential services to the people of Canberra. As Ms Tucker rightly points out, there is a range of issues which need to be considered by the committee before the establishment of this new regulatory regime. However, the Labor Party is concerned that the referral proposed by Ms Tucker to the Urban Services Committee will simply result in other important work of that committee being pushed down the list.

The Urban Services Committee, as many members will know, is one of the busiest committees of the Assembly and it covers a wide range of work, much of which is driven by referrals from the Government in relation to draft variations to the Territory Plan. If members look at the work of the committee outlined in the notice paper they will see that the committee is already up to 41 reports and it has approximately a dozen inquiries on its books yet to be reported on. That is a considerable workload for the committee and, more importantly, a considerable workload for the committee secretary.

Mr Speaker, for those reasons the Labor Party will be moving an amendment. I foreshadow an amendment to Ms Tucker's motion to establish a select committee to examine this Bill. I think the reasons for this are straightforward. First of all, it is important that the Bill is dealt with in a prompt and effective manner with close consideration of the important issues highlighted in it. Secondly, Mr Speaker, it is important to ensure that the work undertaken by other standing committees of this place is not unduly compromised, and it will be if this Bill is given some priority over other work of the Urban Services Committee. The establishment of a select committee will provide for the Bill to be closely considered in a timetable acceptable to all members of this place and ensure that a new regulatory regime is in place as soon as possible.

Mr Speaker, I foreshadow that I will be moving a motion to establish a select committee on utilities to examine the Utilities Bill 2000 and the Utilities (Consequential Provisions) Bill 2000. The committee will be composed of one member nominated by the Government, one member nominated by the Opposition, and one member nominated by either the Independent members or the ACT Greens. I propose, Mr Speaker, that the committee report by the first sitting date of June 2000. This will provide for appropriate passage of the Bill, we would hope, before the conclusion of the financial year, and that, I think, is a sensible timeframe. Further, Mr Speaker, it will allow for that important process of public consultation on the Bill by an Assembly committee to take place without compromising the work of the Standing Committee on Urban Services which, as I previously indicated, already deals with a large number of

inquiries, many of which are generated by the Government, in relation to variations to the Territory Plan. Mr Speaker, I move the amendment circulated in my name which reads as follows:

> Omit all words after "That", substitute the following words:
>
> "(1) a Select Committee on Utilities be appointed to examine the Utilities Bill 2000 and the Utilities (Consequential Provisions) Bill 2000;
> (2) the Committee be composed of:
> (a) one member nominated by the Government;
> (b) one member nominated by the Opposition;
> (c) one member to be nominated by either the Independent Members or ACT Greens to be notified in writing to the Speaker by 4.00 p.m. today, 3 March 2000;
> (3) the Committee report by first sitting day of June 2000;
> (4) on the Committee presenting its report to the Assembly, resumption of debate on the question "That this Bill be agreed to in principle" for each of the Bills considered in the report, be set down as an order of the day for the next sitting; and
> (5) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.".

MR KAINE (11.29): I support the referral of this quite complex legislation to a committee of the Assembly. I think it needs to be examined in detail before it is passed into law by this place. Having said that, however, I am concerned that by simply referring it to a committee and not putting a report date on it one could almost think that this was being shelved; that it does not matter how long it takes it to respond, whether it is December or January next year or even later before we get this thing back. I believe that the legislation in itself is important legislation and it has an element of urgency about it. We should have, in fact, a fairly short report date rather than leaving it open.

Reference has already been made to the fact that this referral will set back other work on the committee's agenda. Well, perhaps it should because of the importance of it to the community. It does not concern me that a referral of a matter like this to a committee may displace other inquiries that a committee has on its plate if those inquiries are less important and less urgent. So it does not bother me in the slightest, but I do think it ought to be given some priority and not just left as a referral without a report date. Although I do not support the amendment put forward by Mr Corbell, at least it does attempt to set a fairly short time scale for the inquiry, and I think we should have regard for that.

They say this legislation has some degree of urgency to it because of its intrinsic importance. I believe that this sort of legislation is long overdue. We should have had it years ago. I think it is unacceptable to just let it hang. But it has an additional urgency attached to it in today's circumstances because there is a proposal before the Government and pending before this house to deal with the future of ACTEW. One might suspect that perhaps this is intended to slow that process down rather than deal with it, and I can see the next step - that we cannot debate the proposed legislation in connection with the merger or the joint venture of ACTEW because the regulatory legislation is not in place. You can see it now. That might be an acceptable ploy politically if the interests of the community were not at stake.

I believe that there is a time sensitivity about this proposal that is before the Government. You cannot just let that sit on the table for six months and expect the other party to this venture to be still sitting there in six months time awaiting our pleasure to say, "Yes, it's okay", or, "No, it's not okay". This is a business proposal, and there is always a time sensitivity about business proposals, particularly one of the order of magnitude of this one. So to let it all just sit and simmer and get no resolution for a long period of time, I think, is quite out of order. I do agree that the matter should be dealt with by a committee, but it should be dealt with quickly and it should come back so that we can consider it perhaps simultaneously with the enabling legislation that deals with the proposed merger of ACTEW and AGL.

I do not support the notion of a select committee. We have standing committees of this Assembly now that ought to be capable of dealing with any matter that comes before us. Every time we establish a select committee it requires additional resources and it stretches even more thinly the resources of the members of this place who are able to sit on those committees. It is yet another committee that you have to attend, and the matter can be dealt with just as well by an existing standing committee of the Assembly.

I wonder whether the Labor Party might have an ulterior motive that they have not put on the table for not wanting this to go to a standing committee of the Assembly. If they do they had better put their motive on the table so that the Assembly can deal with that. If the Labor Party does not like the present constitution of our committees, let us look at that question and reconstitute them if it is the will of the Assembly to do so. To revert to some subterfuge of taking the matter away from the standing committee because there is some political motivation underlying it is, I think, quite unacceptable. In fact, I think it reflects on the integrity of certain people in this place if that is the motive. I am just speculating.

I do not support the notion of a select committee and I will not support that, but I would ask Ms Tucker whether she would agree to setting a fairly short timescale on the inquiry that she has asked the standing committee to undertake so that we can get the legislation back and deal with it quickly rather than just leaving it to some undefined future time.

MR CORBELL: Mr Speaker, I seek leave to make a explanation under standing order 47.

MR SPEAKER: Yes, very well.

MR CORBELL: Mr Kaine suggested there was some subterfuge and alluded to my speech as though it was some attempt to simply undermine the process. Mr Speaker, that is not the case. Mr Kaine is wrong. There is no subterfuge in this proposition. It is a straightforward and sensible one. I just want to clear the record, Mr Kaine. It is certainly not the intention of the Labor Party to delay this in any way. It is simply a matter of practicalities and the workload of various committees.

MR HIRD (11.36): I heard our colleague, Mr Corbell. As chair of the committee that Ms Tucker was referring to, the workload of the committee is quite heavy. Our colleague Mr Kaine said there should be some urgency. I understand that the Treasurer

is going to identify a time span in respect of this matter. Let us analyse the situation. If it is not a political issue, let us analyse the proposal that we have before us in this chamber.

There are 17 members and there are six active committees. The Urban Services Committee has been one of the progressive committees inasmuch as it does turn out the various reports when it needs to and in the time required. On that committee I have Mr Rugendyke as deputy chair and Mr Corbell. I put it to members that if the house does agree to having a select committee the situation will be that I will be one member and the mover of this amendment will be another, so the majority will come out of the Urban Services Committee. I would not be at all surprised if my good colleague on the crossbench, Mr Rugendyke, is not a member. So there we have, by subterfuge, the Urban Services Committee.

Mr Kaine put his finger right on the button when he referred to the workload of the committees. The workload of the committees is quite heavy. Consider the resources required for the committees and the very limited resources we have. Look at the Urban Services Committee and the way the Minister has allowed other officers to come forward to assist us and give us guidance in respect of some technical aspect.

Look at our select committee structure at the moment. I know of two that are dragging behind. I am a member of one, and the other - - -

Mr Corbell: Well, get on with it.

MR HIRD: You are a member of the other. I am on the Select Committee on Housing. It is no fault of anyone. Ms Tucker is the chair. I am not reflecting on the ability of the chair to come in with a report. What I am saying is that the resources that we have are very limited. The other select committee, the one you are a member of, is the Select Committee on Government Contracting and Procurement Processes. I am not being disrespectful to the chair, the Leader of the Opposition. I am saying that there are limited resources. Notwithstanding any of this, let us look at what we have just gone through in the draft budget process, which is a new and innovative approach in this house.

Mr Berry: A waste of time. Tell us what you really think, Harold.

MR HIRD: My old empty cobber over there says it is a waste of time. A lot of people do not share your view, Mr Berry. You are saying that people in the community have wasted their time in putting in submissions to the respective committees, ACTCOSS in particular. You are a member of one of the committees. I thought it was valuable information. This place ascertained valuable information on how money should be spent on behalf of the Territory. What happens when the Treasurer delivers the budget? We go through another very difficult process.

Mr Berry: Everybody goes, “Boo, hiss”.

MR HIRD: Listen, Mr Berry, and you might learn. You are not putting out bushfires now. We will set up another committee. I do commend Mr Corbell. He was a better

chairman than the previous one. He chaired the last Estimates Committee and he certainly will have my support to chair the next Estimates Committee. However, that will be a difficult task.

It gets back to what Mr Kaine said. Time is precious in respect to this matter, and we have to deliberate and bring in the findings. My committee does not need any further workloads. I can confidently say that the mover and I will be on this select committee. The committee structure was set up to mirror the various portfolios, and we will give this matter a priority. I will be asking the respective Ministers to give us the necessary assistance to be able to achieve those dates and to bring in our findings. It is not necessary to set up another select committee at this time as we move towards consideration of the estimates when we already have that structure. I urge members to vote against the amendment.

MS TUCKER (11.42): Mr Speaker, there are a couple of comments I want to make. Mr Kaine expressed a concern that there was no reporting date in my motion and that, therefore, there might be some ulterior motive of trying to slow down the process.

MR SPEAKER: Excuse me, Ms Tucker. Are you speaking again or are you closing the debate?

MS TUCKER: No, I am speaking to the amendment.

MR SPEAKER: Right, thank you.

MS TUCKER: I would like it to be quite clear that it was not my intention to slow down the process. The reason I did not have a reporting date in this motion was because I was expecting it would come up in this discussion because - - -

Mr Berry: You mean you were Gary-ed?

MS TUCKER: No, I will come to that later. I was Gary-ed, but I will come to that later. I am actually talking about why I did not have a reporting date in here. I wanted to consult with members of this place who were going to take on the job so that I would have a sense of what an appropriate reporting date was.

Mr Kaine: Appropriate consultation.

MS TUCKER: Appropriate consultation. I do not think I am doing the work in this committee. I have asked members. Members could tell you that. This morning I went around and said, "What is the reporting date likely to be for this?". I was expecting that it would be put up in this debate. That is why it is not in the motion now.

The other thing Mr Kaine said was that he was concerned that because this was going to committee that would be used in some way to delay the voting on the facilitative Bill and that it is really important that that does not happen. If I understand you correctly, that is what you said, Mr Kaine; that this issue is in the community's interest. I have to remind members that ACTCOSS are seen to be working in the community's interest as well and they have consistently said that any regulatory regime must be decided upon before we have a vote on the future of ACTEW.

Other people I have spoken to in the community, business people, in fact, also think that there would be relevance to the deal in terms of price, because if you have a regulatory regime which has particular standards there is obviously going to be an impact on how that business will operate. If you have a very high requirement regarding standards, how people are qualified, environmental standards or whatever, I would have thought AGL would be very interested in understanding the detail of that themselves. For that reason I do not think it is appropriate to vote on the facilitative Bill until this detail is worked out, but we will have that debate later.

The other argument that has come up is that a select committee requires more resources. The reason I was prepared to support an amendment to my motion was because I understood that both Mr Rugendyke and Mr Corbell were of the view that the workload of the Urban Services Committee was such that it would be better to move it across to a select committee. Mr Hird says, "Well, why would it be any different at all because it would be the same three members?". But there would have been a different chair. Now, that has work implications. I do not know how every member works in this place, but I know, as a chair of committees, that Mr Hird, as chair of the Urban Services Committee, has a very large workload. As chair, he has very particular and onerous responsibilities, greater than those of people who are just members of a committee.

Obviously, that is an individual choice that individual members make when they work on a committee. I am not saying that some people on a committee who are not the chair do not do a lot of work because I know they do. In fact, I know that Mr Corbell does a lot of work on the Urban Services Committee, but the point is that, as chair, I know there is an absolute responsibility to do that work. So, while you would have the same three people, there would be a different chair, which would take some of the load off Mr Hird because he does have a significant responsibility as chair of Urban Services, and Mr Corbell is not chair of any other committees. So I would have thought that was reasonable.

The other issue, of course, is about resources. Mr Hird said that it would take more resources if you had a select committee. I would have thought, and I agree with Mr Kaine here, that this is an urgent matter. This is a matter that requires attention. It may well be said that many of the other items on the schedule of the Urban Services Committee are urgent as well. If you have a select committee you can get extra resources in the secretariat to support the work of that committee. You can therefore see attention being given to this very critical issue for the ACT, so I am supporting Mr Kaine's argument there.

The other issue is around resources. Mr Moore and Mr Smyth said to me that they would second an officer to the Urban Services Committee to help manage this inquiry. I have had this offered to my committee as well. I sought advice from the Clerk on this because there are some interesting issues around our systems of governance that come up in the secondment of public servants to committee work. Are we blurring the lines? A public servant is employed to do the work of the government of the day. Suddenly they are positioned in a committee situation where they may well be required to separate themselves from that responsibility and work in a totally dispassionate way

with the committee. I am not sure that they can do that. I am also not sure that it is useful for our system of governance to be blurring the lines further through these sorts of initiatives.

Mr Kaine: I agree with that.

MS TUCKER: Mr Kaine nods that he agrees with that. This Government is moving towards blurring the lines in a number of ways in this Assembly and I think we have to be very aware of that. That is another reason why I think the select committee amendment is worth supporting, because you can have a really clear situation there. If you want more resources you ask for it through the Assembly processes that we normally ask for in the secretariat. We all agree that this is an important issue that needs to be seen as a priority.

Of course, there is the other issue of resources in terms of the availability of only one Liberal backbencher, Mr Hird. There is nothing we can do about that at this point. Obviously we can have a debate about 21 members on another occasion, but that is one of the reasons why I have raised the need for that.

Now, I was Gary-ed. I do need to respond to being Gary-ed. Mr Humphries was concerned because I had said unkind things about the Government in my speech. I had said that they had not wanted a committee and that they were only going to give us two weeks. I was speaking about the relativity of the time it took to put this package together. I said it is interesting to note that the Treasurer, in the presentation speech for the Bill, said that officials have worked for 18 months on developing this package. It should therefore be quite reasonable for the Government to expect this Assembly to take a bit of time to review this legislation rather than voting on it after only a few weeks. I was not saying two weeks. There is often a period of a week. Okay, maybe it could be more. When we are asked to vote on Bills once they are tabled, sometimes it is only one or two weeks. Sometimes it is only one week. All I was saying there was relative to the 18 months that was spent preparing it. We would like a reasonable time to look at it through the committee process. I was not saying in any way that the Government was insisting on anything in that way. I will close on that.

MR HUMPHRIES (Treasurer, Attorney-General and Minister for Justice and Community Safety) (11.50): Mr Speaker, I have circulated an amendment to Ms Tucker's motion which I will move in order to insert a reporting date in the event that Mr Corbell's amendment to Ms Tucker's motion fails. It had been the Government's intention that the question of a reporting date should be left open. This is going to be quite a large exercise and I do not think it is appropriate to tell the committee that we expect that it could do all the work competently within the space of four months. In fact, more like three months actually - March, April, May, so it is three months.

Ms Tucker: We have the budget in there. August would be better.

MR HUMPHRIES: And there is the budget as well, yes. So I did not think that three months is necessarily going to be enough time to do this. I also do not want to be open to the criticism that we are trying to put this on the backburner, as Mr Kaine suggested. So I am quite happy to move an amendment to give it a hearing date. I also indicate that

the Government would be quite willing to entertain an extension motion at the end of the day if there is a belief that the work cannot be done within that timeframe. As I have made quite clear already in discussion about this matter, the Government believes that we have to separate the question of the ACTEW - AGL implementation Bill from the utilities package. I simply do not believe that if the implementation Bill is adjourned until the middle of this year there will be a partnership that we could do in the middle of this year. It is as simple as that.

On the question of whether it be a select committee or a standing committee, I have to admit to having gone between both views over the last few days. Just in terms of whether there is any better capacity on the part of a select committee, as I understand it it is quite likely that the same three people will be nominated to the committee. So whether the three people come together constituted as the select committee on the utilities package or whether they come together as the Standing Committee on Planning and Urban Services seems to me to be quite irrelevant.

Mr Corbell: I think Ms Tucker addressed that.

MR HUMPHRIES: That may be the case, but I do not think that the issue was all that relevant in terms of difference. I do note that on my counting of the notice paper there are 39 inquiries running at present by Assembly committees. That is a very large number. I suspect it is probably a record. It would be nice to go back and check at some stage. I suspect it is a record number of inquiries being undertaken at any one time. I have to say I have my doubts on occasions about whether we can competently investigate that many matters across that many committees, with the number of issues and the public consultation and all those sorts of things that go into that process, without losing quality at some point along the way. I am still proposing that we have an inquiry into this, but I think that putting it into the mainstream of the Urban Services Committee is a slightly more sensible approach than putting it into yet another select committee.

Mr Speaker, I note in passing that Mr Corbell's motion apparently would exclude Mr Kaine from any capacity to nominate to the committee because Mr Kaine is neither an Independent member of the Assembly nor a member of the ACT Greens, as I understand it.

Mr Kaine: I have pointed this out before, but nobody listened.

MR HUMPHRIES: So Mr Kaine was right about ulterior motives, but that is the ulterior motive - to get rid of Mr Kaine. Do not worry, Trevor; we are on your side when it comes to this. So, Mr Speaker, I think that it would be better, on balance, to have it go to the Urban Services Committee and, as I say, I think a timeframe should also be there, and that is the reason for the Government's proposed amendment to Ms Tucker's motion.

MR CORBELL: Mr Speaker, I seek leave to speak again, just briefly. Mr Humphries is quite right, by omission rather than by ulterior motive. If Mr Kaine would like to move an amendment, I certainly would be open to that. Indeed, if it is possible, I seek leave to amend the motion to include Mr Kaine as a member of the Canberra Liberals.

Mr Smyth: No, he's not.

Mr Humphries: The United Canberra Party.

MR CORBELL: I am sorry; the United Canberra Party. Yes. I seek leave to add the following new subparagraph to paragraph (2):

> "(d) a Canberra United Party member".

Leave granted.

Question put:

> That the amendment (**Mr Corbell's**), as amended, be agreed to.

The Assembly voted -

AYES, 8	*NOES, 9*
Mr Berry	Ms Carnell
Mr Corbell	Mr Cornwell
Mr Hargreaves	Mr Hird
Mr Quinlan	Mr Humphries
Mr Rugendyke	Mr Kaine
Mr Stanhope	Mr Moore
Ms Tucker	Mr Osborne
Mr Wood	Mr Smyth
	Mr Stefaniak

Question so resolved in the negative.

It being 45 minutes after the commencement of Assembly business, the debate was interrupted in accordance with standing order 77, and it was ordered that the time allotted to Assembly business be extended by 30 minutes.

MR HUMPHRIES (Treasurer, Attorney-General and Minister for Justice and Community Safety) (12.00): Mr Speaker, I move the amendment which has been circulated in my name. It simply inserts the reporting date that I referred to earlier in the debate. The amendment reads:

> After paragraph (2) insert the following new paragraph:
> "(2A) the Committee shall report by the first sitting day of June 2000".

Amendment agreed to.

Motion (**Ms Tucker's**), as amended, agreed to.

PLANNING AND URBAN SERVICES - STANDING COMMITTEE
Report on. Betterment (Change of Use Charge)
Paper - Revised Dissenting Report

MR CORBELL: Mr Speaker, I seek leave of the Assembly to have the dissenting report circulated in my name appended to the report of the Planning and Urban Services Committee submitted this morning as my dissenting report.

Leave granted.

Mr Smyth: Mr Speaker, it is already attached to the - - -

MR CORBELL: No, there is an error. There is an omission.

MR SPEAKER: Would you mind tabling your revised copy? It is a revised copy, is it?

MR CORBELL: It is a revised copy, Mr Speaker. Recommendation No. 2 is missing from the copy circulated this morning. It corrects that omission. I seek leave to table the document.

Leave granted.

ADMINISTRATION AND PROCEDURE – STANDING COMMITTEE
Protocol for Government Interaction with Assembly Committees

Debate resumed from 26 August, 1999, on motion by **Mr Corbell**:

That the report be noted.

MS CARNELL (Chief Minister) (12.01): The Protocol for Government Interaction with Assembly Committees was initiated by the Government. The position of the Government was to confirm with members the procedures for the interaction of Ministers and public servants in Assembly committee inquiries. The Government has sought to reflect the tradition of the Westminster system in the protocol. The Minister is clearly identified as the central point of contact between the parliament and the Public Service. The Government is committed to this view. We see the Minister as responsible for the development of government policy and its administration, and as accountable to the Assembly. The Government's position of maintaining this responsibility of members is consistent with practice in other jurisdictions.

I am sure that the Opposition, in view of the fact that they may expect to form government at some stage in the future, should then expect to appear before a committee in this place one day. Governments of any composition - Liberal, Labor, coalition or alliance - would expect Ministers to take this level of responsibility. The role of public servants, on the other hand, is to support their Minister with factual and technical information and to remain removed from the political process.

The standing committee did raise concerns about the authority of the Assembly and the role of Ministers in determining the attendance of officials before a committee. The Government also recognises that the powers and privileges of the Assembly are significant. However, these powers in relation to the role of public servants require consistency with the values and principles and the administrative framework of the Public Sector Management Act 1994.

The Government has accepted the position of the standing committee that this type of document must reflect changes to practice and procedure. The current inquiry into committee evidence may impact on the procedural arrangements between the Executive and the Assembly. The protocol will require reviewing in the context of this inquiry report.

This protocol is important in defining roles and responsibility between the Assembly, the Government, Ministers and public servants. The Government supports the positive response by the standing committee to the protocol as a demonstration of the willingness of members to review and improve the management of parliamentary and related business matters.

MR HUMPHRIES (Treasurer, Attorney-General and Minister for Justice and Community Safety) (12.04): I have a few comments to make about the protocol and the Assembly committee report on the protocol. There was some discussion in the committee about the operation of standing order 240 and the question of the appearance of witnesses before Assembly committees. Standing order 240 states:

> The Presiding Member of a committee may direct the secretary to the committee to summon witnesses to be examined before the committee.

Quite what the degree of compulsion is that attaches to that is probably a matter for some debate. I do not think any committee in this place has ever compelled a witness to appear. I am not sure - if they did or tried to compel - what power they would have to enforce such compulsion. But there does appear to be in the standing order a power to direct the secretary to summon witnesses. Perhaps it is better if that provision is never put to the test.

The protocol does make reference to the following statement:

> Ministers determine whether the attendance of an official or officials before a committee is appropriate.

I think it is best to make reference to the fact that, when people have appeared before committees in the past, there has been some conflict between governments and committees about who it is that is to speak on behalf of the Government. There have certainly been cases where Ministers have appeared at, say, estimates committees or other committees and have had public servants or officials with them at the witness table and the Ministers have indicated that the evidence should be given only through the Minister concerned rather than through officials who might be there at the time.

I recall a case during the term of the Labor Government. The then Opposition, the Liberal Party, sought to have evidence given directly by a government official - from memory, from the Department of Health - and the Minister of the day refused to have that public servant speak on the matter. He insisted that the question put to the public servant be answered by the Minister. I note that that was obviously the view of the then Labor Government and, although I as a member of the committee was trying to get to that particular public servant, I was unsuccessful. Despite some complaining about it at the time, that was where the matter rested.

I have to say, we acknowledge that ultimately it is the right of the Government to put evidence before committees. It was the right of the then Government, as it is the right of the now Government, to put evidence before committees through its servants and agents in the best way it feels appropriate. It is not appropriate to have those servants or agents compelled to speak on behalf of the Government if the Government itself wishes to speak on its own behalf, if you like.

That was the view put very forcefully by the then Labor Government. It is the view that we would take. I am not quite sure if it is the view taken by this committee. I am not sure whether members of the committee were aware of the history of this, but it clearly needs to be underscored. I distinguish two situations. If there were to be an inquiry into the conduct of say a public servant - I do not know whether such a thing has occurred before in the Assembly – it may be appropriate to call a particular public servant as a witness. That might be a distinguishing situation. But generally speaking, if people seek the view of the government - that is, the view of the Public Service which supports the government - then this is appropriately a matter which comes to the committee of the Assembly via the government itself.

There was also discussion about the question of referral of matters to Assembly committees. In paragraph 3(12) of the Assembly committee report a comment was made about the fact that some Ministers were referring matters to Assembly committees to have them investigate those matters when, in fact, the Assembly as a whole had not referred to that committee matters of the kind the Minister was then raising.

I have to confess that there is probably some level of confusion about how this operates in Assembly committees. In the past some committees have insisted that any matters to consider should come via a resolution on the floor of the Assembly. I am also aware that other committees have on occasions raised self-referred matters to committees for consideration. I venture to suggest that the criticism of Ministers which is inherent in paragraph 3(12) is probably more fairly a criticism levelled at committees as a whole, because they themselves have assumed to be able to take on broad inquiries without reference from the Assembly in the past. It would probably help to clear that matter up in some way. I am not quite sure how, but we should clarify what I assume is the correct state of play, which is, that only the Assembly should refer matters to the committees.

In certain circumstances it might also be appropriate to provide to a committee a broad heading of categories of self-referral. I will give one example of this. Committees have been referred, and asked to report upon, particular Bills before the Assembly. Amendments have then been put forward for consideration by Assembly members, and the committee has been unable to consider those amendments because the amendments were not referred formally to the committee.

That is a somewhat silly position to be in. Clearly, if the Bill as a whole is to be considered by the committee, amendments that might be on the table - in a loose use of that term - ought to be also considered by the committee. So some kind of limited capacity for self-referral may well be appropriate even in those circumstances. In fact, I have considered suggesting some amendments to the Assembly standing orders to deal with those sorts of issues and a couple of others that have concerned me. I will raise those in due course.

MR BERRY (12.11): Mr Humphries ignored some of the requirements of the standing orders and the powers of committees. Under the provisions of the standing orders, the committees have the power to require persons and call for papers to come before them - summon people, in other words. If somebody were to refuse, as an individual, then it would be possible for them to be held in contempt of the Assembly if the matter were redirected back to the Assembly. Similarly, committees can swear witnesses and it is not beyond the power of committees to call on witnesses.

If a committee decided, in its wisdom or otherwise, that it wanted a particular public servant to give evidence on oath, then it would be free to do so. It draws on the power of the Constitution. Page 659 of *House of Representatives Practice* states:

> This power is derived from the House of Commons by virtue of section 49 of the Constitution and on the basis that the United Kingdom Parliamentary Witnesses Act … empowers the House of Commons and its committees to administer oaths to witnesses and attaches to false evidence the penalties of perjury.

It goes on.

Mr Humphries: Are you saying public servants cannot be forced to give evidence?

MR BERRY: No, I am saying that a public servant could be called by the committee to give evidence and that he or she could be put on oath for those purposes, if that was what was decided by the committee. If a public servant then refused to attend, he or she could be found in contempt of the Assembly. The powers of the committee are quite wide in these respects. It is up to the committee at the time to decide whether to pursue these matters.

Mr Humphries refers to a case when Labor was in office. He did not name me, but I recall the circumstances where I said that I, and not the public servants, would be taking the questions on the matter. That is how it was dealt with. It was quite open to the committee - on my assessment anyway - to call the public servant and put him on oath and deal with the matter. If the public servant refused to attend or whatever, then the question of contempt could be decided by the Assembly.

Many complicated things have to happen along the way which might prevent a contempt motion being carried. This might end up being a meaningless move by a committee at the end of the day anyway. Those are the facts as I see them. I think it

emphasises the power of committees to call on persons and papers and deal with them quite appropriately in the context of the powers which are provided, either by the standing orders, *House of Representatives Practice*, the Constitution and so on.

MR CORBELL (12.15), in reply: I will be brief. In the issues raised in the debate today we have seen that there continues to exist that creative tension between the legislature and the Executive and different perspectives on the powers of each. That is a positive thing for this place. The debate has been useful in that regard.

In closing the debate, I come back to a couple of points. The first relates to the points made by Mr Humphries in relation to self-referral. I note that he takes the view that matters of committee inquiries should, in the main, be determined by Assembly resolution rather than by a self-referral of the relevant committee.

I take a different view. The view I take is that, if the Assembly itself deems it appropriate that Assembly committees consider certain matters that warrant inquiry, then those committees should be allowed to undertake those inquiries. At the commencement of this Assembly, I was pleased to be able to move the amendment that gave Assembly committees the power of self-referral.

I believe it is a very positive and appropriate power for committees to be given by the Assembly, simply because there are often issues which deserve to be raised and brought to the attention of the Assembly through the self-referral process - important issues in the community that perhaps may not otherwise warrant or gain the full attention of a majority of Assembly members. But once an inquiry has been initiated through a self-referral in a standing committee, that will bring the debate into the Assembly at a later stage in a way which will open it up to Assembly members and hopefully convince them that it is an issue that warrants further attention.

It is a positive power - one that certainly has not been abused by standing committees in this place as long as I have been here. Indeed, I think there are probably only a handful of inquiries that have been self-referred. The great majority of inquiries are indeed referred by the Assembly. I do not think it is an issue that warrants our attention as long as it continues to be used in the way it has been to date.

My other point was one that my colleague Mr Berry raised. It was in relation to the powers of committees. Again, Mr Berry makes the very important point that if, a committee deems it appropriate, the committee should be able to call a person to appear and, if necessary, swear him or her to give evidence. I, and I think other members in this place, would be very interested in a debate about just how assertive Assembly committees are.

We certainly have governments of both persuasions that put their views forcefully and very strongly in terms of what they believe should be the evidence that is available to this place and to the broader community to look at in relation to a whole series of issues. I would argue that a similarly forceful approach needs to be taken by this place and its committees in keeping the Government accountable and testing the Government’s arguments in a range of different issues.

I urge members to consider that the full powers of standing committees have not been exercised in this place. It is about time that they were, but we will leave that to the time and place where that is deemed to be appropriate. I conclude my comments at this point.

Question resolved in the affirmative.

EDUCATION – STANDING COMMITTEE
Report No. 2 – Work for the Dole Project in Primary Schools

Debate resumed from 11 March 1999, on motion by **Ms Tucker**:

That the report be noted.

And on the amendment moved by Mr Berry:

Add "and the dissenting report be rejected".

MR STEFANIAK (Minister for Education) (12.19): The Government's response to this was noted some months ago, indeed last year. We now have a remaining matter which relates to an extraordinary amendment moved by Mr Berry many months ago. I quote:

and the dissenting report be rejected.

The dissenting report was Mr Hird's. That is a most extraordinary motion. It is very dangerous for an Assembly to reject a dissenting report. It goes against every tenet of committee reports and the ability of members – under I think standing order 251 - to dissent. If I recall the debate correctly, Mr Berry took umbrage at the fact that he felt that Mr Hird did not write the full dissenting report himself.

Without commenting on that, in my experience on committees, certainly as a committee chair, the draft report is often prepared by the committee secretary. It would then be amended when the committee would meet. I wonder whether this committee's chair, Ms Tucker, drafted the entire report or whether it was done by somebody else. I do not think it matters whether Mr Hird or any other member of the committee does the entire draft, or part of it, which they then adopt, as long as, at the end of the day, they ratify it and that is in fact their report or their dissenting report. Surely that is the issue.

In this instance Mr Hird has presented a dissenting report signed by him. He has spoken quite forcefully to it. I think that is the end of the matter. It would be an appalling, a dreadful precedent – indeed, almost a Stalinist type of action - were this Assembly to accept Mr Berry's suggestion that a member cannot dissent if other people do not like what he says or what is included in his report, and it is then rejected. That is ludicrous.

Does that mean that if Mr Rugendyke or Mr Kaine presents a dissenting report at some future stage and the committee or some people in the Assembly take umbrage at it, or some aspect of it - how it may have been prepared or whatever – he is then told that the Assembly rejects it? That smacks of totalitarianism. It has no place in a democracy.

If Mr Berry has any sense and does not want to be labelled - what was it that Paul Whalan called the ACT Labor Party some years ago – "the last Stalinist party in Australia" - if you do not want that tag - - -

Mr Humphries: "In the world".

MR STEFANIAK: "In the world", was it Mr Humphries? I stand corrected. I think a crazy and totalitarian amendment such as this should be withdrawn. Given that we are also talking about this report, I think it is an unfortunate one. It is probably the worst report prepared by this committee, which has prepared some very good reports. Indeed, some reports, whilst the Government might disagree with some things, have come up with some very good suggestions.

The real problem with this is that this is a report that never should have occurred. We talk about wasting the committee's time and wasting the valuable time of committee members, all of whom are busy. This report unfortunately - you can see it by reading it; its tenor and the slants given to certain people and organisations that appeared before it – does, whatever people may say, have an ideological base to it. I am pleased to see that even in the report itself this is recognised. The second paragraph of the preface on page v states:

> While some members of the Committee do have an ideological objection to the Work for the Dole scheme and the concept of 'mutual obligation' as described by John Howard's government, the Inquiry was carried out in a professional and rigorous manner.

And it goes on. Unfortunately, I think, the ideological - - -

Ms Tucker: It goes on. It's disclaiming. You should read the rest, Mr Stefaniak. Talk about selective quoting!

MR STEFANIAK: No, the ideological bent of the majority of members of this committee is quite clear. That is highly unfortunate. The majority of members clearly did have an ideological objection to work for the dole. There are a number of real problems with this. There is that bias. They miss the point that the work for the dole scheme has the overwhelming support of citizens.

There are a number of groups who have an ideological problem with it. There are unions that have an ideological problem with it. There are unions which have had, since it was announced, an ideological problem with it. The AEU is one of those unions. It has always had an ideological problem with it. It makes no bones about the fact. That is just a fact of life. I think other unions like the CPSU and the Amalgamated Workers Union or whatever also had problems with it. I do not think they have made any bones about that fact. But that is no reason, if this report was to look objectively at what was being proposed, to come down in favour of those submissions as opposed to other submissions.

People such as those in the P&Cs have a much more open view in relation to this proposition. More recently, they have said that, if it happens in the rest of Australia, why on earth should it not happen here. In other words, they are very much supportive of it.

Work for the dole occurs throughout Australia, including in schools. I am advised – I found this quite amazing because when this inquiry started I was not aware of similar programs in other schools - that there are now some 400 schools across Australia where there are similar work for the dole projects. I am advised that schools in Hurstville and Mudgee in New South Wales - New South Wales, of course, has a Labor government - Mount Gravatt and Beenleigh in Queensland, another state with a Labor government; and Gilles Plains, South Australia, where there is a Liberal government, have work for the dole projects. They are just some examples.

Why should Canberra citizens miss out because of the ideological pigheadedness of some people, indeed some union officials, on this issue? It is depriving young Australians and, in our case, young Canberrans, of the chance to do useful work experience - I stress "work experience" - which will help them get jobs.

My Federal colleague, Margaret Reid, released some very interesting figures some months ago. They showed that about 34 per cent went into jobs very quickly after work for the dole. The other 11 per cent went into some useful training activity such as TAFE within a few months. That totals 45 per cent. That more than favourably compares with some of the less than efficient Labor schemes of the previous Keating and Hawke governments.

One other problem we have with this committee report is that the scheme was not really what the majority of the committee thought would have been a good scheme. Again, I do not think it is the role of the committee to come up with what should occur in recommendations. They may have misunderstood it, but I do not necessarily think so.

It was made quite clear to the committee that the work for the dole is not a vocational training program. I know that Ms Tucker and Mr Berry might want it to be a vocational training program with recognised qualifications at the end, like some other programs. It is in fact a work experience program, an initiative to give young unemployed worthwhile employment, dignity and self-confidence. The program's objectives – at least as reported by the committee - are to develop work habits in young people, involve the local community in quality projects that provide for young people, help unemployed young people at the end of the projects and provide communities with quality projects that are of value.

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.

People who are against this project have made some strange comments about how difficult supervision might be. That is an insult to the very competent janitors, teachers and office staff we have in schools. They quite regularly supervise volunteers in similar situations. They might be called upon to supervise people such as tradesmen who come

in to do certain tasks for which they are paid. To suggest that they are incapable - that there is some problem in their being able to supervise keen, young unemployed people here in the ACT who want a go, who want to get some useful experience and who want to do something that will not only help their local community but also help them get a job when they leave the project - and to say that the people in the schools cannot properly supervise them, or that they need massive amounts of training to do so, is absolute nonsense. That does not occur when young - and not so young - people come into our schools to assist with projects. *(Extension of time granted)* In instances not dissimilar to this, we have not seen this occur with volunteers. We have a number of volunteers and they are very welcome.

The Government took on board the community concerns that the young people would be interacting with children and assisting with literacy and numeracy tasks We have a wonderful program at Charnwood Primary School, where young unemployed people aged about 16, 17, 18 or 19 are helping out the class teacher - it is an open plan set up – with literacy and numeracy for Year one kids. It is a very effective program. The teacher was very happy to have the assistance and it helped those young people, who were ex-students of the school. We are not even doing that in this program because of concerns raised by groups such as the P&C.

Another criticism levelled by the committee was there was not enough consultation. At the end of the day, we have seen, from the word go through to what we have finally come up with and proceeded with this year, that there has been a lot of consultation, including a lot of points bandied about by this committee. If nothing else, perhaps this series of committee hearings was a good thing. It enabled the scheme to be modified. Out of all the problems that might be associated with this report, some good has come about.

The Government was concerned about some of the information provided by the committee. The department was ignored and there was not proper balance in this report. For example, a great deal was made of the relevant information on insurance. The report completely excluded relevant information detailing the comprehensive and fully adequate insurance cover provided by the Commonwealth and ACT governments. That is absent from the report.

Also there was some information provided by the department on the development of a detailed selection process. I do not know that that was given due weight by the majority of members. The majority of members also made some unfounded criticisms of consultation, but apparently did not appreciate the need to develop the project in consultation with the schools, which is an essential part of how it will operate. The majority report also failed to acknowledge that the timing of the inquiry seriously inhibited the ability of the department to develop selection procedures.

There are a number of problems with this report. But, to summarise, the project will go ahead. A number of schools are keen to do it, despite a lot of the furphies put up and a lot of unreasonable, ideological objections made by a number of organisations with vested interests. I really cannot understand them because similar organisations did not have - - -

The extended time allotted to Assembly business having expired, the debate was interrupted in accordance with standing order 77 and the resumption of the debate was made an order of the day for the next sitting.

Sitting suspended from 12.33 to 2.30 pm

QUESTIONS WITHOUT NOTICE

ACTEW/AGL – Proposed Joint Venture

MR STANHOPE: Mr Speaker, my question is to the Treasurer. Can the Treasurer say on what evidence the Government bases its argument that looming contestability in the domestic electricity market will make it impossible for ACTEW to survive in its present form? Is the Treasurer aware of overseas experience that suggests, in fact, that minimal customer migration occurs when domestic markets are open to competition? Is he aware, for instance, of reports that when the Californian market was open to competition only about one per cent of customers changed supplier?

MR HUMPHRIES: Mr Speaker, that was a very strange question, I have to say, given the very ample evidence which has been placed before this place about the problems that will be experienced by ACTEW and, indeed, other providers of monopoly energy services in this country when competition comes along. Mr Speaker, there were produced in this place over a year ago detailed reports by Fay Richwhite and Associates and by ABN AMRO which very clearly put on the table a range of issues which ACTEW would need to address. If Mr Stanhope has not read those reports, I think that he needs to go back and do some homework before he comes into this place and tells us that there is a problem.

Mr Stanhope: So that is the evidence you are relying on?

MR HUMPHRIES: No, it is not the only evidence we are relying upon. Mr Stanhope has made reference to the experience of other places with the deregulation of energy. The fact is that almost every sector of the economy, whether in this country or elsewhere, which has experienced an opening up of competition has seen a significant movement in the structure of the industry and the viability of the players concerned.

To give an example in a related field, Mr Speaker, if you had said a few years ago before the telecommunications market was deregulated that Telstra would keep all of its customers, that they would all be loyal to Telstra, that very little movement - one per cent of customers - outside the Telstra family could be expected, you might have been believed. If you said it today you would be laughed out of court as a fool. Mr Speaker, you have only to see the number of new players in the marketplace to realise that the industry in that sector has been affected enormously.

Mr Speaker, it is axiomatic that there will be a round of competition for ACT energy consumers when the energy market in the ACT is deregulated. For what possible reason does Mr Stanhope imagine that people would stay with ACTEW Corporation for the purchase of their electricity, for example, if another company sent them a letter saying,

"We offer to reduce the bill that you are paying at the moment for your energy at home by 10 per cent if you come with X corporation."? Why would an ACT consumer not go with such an offer in exactly the same way that ACT consumers who have been confronted with such calls from people such as Optus have gone from Telstra to Optus and in a whole range of other areas people have moved away on the basis of competition? Let us assume for a moment that people will not move away from ACTEW, that they will stay with ACTEW because ACTEW, as the smallest - - -

Mr Stanhope: What is your estimate? What estimates of a changeover have you got?

MR HUMPHRIES: I would like you to let me finish my answer to your question, Mr Stanhope. If ACTEW, as the smallest energy utility in Australia, somehow managed to produce a competitive arrangement to keep its customers - and I point out, incidentally, that it has not kept those customers in the commercial field; it has lost a large number of those customers in the commercial field - - -

Mr Stanhope: A large number?

MR HUMPHRIES: Yes. Let us assume that in the domestic field it somehow managed to keep its customers. What do you imagine that might do to the price of the services being offered by ACTEW? What do you imagine that it would do to the price? Do you imagine that ACTEW would continue to sell at present prices with those other competitors breathing down its neck? Of course it would not. It would be forced to consider reducing its price and making other sorts of competitive arrangements to put itself one step ahead of competing energy suppliers. In that circumstance, one thing we could expect to see is a serious erosion of the dividend which ACTEW pays to the ACT community via the ACT Government.

If they have to compete by dropping their prices, who would lose out in that process? It would be the Government and the community in the form of the dividend. That is where the cost comes, Mr Speaker. So much have things changed in recent days in a range of other fields, and soon to be the case with respect to electricity, that soon people will be able to get on the Internet and purchase those sorts of services there. That is not here yet, but it is only a short time away. The ability to change your supplier in those circumstances will be equally easily obtained.

I would love to be able to take the safe, secure view that Mr Stanhope has taken and bury my head deeply into the sand and say that this problem will go away if only I keep my eyes closed for as long as I can. Mr Speaker, the evidence before this Assembly is otherwise - the evidence of the Fay Richwhite report, the evidence of the ABN AMRO report and the evidence of the decisions of other state governments, including Labor governments, to radically restructure their industries to allow for considerable adaptation to the changing marketplace. Remember the number of important mergers and other moves that have taken place in the New South Wales energy market. They are not being done for fun; they are not being done because Michael Egan and Bob Carr like to make new names with new corporations and put A with B because they like the new colour scheme of the corporate logo. They are doing it because they believe - - -

Mr Stanhope: Are they selling them?

MR HUMPHRIES: They would if they could, as you well know, Mr Stanhope. As you well know, they would sell if they could.

Mr Stanhope: They had a look at you and decided that you were not up to it.

MR HUMPHRIES: Mr Speaker, I have had nothing but interjections from Mr Stanhope and I am trying to answer his question.

MR SPEAKER: Order!

MR HUMPHRIES: The fact is that there will not be a capacity for ACTEW to remain the same in the market when it changes. That is just inconceivable; it is utterly inconceivable. Even the secretary of the electrical trades union conceded on the radio this morning that there had to be significant changes. He said that there have to be changes to the way in which ACTEW is organised. He did not detail what those were, but he conceded that there had to be changes. I think we can see what the changes have to be. We have suggested that these changes result in ACTEW being able to enter into a strategic partnership with another major, reputable energy company in this country, an Australian-owned company, without the loss of the ultimate assets, because they would remain within the ACT's power to call back, and with the capacity to grow the size of the business and to reduce the risk at the same time. That is a sensible state of affairs.

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

MR STANHOPE: Yes, Mr Speaker. I asked for evidence and got nothing but supposition.

MR SPEAKER: I do hope that it will be comprehensive enough that you will not need to interject.

MR STANHOPE: Can the Treasurer say whether government officers attending industry forums on contestability have informed him of likely delays in the implementation of total competition in the national electricity market beyond the oft-quoted 1 July 2000 date? Is he aware, for instance, that South Australia will not be ready until some time in 2003? Is he aware that significant practical difficulties have been identified in New South Wales industry forums that will in all probability delay the introduction of contestability in that State until at least 1 January 2001? Is he aware that only Victoria has indicated that it is prepared to open its domestic market from July this year? If he is aware of those things, is it not the case that the only reason the Government relies on the 1 July contestability argument is to instil a sense or urgency into its rush to sell half of ACTEW and that the argument is based on a false premise?

MR HUMPHRIES: Mr Speaker, no doubt the Labor Party members have been desperately raking through *Hansards*, press releases and so on in the last little while trying to find a statement from me to the effect that there will be deregulation from 1 July 2000. Of course, you have not found it, have you? I have never said that there would be deregulation on 1 July 2000. I have certainly drawn attention to the changed tax arrangements from 1 July 2000, but I have never said that there would be deregulation of the energy market in the ACT from 1 July 2000. In fact, the date I have always used - - -

Mr Berry: I take a point of order, Mr Speaker. This is ridiculous. The Leader of the Opposition did not ask Mr Humphries whether he had said 1 July; he asked him whether he was aware of certain facts in other places. I wish he would get to the question.

MR SPEAKER: No, he did not. There is no point of order, Mr Berry.

Mr Moore: You abuse the system, Wayne Berry.

MR SPEAKER: I sometimes think that this happens when you do not like the answer, Mr Berry, but maybe I am just suspicious.

MR HUMPHRIES: Mr Speaker, if they find me on the record, it will probably be for giving the date of 1 July 2001, because that is the date that I had been working on, at least until recently. Go back and check the record, Mr Stanhope, and see what is actually on it. Mr Speaker, I have to say that everybody Mr Stanhope has referred to has been engaged in an exercise in preparing for the future.

Mr Stanhope: So we do not need the debate this week.

MR HUMPHRIES: I do not know why I am bothering, Mr Speaker, as they are not listening.

MR SPEAKER: I must admit that it is very difficult.

MR HUMPHRIES: Mr Speaker, I will talk to somebody else.

MR SPEAKER: You can talk to me, if you like.

MR HUMPHRIES: Mr Speaker, the fact is that there is a very clear perception across this country that there will be a dramatic change. Even if we assume that it will take place on 1 January 2001 - - -

Mr Stanhope: So we will not wither on the vine until then.

MR SPEAKER: Will you stop yapping, Mr Stanhope.

MR HUMPHRIES: Please let me finish a sentence, Mr Stanhope. Even if you assume that it will happen on 1 January 2001, why is that an argument not to start to prepare now for that change? Why is it not an argument to get ready to deal with that changed environment? Are you going to get up in this place and tell me that you confidently predict that if this joint venture between AGL and ACTEW does not place, ACTEW will be able to retain 99 per cent of its customers, as you claimed was the case in, I think, California? Are you saying that that will be the case in the ACT? I think we know the answer to that, Mr Speaker. Mr Stanhope knows that it would not be case, that there is a very real level of risk there. My job as a Minister is to help manage risk - risk to the ACT community, risk to the assets of the ACT community. I have had not merely a twinkle of warning, but beacon-like messages saying - - -

Mr Berry: You did not do too good in Cabinet on the hospital implosion.

MR SPEAKER: Order! Mr Berry, if you keep interjecting, you will be dealt with.

MR HUMPHRIES: I have had beacon-like messages up on the hill saying, "There is going to be a very serious change in the landscape; get ready". That is what they are saying, Mr Speaker. How could anyone imagine that deregulation of the electricity market is going to be somehow a soft pillow compared with all the other deregulations that have occurred in the last few years as a result of a process which was initiated by, among other things, the Federal Keating Government in 1994 and the ACT Labor Government in 1994? If, as a result of those processes, there is change, why should we not be prepared for that? That is the argument here.

Bruce Stadium

MR RUGENDYKE: My question is to the Chief Minister. Mr Speaker, I ask members to bear with a longer than usual preamble, but the question relates to a detailed issue and also corrects claims made in the chamber this week. This week the Chief Minister stood up in question time and said that I did not listen to her properly when she spoke about selling television rights for Bruce Stadium . After hearing that, I could not resist taking up the challenge she issued in the Assembly yesterday. For the last two days the Chief Minister has been talking up the media facilities at Bruce Stadium, particularly aspects such as the lines of sight. Lest it be said that again yesterday I did not listen to the Chief Minister properly, I will quote from the uncorrected proof copy of *Hansard*. Mrs Carnell said:

> Quite seriously, we do need to ensure that the stadium's media facilities are up to scratch, that they are the best they can be so that Olympic football matches attract the media to our stadium ...

She went on:

> If anybody doubts it, go and speak to the media outlets and find out ...

Mrs Carnell, I have done just that. My office contacted the media overnight and has some pertinent feedback that I believe should be placed on the record. Mr Speaker, I have spoken with a range of media people who are required to ply their trade at Bruce Stadium on a regular basis. I would like to refer particularly to comments made by three respected journalists who have all given me permission to mention their names here today. Firstly, let me start with Mr Phil Lynch, who has been sport director at Prime Television for more than a decade and is noted for his basketball calling at Olympic level. Mr Lynch says that the viewing areas for the media are poor. He has become so frustrated by the arrangements that he has reverted to asking the Raiders to supply him with tickets in the grandstand so that he can see the game properly. He said:

> At the Sydney Football Stadium, for example, the press area is a larger room, situated on half-way, comfortably seats at least 30 journalists in two rows and is behind glass which does not impede viewing.

> At Bruce Stadium the press box is on the try-line and only fits five people along the front. Unless you are at the front you cannot see the whole field so you have to walk around the box to see the game. This year they have put the press in a new place but it only fits three or four people.

Mr Speaker, those are the problems Phil Lynch was just trying to watch a game so that he can ask questions at the media conference. The print journalists who have to file copy and meet pressing deadlines have other problems. Mr Steve Mascord, who covers National Rugby League games for the *Sydney Morning Herald* and is a regular on ABC radio's *Grandstand*, says:

> Bruce Stadium rates with Leichhardt Oval and Campbelltown Sports Ground as the worst three print media facilities in the competition.
>
> There is only one phone line in the media room we had last year and there are two in the new one but they also have to be used by photographers. The worst problem is you can't see the whole field. Unless you get one of the two centre seats, you can't see the field. It is really bad. The press facilities were afterthoughts.

Finally, Mr Speaker, what about this from Mr Gary Scholes, who has been with the *Canberra Times* for more than 20 years:

> I have covered Olympic Games and World Cup Rugby and there is only one word to describe the conditions for print journalists in comparison to other stadium - disgraceful.
>
> We have a first class stadium with third world media facilities. We are a laughing stock. It is embarrassing and I am sick and tired of copping a bagging from visiting journalists from interstate, South Africa and New Zealand.
>
> You talk about lines of sight. In the designated press box, the spectator row in front is so close that when the crowd stands up to follow a break or whatever, you can't see the game.

When asked whether they could see the clock and the scoreboard, Mr Scholes said:

> Yes, but only if you lean out as far as you can over the desk.

He went on to say:

> This year they moved us to an area closer to half-way. There is no desk space to sit your laptop. The seating is not appropriate, it is out in the grandstand where you are surrounded by noise. You just can't do your job properly particularly when you have to share the phoneline and you have got early deadlines on a Friday or Saturday night.

Sydney journalists Greg Growden of the *Sydney Morning Herald*, Peter Jenkins of the *Australian* and Terry Smith of the *Daily Telegraph* were especially vitriolic in their criticism. One said:

> I have never worked in such poor facilities and it is going to be an embarrassment at the Olympics and an embarrassment if we get major international rugby games here in the future.

Chief Minister, why do we have such appalling press facilities at Bruce Stadium? How can you stand up in this place and say how great they are when a public relations nightmare is bubbling away and is going to explode into a disaster during the Olympic soccer in six months' time?

MS CARNELL: Mr Speaker, I may need to have the question repeated! I thank Mr Rugendyke for the question and for the input. Have those journalists ever spoken to you about that, Bill?

Mr Stefaniak: No, not those particular ones.

MS CARNELL: Not those particular ones, so there were some others. I have to say that they have never spoken to me about that. We will certainly follow up on those concerns. I am very pleased to hear that they say that it is a first-class stadium and that you see the game best out in the stadium with the people who are actually paying to watch the game. I think that is exactly the way it should be, that the people who are actually paying for seats out there are the ones who should have the best view. Mr Speaker, the stadium does have appropriate cabling and all the other things that go with media broadcasting and so on. If there are things that the media would like to have, they should write to me about them.

MR RUGENDYKE: I have a simple supplementary question, Mr Speaker. I understand that some members of the media were consulted prior to the redevelopment and I would be interested to know what suggestions were made concerning media facilities and exactly what was implemented but, more importantly, I am curious to know how you propose to fix up this mess now that the budget for Bruce Stadium has spiralled out of control.

MS CARNELL: Mr Speaker, I have no idea what consultation was had with the media prior to the redevelopment because I was not part of it, nor should I have been.

ACTEW - Expressions of Interest

MR QUINLAN: Mr Speaker, my question is to the Treasurer. The ABN AMRO scoping report incorporated very positive profitability figures for ACTEW in its current state. These figures were originally sourced in ACTEW's own predictions. These figures did predict diminishing profits from electricity retail. We all understand that something needs to be done about retail without necessarily the price tag that you have to sell some assets to get that solution. Recently, the ACTEW CEO stated that the business will wither on the vine or die on the vine if we do not immediately embrace the ACTEW/AGL deal. I think the Treasurer has echoed those sentiments. Can the Treasurer explain how the ACT's water business will either grow or shrink under

changed ownership? Can he explain how the ACT's sewerage business will either grow or shrink under changed ownership? Can he explain how the ACT's electricity distribution business will either grow or shrink under changed ownership? Are there prospects for dramatic improvement in these businesses other than through staff cuts or service reductions masquerading as economies of scale? Can the Treasurer explain how he sees ACTEW's electricity retail business growing when it is blended into the larger AGL retail business that has more than 2,000,000 customers? Will the join venture purchase wholesale electricity from AGL, then use that electricity to compete with AGL and other retail giants for customers? Where will the promised growth manifest itself?

MR HUMPHRIES: Mr Speaker, I thank Mr Quinlan for giving me notice of his question, albeit a few minutes ago as the bells were ringing. I have had a chance to look over the questions and - - -

Mr Quinlan: No, it was only to remind you of what questions were asked. I am sure you know this stuff.

MR HUMPHRIES: Indeed, and I am grateful for the information. First of all, let me re-emphasise that the consideration that has been given to this proposal for the growth in the business that ACTEW does is based on the commercial advice that comes to the Government from the ACTEW board. Mr Quinlan moved amendments last year to the territory owned corporations legislation, which I think the Assembly has dealt with, to provide for more concentration about the way in which we appoint the board of ACTEW. I think we have dealt with it; I could be wrong about that. I for one believe that the ACTEW board is an excellent board with a very strong capacity to give top-notch advice to the ACT community and the Government about the commercial prospects of ACTEW. I know that the Labor Party puts around the story that the ACTEW board is a hostage to the Government's wishes on this subject and that the board is not keen on some sort of repositioning; it is actually just the Government telling it that it has to believe in that.

I have to put on the record again that the views that I have articulated about the financial position of ACTEW are the views taken by the rest of the board and Mr Mackay, who has argued that case very passionately in the media. That is the overview to this answer. It is not the view of the Government per se, it is the view of the ACTEW board, that the risk to the ACTEW business will be greater as a result of no change.

Mr Quinlan asked me how I see the ACT's water business or sewerage business either growing or shrinking under changed ownership. The question is hypothetical because we are not proposing changed ownership for either the sewerage business or the water business of ACTEW. The ACTEW sewerage and water business remains wholly owned and controlled by ACTEW itself and there is no question of there being any change in the position as a result of that.

Mr Quinlan asked me to explain how the distribution business will grow or shrink under changed ownership and how we see electricity retail growing as well in those circumstances. Mr Speaker, it ties in with the question Mr Quinlan asked about how we can possibly grow when we are blended in with the AGL retail business, which has something like 2,000,000 customers, admittedly for gas rather than for electricity.

Mr Speaker, the fact is that it is the chance to be able to work with another energy company which has an existing large customer base. It is that very opportunity which is one of the most compelling reasons for going with the deal proposed for AGL.

I think it is now widely accepted in this industry that in this kind of business you need a customer base of between 2,000,000 and 5,000,000 customers to be really viable in a competitive market. I will explain why in a moment. Let us be clear: ACTEW has 100,000 customers at the present time - 100,000 compared with a minimum on that estimate of 2,000,000 to 5,000,000 customers in the event of competition. Mr Speaker, that is why ACTEW benefits from being part of a larger customer base. Access to those customers is going to be of value to ACTEW. Why? The reason principally is that when competing entities in the energy market decide to wage trade wars against each other they decide to do so by undercutting their opponents.

We know the sort of situation we are talking about here. Company A makes a fabulous offer to new customers, saying, "Come over to us and you will get 50 per cent off your energy bills for the first three months", or something like that. You see them all the time on television. It is a perfectly obvious and very successful kind of approach - I assume that it is because of the number of times it happens - that companies take. They make very good offers to the customers of other businesses in order to get them to come to their company. If someone wants to do that with ACTEW's tiny - 100,000 - customer base, if someone says, "We will give you half-price energy bills for six months if you change over to us", they can do so on the basis that they have a huge customer base, as is the case with most other energy suppliers in this country, and the larger customer base - - -

Mr Quinlan: You do not know, do you?

MR HUMPHRIES: Yes, I do, Mr Quinlan. Sit back and listen and you will enjoy it. Having the larger customer base presents them with the financial capacity to do that. They can compete. They can carry the loss of supplying half-price electricity to the 100,000 customers in the ACT for six months or whatever it might take because they have 2,000,000, 3,000,000 or 4,000,000 customers elsewhere in the country who are capable of paying them enough to get them by in the meantime. If ACTEW is part of a large corporation such as AGL, is associated with AGL, and as a result of that joint partnership there is a capacity to weather those sorts of competitive storms because it has a large enough customer base to survive those sorts of raids, if you like, by other companies - - -

Mr Quinlan: Are we merging with AGL national?

MR HUMPHRIES: No, but with the provision of the larger customer base we will have the opportunity to be able to survive those sorts of problems. How long would ACTEW survive if its customers were offered the sort of deal that I have just referred to? How long would ACTEW survive? I ask people in this chamber today: If someone came along to you tomorrow and said, "If you change over to my electricity company I will take 50 per cent off your energy bills for the next six months", who can honestly put up their hands and say that they would not accept that sort of offer when it was not being matched by ACTEW? Nobody would do it; obviously not. Mr Speaker, nobody would knock back an offer of that kind.

Ms Tucker: I take a point of order, Mr Speaker. I point to standing order 42, which says that the person with the call must address the chair. I have noticed more and more that we are having these little games occurring. We are now being asked to put a hand up. Mr Humphries is making a political point here. If we really want to get into engaging the chamber in that sort of thing, that is fine; but we will have to change the standing orders.

Mr Kaine: Speaking to the point of order, Mr Speaker, I refer you also to standing order 118.

MR SPEAKER: There is no point of order. Rhetorical questions are being asked here and I accept the fact that they are rhetorical.

MR HUMPHRIES: Mr Speaker, I do apologise for making a political point in the ACT parliament! I do beg your pardon. I have been asked a seven-part question, Ms Tucker, so I am taking a bit of time to deal with it, but I am sorry. I will close by saying that there is a real advantage in ACTEW being part of an organisation, through a joint venture or partnership, which has a much larger customer base. If you think about that, it makes sense. It does make sense.

The questioner also asked whether there are prospects of dramatic improvement in any of the businesses other than through staff cuts or service reductions. I want to put on the record what we have said and what ACTEW itself has said about the staff position with respect to this partnership. If the partnership proceeds on 1 July, ACTEW have guaranteed, and the Government also gives this guarantee, that the initiatives by AGL in Canberra will create 100 permanent jobs and 100 temporary construction jobs in the ACT.

Existing ACTEW employees, numbering some 900, will have access to a broader range of career opportunities. Job losses within ACTEW will be contained to no more than 20 redundancies in the following two years, and all existing ACTEW employee entitlements will be protected, for example, as contained in awards and enterprise agreements. ACTEW have also advised that, in fact, there is a likelihood of at least 50 jobs being lost in the next 12 to 18 months in the event that the partnership does not proceed and, of course, there are risks also to the chance of ACTEW growing in that period. Mr Speaker, the suggestion about staff cuts is simply a scare tactic on the part of Labor. If people are concerned about staff and they are concerned about the employees of ACTEW, then they should help ACTEW get itself in a better, stronger position than it is in today.

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

MR QUINLAN: I did have. I will have to modify it, Mr Speaker, because I think I just heard the Treasurer tell us that he has not got much of a clue as to the impact of this merger.

MR SPEAKER: No preamble, thank you.

MR QUINLAN: I will just ask this question, then: Does the Treasurer recall a similar letter from Mr Mackay, including a scare tactic of staff losses if we do not sell ACTEW, emerging at about the same crucial time in the debate last year?

MR HUMPHRIES: Mr Speaker, if Mr Quinlan wants to characterise the warnings of John Mackay, the CEO of ACTEW, as scare tactics, that is fine. All I can say is that we all have to assess these sorts of statements on the basis of what we understand to be the situation from our own observation of the particular position ACTEW is in at the moment and on the basis of the credibility that we attach to the statements by chief executives such as Mr Mackay. I, for my part, can say that I think that Mr Mackay is a highly credible and very respected CEO, that he carries in his pocket at all times the best interests of ACTEW and that he has made the comments about the loss of jobs on the basis of his reading of the situation, which I think is pretty good advice. I for one propose to heed the warning that he has given.

Bruce Stadium

MR KAINE: My question, through you, Mr Speaker, is to the Chief Minister and it is also about the Bruce Stadium. I will try to keep my preamble marginally shorter than Mr Rugendyke's. My question flows from an interesting article that I found on the back page of today's *Canberra Times* in the sports section. The articles is headed "Officials guarantee stadium surface", and it concerns fears by the Canberra Raiders that the staging of a rock concert at Bruce Stadium on Saturday night might have deleterious effects on the playing surface for Monday night's big game against Auckland. I know that they are quite concerned about that, as also were they by the fact that they had to move the game from Sunday to Monday anyway. But what really caught my eye in this interesting article was that the soothing assurances that were being given by a Bruce Stadium management spokesman were from Geoff Harris. I ask the Chief Minister: Is this the Geoff Harris who was formerly a local ABC radio reporter and is now one of the spin doctors working on your personal staff? If so, are you satisfied that it is appropriate for one of your political staffers to be speaking on behalf of a government agency on something which, presumably, would be a more appropriate function for a Stadiums Corporation employee?

MS CARNELL: Mr Speaker, I have to say that I have not read the article, but I do not believe that the Geoff Harris who works for me is a spokesperson for the stadium, nor would he be. We also know that the usual approach that journalists take when they quote our media people is to say that a spokesperson for the Minister involved said something, rather than to quote their names.

MR KAINE: I have a supplementary question, Mr Speaker. If it were the case that the Mr Geoff Harris referred to is the person who works in the Chief Minister's office, is this not further proof that, like so many other disasters presided over by the Government, it is in fact being managed in the Chief Minister's own office, or is it simply perhaps another example of the degree of multiskilling required of staffers these days, who also have to be Public Service managers and decision-makers?

MS CARNELL: Mr Speaker, my staff are very multiskilled.

ACTEW/AGL – Proposed Joint Venture

MR SPEAKER: I call Mr Berry.

Members interjected.

MR SPEAKER: Order, please! For the first time in some time, Mr Berry legitimately has the right to speak in this place and the rest of you should remain silent.

MR BERRY: But it is not the first time that we have had useless commentary, Mr Speaker. My question is to Mr Humphries in his capacity as Treasurer. Yesterday, in answer to two questions in this place, we were given the astonishing information that if the proposed ACTEW/AGL merger or sale collapsed - if the board did not get on or they had a disagreement that could not be settled and so on and so forth - the ACT would have to buy back the assets that had previously been given over to the new organisation. The sum of $100m, a nice round figure, was conveniently mentioned and seems to be gaining a bit of credibility. We now know - I assume that you know this - that ACTEW has confirmed that it wants to take up AGL's offer of equity in the proposed gas-fired power generator that the company is offering as a sweetener. It looks like a good thing for the Territory. Does the Treasurer know how ACTEW intends to take up its equity share in the power station and how much it will be worth? Will ACTEW offset its equity in the power station against AGL's equalisation payment, thus reducing the amount available to put towards the Territory's superannuation liability, if that is where it is to be spent, or other purposes?

MR HUMPHRIES: No, I cannot give Mr Berry information about the arrangements with respect to the equity because they have not been negotiated as yet. That is a matter that will be discussed between ACTEW and AGL.

Mr Berry: As Treasurer, you cannot tell us that?

MR HUMPHRIES: I cannot tell you because the information does not exist, Mr Berry.

Mr Berry: Holy bloody hell! Give the ball back to Kate. At least she would have a go.

MR SPEAKER: Order, please! Mr Humphries is now answering the question, Mr Berry.

MR HUMPHRIES: Mr Speaker, I have to say that I think Mr Berry in his question was conceding that the power station was a good idea. "It seemed to be a good thing for the Territory" were the words he used, I think. I would like him to explain how we could get this good thing for the Territory without coming to some kind of financial partnership with a company such as AGL. In fact, if it is going to be a gas-fired power station of the kind that does so much good for our greenhouse gas emissions, presumably it has to be with a gas company like AGL, which rather narrows the field. I think it is a good deal as well and I think ACTEW should explore the arrangement, but whether it comes out of the equity which is purchased by ACTEW in AGL's power station or whether it is simply a joint venture and developed jointly between AGL and ACTEW or whatever, with respect, does not matter very much because either way - - -

Mr Stanhope: It does. Of course it does.

MR HUMPHRIES: No, it does not, with respect. It matters to the superannuation account; that is true. If they use money from the equalisation payment - instead of coming to ACTEW, ACTEW uses it to buy a share in the power station - that is fine. It is obviously a benefit because ACTEW acquires another asset which, as I have said before, comes back to the Territory if and when the partnership is terminated; so it is an overall gain to the Territory to have that asset within its purview. If it does not do that, of course, the power station would be still constructed in the ACT and the benefits to the ACT would accrue, particularly insofar as having local generation of power is concerned and a reduction in greenhouse gas emissions is concerned.

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

MR BERRY: I have, Mr Speaker. Is the Treasurer aware of the existing oversupply of electricity on the national grid?

Mr Humphries: Is that your question?

MR BERRY: Are you also aware of ACTEW's previous rejection of a similar proposal to build a gas-fired generator in the ACT? Against that background, can you say why the corporation would consider entering the power generation business? Can you explain how ACTEW is reducing risk by becoming a player in an intrinsically risky business? How can you now say that you are responsible for managing this matter?

Ms Carnell: Mr Speaker, I rise on a point of order. I ask for you to rule on standing orders 117 and 119. We have had in question time today a question with seven parts and a supplementary question with four parts containing new information, which is out of order, Mr Speaker.

Mr Berry: Mr Speaker, can I rise on this point of order?

MR SPEAKER: No, you cannot.

Mr Corbell: Mr Speaker, before you rule on the point of order, I would invite you, if you do rule that questions need to be briefer than they are, to make a ruling also in relation to answers to questions being concise and confined to the subject matter of the questions.

Mr Berry: I rise in relation to this matter just to assist you, Mr Speaker. You might take into account that there was no protest about a particularly long question earlier and I do not know why the Government - - -

MR SPEAKER: Would you all resume your seats. I intend to make a statement on this matter at the end of question time. I have not made a statement halfway through in fairness to members who have not asked questions, but I can assure you that a statement will be made at the end of question time and, effective from next Tuesday, the standing order will be rigorously applied both to questions and to answers.

Mr Wood: Which standing order is that, standing order 118?

MR SPEAKER: Standing order 117(a), which provides that questions shall be brief and relate to a single issue.

Mr Wood: Will you rigorously enforce the other one about answers?

MR SPEAKER: Standing order 118(a) provides that the answer to a question without notice shall be concise and confined to the subject matter of the question. I will be making a statement at the end of this question time.

Mr Berry: In anticipation of your statement, do you want me to repeat my supplementary question?

MR SPEAKER: No, I do not.

Mr Berry: Does the Minister think he can handle it without that?

MR SPEAKER: I am sure that the Minister is quite capable of picking it up.

MR HUMPHRIES: Mr Berry seems to be a bit confused. He told us in the original question that the prospect of a power station being built in the ACT seemed to be a good thing for the Territory.

Mr Berry: No, no. I rise to a point of order, Mr Speaker.

MR SPEAKER: There is no point of order, Mr Berry. You know perfectly well that the Minister can answer the question as he sees fit.

MR HUMPHRIES: Before we even hear it, we know that there is no point of order, Mr Speaker. The fact is that the whole point of this exercise is about diversifying ACTEW's activities, giving it more irons in the fire.

Mr Berry: More risks, by the look of it.

MR SPEAKER: You are the one who is running the risk at the moment, Mr Berry, with your constant interjections.

MR HUMPHRIES: With each new business that ACTEW gets involved with, either through a partnership or through, say, the construction of a power station or whatever, ACTEW obviously acquire some measure of risk, but they also acquire opportunities by doing that and they acquire a chance to be part of a broader range of businesses that will allow ACTEW to grow. The question I pose to those who would be cajoled by the zealotry of those opposite in this place, the question I have to ask them, is: How do they think ACTEW is going to grow in the event that it does not enter into such a partnership? Where are its new customers going to come from? How is ACTEW going to get big enough to survive in this competitive market? Mr Speaker, quite clearly it cannot; quite clearly it cannot grow. I think that ACTEW needs to grow for the reasons I have outlined on innumerable occasions in this place - - -

Mr Quinlan: Not today.

MR HUMPHRIES: And I have again today, and I think most observers of this process would accept that that is the case. I am reminded that the Queensland Premier, Mr Beattie, has made some comments in recent days about the need radically to reorganise the energy in that State. Why, do you imagine, a big state like Queensland is concerned about the size of utilities when each of those utilities is, I think, several times larger than ACTEW? Why would he be concerned about making them bigger still and better positioned in their marketplace and should we be complacently able to adopt a struthioid approach in the ACT to these sorts of problems? I think the question bears asking, Mr Speaker, and I think Mr Berry needs in particular to ask himself why ACTEW should be - - -

Mr Berry: I take a point of order, Mr Speaker. I think the word "struthioid" should be withdrawn.

MR HUMPHRIES: It means ostrich-like. It describes you people to a T.

MR SPEAKER: It was used this morning. I am sorry, there is no point of order on that one.

Mr Berry: He is having a shot at me personally.

MR SPEAKER: Order, please! This is question time, not charades.

MR HUMPHRIES: Burying your head in the sand may account for the state of your hairline, Mr Berry.

Mr Moore: Mr Bury!

MR HUMPHRIES: Mr Bury, indeed. Mr Speaker, I think that it is appropriate for ACTEW to enter into a business of that kind, risky though it may be in one sense, because the opportunities created for the ACT by having a local gas-fired power station are so great that the level of risk entailed is worth it.

ACTEW - Expressions of Interest

MR SPEAKER: I call Mr Hird.

MR HIRD: Mr Speaker, it has taken a while to get there, but I am finally there. You just about forgot me yesterday, but that is another story. Mr Speaker, my question is to the Treasurer, Mr Humphries, on a subject matter that is dear to this place. Is the Treasurer aware of claims by Ted Quinlan, some might say a leader in waiting - - -

Mr Berry: Something that will never trouble you, Harold.

MR HIRD: You were a leader, but you were not making much chop of it and they turfed you out.

MR SPEAKER: Order! Just ask your question, Mr Hird.

MR HIRD: I will repeat it. Is the Treasurer aware of claims that a request from a representative of Energy X - - -

Mr Stanhope: ENERGEX, Harold.

MR HIRD: ENERGEX to discuss the partial purchase of ACTEW had been refused by ACT government officials? An article in yesterday's *Canberra Times* quotes a representative of ENERGEX as saying that it would be better to have "two balls on the court". Treasurer, is ENERGEX still interested in a bid from ACTEW?

Mr Hargreaves: How many balls on the court have you got, Harold?

MR HIRD: It was a quote.

MR HUMPHRIES: I thank Mr Hird for the question. I think the representative said "two balls on the table", which is perhaps an even more bizarre comment to make. Yes, I did see the article in yesterday's *Canberra Times* and the claims by Mr Oberdorf, through his mouthpiece Mr Quinlan, which implied that ENERGEX is interested in a partial sale of ACTEW. I might reflect, first of all, on that that I am quite surprised to see Mr Quinlan so keen on a partial sale of ACTEW. I thought that is what he opposed very vigorously this time a year ago, but perhaps I was mistaken. Perhaps it was all a bit of a front.

According to this article in the *Canberra Times*, ENERGEX apparently are interested in the partial purchase of ACTEW. Mr Oberdorf, in the article, said that he did not understand the politics of the matter. I think the politics of the matter are pretty obvious to anybody who is familiar with this industry at the moment, but that is another matter. I understand that there were some letters which were given to Mr Quinlan - certainly, there were some letters that he was hawking about the media, or a letter at least - with respect to, supposedly, the views of ENERGEX on this subject.

Mr Speaker, for the record, the Government initiated the expressions of interest process when the sale of ACTEW fell over a year or so ago and it led to 29 expressions of interest or proposals being put forward in this place. One of those interested parties was the Queensland-based company ENERGEX, or Energy X, according to some interpretations. Members can be assured that due consideration was given to the ENERGEX proposal during last year's EOI process. Without specifying the details of the ENERGEX proposal, I have to say that it did not rank as highly as the proposal by AGL, and I am told by quite a wide margin.

Mr Speaker, members should be aware that ENERGEX withdrew its EOI from the process in mid-1999. It withdrew its interest in the process in mid-1999. Mr Quinlan has publicly accused the Government of rejecting a proposal for a partial purchase of ACTEW by ENERGEX. That approach was made on 18 January 2000 by a company called Q Network Marketing International, not by ENERGEX itself. That was well and truly after the Government and ACTEW had agreed that the AGL proposal was most likely to benefit the Territory's interest and, therefore, to proceed to examine the AGL proposal. Mr Quinlan apparently believes that Q Network Marketing International is acting as the agent for ENERGEX. Am I right?

Mr Stanhope: Is that a question?

MR SPEAKER: Now, now!

MR HUMPHRIES: Hearing these claims, I sent my department to find out exactly what was going on and, rather wisely, they chose to bypass the monkey and go straight to the organ-grinder. The story I have received today about ENERGEX's position is very different from the one that Mr Quinlan and Mr Oberdorf have put about in the *Canberra Times* and in this place. I have here a letter that the chief executive officer of ENERGEX, Mr Brian Blinco, wrote today to the Under Treasurer, Mr Lilley. This is what he had to say:

> Thank you for your phone call this morning advising me of assertions regarding ENERGEX in your parliament and in your media.
>
> I confirm my oral advice that ENERGEX has no offer in place or presently contemplated for the purchase of ACTEW or any part of ACTEW.
>
> I would be pleased if you would use this letter to correct any incorrect assertions.

Members interjected.

MR HUMPHRIES: My advice, Mr Speaker - - -

MR SPEAKER: Order! I am sorry, Mr Humphries, I did not hear those comments. Would you mind repeating them, please.

MR HUMPHRIES: Yes, Mr Speaker. I am happy to quote the letter:

> I confirm my oral advice that ENERGEX has no offer in place or presently contemplated for the purchase of ACTEW or any part of ACTEW.
>
> I would be pleased if you would use this letter to correct any incorrect assertions.

Mr Smyth: Incorrect assertions!

MR HUMPHRIES: Incorrect assertions. It appears that Mr Oberdorf, in putting about correspondence to suggest that there was an offer to ACTEW from ENERGEX, was wrong, was misleading those people to whom he directed that information; that, in fact, there is no offer from ENERGEX on the table for the purchase of part or all of ACTEW and, as far as I am aware, there has not been an offer on the table since the middle of last year when ENERGEX withdrew its expression of interest in this process.

Mr Quinlan: No overture since the middle of last year? No overtures to anybody? No discussion?

MR SPEAKER: Order! The question related to a specific company.

MR HUMPHRIES: There was an assessment of ENERGEX's proposal under the expressions of interest process, like all the other expressions of interest, until the point where it was rated very lowly and they were told that there was no further interest by ACTEW in their proposal.

Mr Stanhope: No meetings, no lunches?

MR HUMPHRIES: I do not know how they conducted those processes, Mr Stanhope, but I do know - - -

Mr Stanhope: Tell us the full story.

MR HUMPHRIES: I will tell you the full story. The full story is that your lot's statements that there was an offer on the table from ENERGEX are false. Yesterday I was asked the following question in this place by Mr Quinlan:

> Were you aware, when making that categorical assertion, that both the CEO of ACTEW and the CEO of your department had informed an interested, substantial organisation that a decision had already been made? Did you either mislead the house or are you simply not in the loop?

The fact is that I am in the loop and Mr Quinlan may have misled the house yesterday by asserting that the CEO of my department had informed an interested substantial organisation that a decision had already been made. Mr Speaker, you can tell that that statement by Mr Quinlan yesterday was false by the fact that the letter from - - -

Mr Berry: Mr Speaker, I think he has to withdraw "may have misled".

MR HUMPHRIES: I will rephrase my comment, Mr Speaker. Could it be that Mr Quinlan misled the house concerning his comments about the CEO of my department informing an interested substantial organisation that a decision had already been made? Mr Quinlan ought to have known better because the letter from Q Network, Mr Albert Oberdorf, dated 28 February, ends with this sentence:

> I discussed this matter with the Under Treasurer, who advised me to wait until a decision had been made in regard to the AGL proposal.

Mr Berry: Mr Speaker, I take a point of order. "Could it be that Mr Quinlan misled". If you want to allow that, okay, as long as we can use it ourselves.

MR SPEAKER: Mr Humphries rephrased his question. There is no point of order and you are simply interfering with the answer to the question. Would you mind repeating what you said, Mr Humphries, before you were interrupted.

MR HUMPHRIES: Yes, Mr Speaker. In fact, I will quote Mr Quinlan's question to me of yesterday, if that suits Mr Berry's mind. Mr Quinlan said:

> Did you either mislead the house or are you simply not in the loop?

What is sauce for the goose is sauce for the gander, I would have thought, Mr Berry. Mr Speaker, it was put to me that the CEO of my department had informed a party, presumably ENERGEX, that a decision had already been made. It was your assertion in this place yesterday that the CEO of my department - - -

Mr Stanhope: No, it was a question.

MR HUMPHRIES: No, it was not. I will read it to you, Mr Stanhope:

> Were you aware ... that both the CEO of ACTEW and the CEO of your department had informed an interested, substantial organisation that a decision had already been made?

That is not a question; that is an assertion.

Mr Stanhope: Of course it is a question; it is called question time.

MR SPEAKER: That has not bothered people before.

MR HUMPHRIES: It is an assertion, and it is contradicted by the letter which Mr Quinlan had in his possession at the time from the organisation's same agent, which says, "The Under-Treasurer advised me to wait until a decision had been made in regard to the AGL proposal". They are not consistent, are they, Mr Speaker? They are not consistent at all.

Mr Speaker, what is perfectly clear from all of this is that there is no offer on the table from ENERGEX for the purchase of whole or part of ACTEW and the line that the Labor Party is running at the moment that there are other offers on the table simply is not true. Whether the door is open or not, there are no other offers on the table. Mr Quinlan told this place that there was an offer from ENERGEX on the table, and there is not.

Mr Stanhope: He asked a question.

MR HUMPHRIES: No, he did not ask a question. Look at what he said in the *Canberra Times* yesterday, Mr Stanhope. He did not ask a question. He made an assertion that the Government had knocked off a proposal from ENERGEX because it was in a mad keen rush to embrace AGL, or words to that effect. That is what Mr Quinlan said yesterday. Mr Speaker, those who are considering delaying a decision on the AGL proposal because they believe that perhaps we should consider seriously an offer from ENERGEX can be assured that there is no offer from ENERGEX with regard to the sale of ACTEW or any part of it. There is no offer from ENERGEX. I table the letter from ENERGEX that confirms that fact, Mr Speaker. There is, therefore, only one reasonable proposal before the Assembly to consider; that is, the question of a joint venture between ACTEW and AGL.

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

MR HIRD: Yes, Mr Speaker. It saddens me to ask this supplementary question. In the matter of ENERGEX, has Mr Quinlan simply got it wrong, Mr Treasurer?

MR HUMPHRIES: Yes, clearly he has, Mr Speaker.

MR SPEAKER: I am sorry, the supplementary question is asking for an opinion and is out of order.

ACTEW/AGL – Proposed Joint Venture

MR HARGREAVES: My question is to the Treasurer. Yesterday, in answer to a question from Mr Rugendyke, the Treasurer confirmed that ACTEW was bringing more than its power retail and distribution businesses and the operation of sewerage and water services to the merger table with AGL. The Treasurer revealed that ACTEW would also put businesses such as ACTEW China and TransAct into the deal. In January the ACTEW board announced that it had found a financial backer for TransAct, an American-backed Hong Kong company, Telecommunications Venture Group, which is to provide about 25 per cent of the $150m needed to get the enterprise off the ground. Technology supplier Marconi is also reported to have committed support to TransAct. My question is: What involvement have Telecommunications Venture Group and Marconi had in negotiations over the proposed ACTEW/AGL merger? What is the attitude of the companies to a suggestion that the enterprise which they have agreed to finance and support may be merged with a gas company?

MR HUMPHRIES: First of all, I do not think that I said yesterday that ACTEW China, TransAct and Cranos definitely would be part of the joint venture. I said that they were being considered for that by the partners and it would make very good sense for them to be considered as part of that arrangement. I still take that view. But I did not say that it was certainly going to happen. Secondly, the backers for the TransAct project to which Mr Hargreaves has referred are certainly parties that are dealing with ACTEW at the moment, but they have not reached a signed deal at this stage. They are still negotiating those matters and they are still open to examining the situation as it emerges in the next little while as the basis for doing any such deal with ACTEW.

Thirdly, Mr Speaker, I am quite certain that all of those players are fully aware of the proposed joint partnership between ACTEW and AGL and will no doubt, if they proceed, construct an arrangement which suitably fits within that framework. There is no reason, for example, why Marconi and other companies should not be involved in financing TransAct, notwithstanding the fact that it is part of a joint commercial venture between AGL and ACTEW. Such arrangements obviously can be entered into by a commercial venture of that kind, not necessarily on the basis of buying any equity in the partnership, but simply on the basis of financing some aspect of the particular operation which is being undertaken. In fact, in that sense there will probably be lots of other silent partners in this venture. They will be bodies like banks and lending institutions which will be out to provide finance for particular aspects of this deal. It is one thing to describe them as parties because of their involvement through providing finance; it is quite another to suggest that the involvement of those organisations somehow distorts the proposed joint venture between ACTEW and AGL. It clearly does not.

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

MR HARGREAVES: Yes, Mr Speaker. Given that these companies are still in a negotiation state, what would be the impact of a merger on any investment the companies may have made or are committed to making in TransAct?

MR HUMPHRIES: Anything which has been agreed to already will be, obviously, honoured in the process of a joint venture proceeding or a partnership proceeding between AGL and ACTEW. I am advised that, in fact, a contract has been signed between TVG and ACTEW for venture capital with respect to the TransAct project and that there are still dealings with other potential parties to that. Those arrangements will be slotted into whatever arrangements are entered into on a larger scale between ACTEW and AGL. One does not distort, disrupt or preclude the other.

Mr Speaker, on the subject of ACTEW, I want just partly to answer a question that was asked before about ACTEW. Mr Quinlan asked me before about assertions 12 months ago from Mr Mackay - in fact, he called them scare tactics or something like that - about staff losses if we did not proceed with the sale of ACTEW. At the time Mr Mackay made those statements ACTEW had 1,100 employees. Today it has slightly over 900 employees. If Mr Mackay warned about job losses in ACTEW at that stage, he was clearly quite right in doing so.

Bruce Stadium - Redevelopment

MR OSBORNE: My question is to the Chief Minister and it has come about in response to Mr Rugendyke's rather long one. Chief Minister, you may have to take this question on notice, but could you find out whether anyone involved in the redevelopment of Bruce Stadium had any meetings with any sections of the media prior to the redevelopment? If so, could you let us know when they met and, if any minutes were taken, could you table those minutes?

MS CARNELL: I am more than happy to take that question on notice; but, if you remember, a very large number of papers have already been tabled in this place and they could easily be in those, so you could look.

Bruce Stadium - Redevelopment

MR WOOD: Mr Speaker, my question is to the Chief Minister. I know that she will provide details later, if that is required. Chief Minister, have all bills for the redevelopment of Bruce Stadium now been paid by the Government? Were all those bills covered by the supplementary appropriation that the Government sought from the Assembly last year to fix its illegal expenditure on the project?

Ms Carnell: Mr Speaker, questions are not supposed to have any imputations and I would like it to be - - -

MR SPEAKER: Chief Minister, to be fair, I do not think that there was an imputation.

Ms Carnell: He said that the transactions were illegal, Mr Speaker. We dispute that.

Mr Stanhope: The expenditure was illegal.

Ms Carnell: We dispute that there was illegal expenditure. It simply was not. Therefore, a comment that it was is an imputation; it is that simple. I would ask for it to be reworded.

MR SPEAKER: Is there a supplementary question?

Ms Carnell: Mr Speaker, we just need the word - - -

MR SPEAKER: You have answered it.

Ms Carnell: No, I have not. I just need to have the question reworded.

MR SPEAKER: Are you asking for it to be?

Ms Carnell: Yes.

MR WOOD: I think there is a fair deal of standover stuff happening today and I do not think the Assembly will appreciate that. I thought that there was legal advice that the expenditure was illegal. But I do want an answer. I know how difficult it is to get answers, but I do want an answer, so I will ask the question again. I have not withdrawn anything. Have all bills for the redevelopment of Bruce Stadium now been paid by the Government? Were all those bills covered by the supplementary appropriation the Government sought from the Assembly last year? There is no withdrawal anywhere.

MS CARNELL: Mr Speaker, as long as Mr Wood is willing to withdraw comments about illegal expenditure, I am quite comfortable.

Mr Berry: He does not have to withdraw it and he did not.

MS CARNELL: He does because it is not - - -

MR SPEAKER: Order! Mr Wood read out his question. The comments were not part of the question. I cannot see an imputation in the question, Chief Minister.

MS CARNELL: Mr Speaker, in the last wording of it that Mr Wood read out he did not use those words, and I am quite comfortable with that - - -

Mr Corbell: Aren't we sensitive today! Your own legal advisers said that it was illegal.

MR SPEAKER: Order! Do you not want to hear the answer? Please be quiet, otherwise I will sit the Chief Minister down.

Mr Corbell: The Government's legal advisers said that it was an illegal transaction.

MR SPEAKER: I think your colleague might like to get an answer, Mr Corbell, and I would suggest therefore that you be quiet.

MS CARNELL: Mr Speaker, the last time I was given a full briefing on where we were up to with Bruce Stadium there were still outstanding some small bills where a contractor had not actually fulfilled their requirement. I am not sure whether that is still the case; but, as I am sure members would be very pleased to know, Bruce Operations do not pay bills for work that is not done to standard and, as there are with most big projects, there were some bills outstanding where work had not been done to the standard required by the contract. I am not sure where those disputes are up to at this stage, but I am more than happy to find out for Mr Wood.

MR WOOD: I thank you, Chief Minister, if you could do that, and look at the payments for the substandard press boxes for Mr Rugendyke. As part of that inquiry, Chief Minister, would you check about the possibility of a last minute electrical wiring contract occurring and advise what that contract was worth and whether it was also under the appropriation?

MS CARNELL: Mr Speaker, I will take that on notice.

Housing - Rental Arrears

MS TUCKER: My question is to Mr Smyth and relates to housing. Mr Smyth, several constituents have reported to me recently that a priority allocation or transfer in ACT Housing is withheld if the applicant is in arrears on rent. The same constituents have also assured me that they have been advised by senior staff that this is ACT Housing policy, even when the tenant has entered into an arrangement with ACT Housing to repay the debt and in many instances has substantially done so. Is it the policy of ACT Housing to penalise tenants in arrears on rent, no matter what arrangements have been made?

MR SMYTH: Mr Speaker, we take rental arrears very seriously. We do not want tenants getting into deep water and living beyond their means. Because of that, we do negotiate with tenants. It is very important that tenants understand that they can approach Housing staff. They do so. I have insisted as well that Housing staff work with the tenants as best they can. For areas like that we have in place budget counselling through CARE, we now have direct debiting of rent and we negotiate agreements, where appropriate, with tenants, guardians or advocates on their behalf. But it is always about making sure that we are looking after them so that they can get on with their lives. As an indication of that, you have only to look at the way over the last two or three years we have been able to reduce the number of evictions, for instance. In 1997-98 there were 128 evictions. In the financial year to date the number is down to 22. That is because we work with our tenants in a variety of ways to minimise the debt that they get into and the disruption to their lives.

MS TUCKER: That did not answer my question at all. Maybe I need to rephrase it. I will ask my original question again in case Mr Smyth actually did not understand it rather than was trying to avoid it. My question was, Mr Smyth: If someone has rent arrears which they are paying off - you have made such an arrangement, as you just explained - is it Housing policy not to allow them to have a priority allocation or transfer while they are paying off the debt? The question is about approving a transfer

or a priority allocation. Is it Housing policy to say that, even though they acknowledge that the person desperately needs a transfer or priority housing, because the person is paying off rental arrears? Do you understand the question now? Is that Housing policy?

MR SMYTH: Again, we work with the tenants as closely as we can to ensure that they do not get into trouble. As to whether it is a policy, I will seek advice from Housing.

Kingston Foreshore Development

MR CORBELL: Mr Speaker, my question is also to the Minister for Urban Services. Minister, draft variation No. 113 to the Territory Plan, relating to the Kingston foreshore project, contains certain special requirements with respect to building height, namely:

> The overall height of buildings in the area is to be generally consistent with that of the tree canopy of mature trees in the area. This can be achieved through buildings being a maximum of four storeys except for some taller buildings or focal elements where these do not significantly impact on the landscape of the area ...

What building height does the Minister consider appropriate for the Kingston foreshore project, and why?

Ms Carnell: Mr Speaker, I take a point of order. Under standing order 117(e)(ii) a question may not refer to proceedings in committee not reported to the Assembly.

Mr Corbell: I wish to speak to the point of order, Mr Speaker. The question does not refer to the proceedings of a committee; it refers to a document released by the Government in relation to a draft variation to the Territory Plan. I have not in any way referred to the proceedings of the Planning and Urban Services Committee. It relates specifically to a document released by the Minister and the variation to the Territory Plan.

MR SPEAKER: Where is the document?

MR SMYTH: It is with the Planning and Urban Services Committee. The variation is before the Planning and Urban Services Committee for consideration and public consultation at this time. Mr Speaker, this is simply a fishing expedition on behalf of Mr Corbell, who last week lashed out by releasing some submissions that have been given to the committee and making demands that the Government put its position on the table.

Mr Stanhope: That sounds reasonable.

MR SMYTH: What is unreasonable here is that Mr Corbell hears something in committee that he does not like - in this case they have not even heard evidence; the submissions have simply been given in and the public hearings, I believe, are to be held tomorrow - and Mr Corbell, Mr Process from the Labor Party, lashes out and abuses the committee process by demanding answers to questions on the things that he does not like.

The point here, Mr Speaker, is that the Government's position is quite clearly on the table in regard to the building heights in the Kingston foreshore development and, for a cheap front-page headline, Mr Corbell abuses the committee process. What we see continually in this place is the committee process not being used properly by those opposite. They are not interested in the answers. When you get a differing opinion from what you want, when you have got your mind made up already, what you do is you lash out into print. We saw it yesterday with Mr Stanhope and his Bill. His committee into contracts was set up in, I think, May and Mr Stanhope revealed yesterday that he had started working on his legislation in August, but the committee did not meet until, I think, October. What we have here is another example of those opposite taking whatever opportunity they can to abuse the committee system for their own cheap political gains.

Mr Berry: I take a point of order, Mr Speaker. The Minister was asked about how many floors he supported. He did not seem to cope with the question. Do you not think that is worth raising?

MR SPEAKER: He is not allowed to report on that and you know it. Do you have a supplementary question, Mr Corbell?

MR CORBELL: Thank you, Mr Speaker. I do not know why the Minister is so sensitive on this issue. It was quite a simple question.

Mr Stanhope: That is right. Why will he not answer it?

MR SPEAKER: Because he cannot.

Mr Berry: He could have said, "I do not know".

MR SPEAKER: I warn you, Mr Berry.

MR CORBELL: Mr Speaker, can we take it from the Minister's answer that the Government continues to endorse draft variation No. 113, which does place a height limit on buildings on the Kingston foreshore, and does this mean that he has ruled out high-rise residential development on the site?

MR SMYTH: Mr Speaker - - -

Mr Stanhope: Do you endorse the draft variation?

MR SPEAKER: This matter is before the committee.

Mr Corbell: I rise to a point of order, Mr Speaker. Before you rule on this matter, I would draw your attention to the fact that there have been a number of questions in this chamber today about ACTEW. This morning this Assembly referred issues relating to certain aspects of ACTEW's operations in relation to the Utilities Bills to a committee. Mr Speaker, that has not ruled out the ability of this Assembly to ask questions on the regulatory regime and other issues relating to ACTEW. Equally,

a document released by the Government, by the Minister, for which the Minister is responsible and which is, we understand, government policy should be available for questioning in this place.

Mr Humphries: Mr Speaker, on the point of order: The Bills referred to a standing committee today by the Assembly were utilities Bills which covered all utility operations in the ACT, not ACTEW, although it happens to have ACTEW included in its purview. If we are to be precluded from debating issues relating to ACTEW because the utilities Bills are before a committee of the Assembly, we are in big trouble. Mr Speaker, the fact is that Mr Corbell's question gets to the heart of a matter which is before an Assembly committee at the moment. It is about that Assembly committee's matter. He is trying to get in through the back door by quoting a document of the Minister's which does not refer to the issues that he has raised in his question. Therefore, the question is out of order.

Mr Corbell: Further to the point of order: Mr Humphries is simply wrong. The draft variation released by the Minister relates to heights on the Kingston foreshore. I have quoted directly from the document released by the Minister and I am simply wanting to know whether the Minister still considers it to be the approach that the Government is undertaking. I want to know whether the Minister believes that draft variation No. 113 is still government policy because he released it.

Ms Carnell: What is the committee looking at? At draft variation No. 113.

MR SPEAKER: What is the committee looking at?

MR SMYTH: Mr Speaker, no wonder they are embarrassed and whimpy. When they get very embarrassed on the other side you can see it in Mr Stanhope's face. Mr Corbell should be embarrassed as well because he is the Opposition's spokesperson on planning and he does not understand the Territory Plan variation. Mr Hird, if we need to, we can get officers from PALM to come back and explain to Mr Corbell - - -

Mr Corbell: Are you going to rule it out?

MR SMYTH: I am entitled to answer your question in any way I want, Mr Corbell, and you know it.

Mr Corbell: Will you rule it out - yes or no?

MR SPEAKER: Order! I warn you, Mr Corbell.

MR SMYTH: Mr Speaker, I would be embarrassed if I were their planning spokesperson and did not understand the purpose of a Territory Plan variation.

Mr Stanhope: Whom have you had discussions with about a 10-storey building?

MR SPEAKER: Mr Stanhope, watch yourself.

MR SMYTH: The Territory Plan variation that the Planning and Urban Services Committee has before it is the Government's position on the Kingston foreshore project, and we stand by it. But what they do not understand - - -

Mr Stanhope: Oh! Whom have you gone to lunch with?

MR SMYTH: You can see the embarrassment on their faces. Mr Stanhope gets louder and louder and we notice that embarrassment in his voice. We have a process that we stick by. What they do not do is use the committee process properly. They use it for cheap and nasty political gain, lashing out for a front-page headline when there is a process to follow. What we have seen in this place over the last two years is the degradation of the committee process. If I was one of them I would be embarrassed, but they also should be ashamed of themselves.

Mr Corbell: I take it that that is a no, you will not rule it out. Is that what that means?

MR SMYTH: You were not listening.

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

PERSONAL EXPLANATION

MR QUINLAN: Mr Speaker, I seek leave to make a personal explanation in relation to Mr Humphries' response to Mr Hird's question.

MR SPEAKER: Proceed.

MR QUINLAN: In addressing that question, Mr Humphries referred to an article in the *Canberra Times* which commenced with the paragraph:

> The Chief Executive of Actew, John Mackay, has confirmed that a company willing to pay between $200 million and $500 million for a share of a utility had been frozen out of the bidding process.

Mr Humphries: Mr Speaker, this is not a point of personal explanation.

MR QUINLAN: I am just identifying the article, Mr Speaker.

MR SPEAKER: You are standing up to make a personal explanation. Either make it or sit down.

MR QUINLAN: I wanted to make sure everybody knew the right article, the one where Mr Mackay confirms - - -

MR SPEAKER: Do not test my patience.

Mr Moore: I take a point of order, Mr Speaker. Perhaps Mr Quinlan does not realise that standing order 46 states specifically that matters may not be debated.

Mr Corbell: On the point of order, Mr Speaker: Mr Quinlan was purely identifying the issue on which he was misrepresented.

MR SPEAKER: Mr Quinlan was well aware of the matter. He did not have to identify it. Are you going to make a personal explanation or not, Mr Quinlan?

MR QUINLAN: I seek your guidance, Mr Speaker, on the next part of the input. I wish to read another section of that article to clarify what I was asking about.

Mr Humphries: No, Mr Speaker, it has to be a personal explanation. He has to explain where he has been misled.

MR SPEAKER: It has to be a personal explanation. Rephrase it, explain where you have been misrepresented.

Mr Humphries: He is claiming that I misquoted him or misrepresented him in the Assembly. I did not read from the article at all.

MR QUINLAN: You referred to it.

Mr Humphries: I referred to it but did not read from the article. Therefore, Mr Quinlan, reading from the article is immaterial.

MR SPEAKER: Mr Quinlan. all you have to do is to explain where you have been misrepresented.

MR QUINLAN: I have been misrepresented inasmuch as Mr Humphries had available to him this article, which he referred to. I seek your guidance as to its admissibility. It includes another paragraph quoting Mr Mackay as saying:

> Is Mr Quinlan seriously suggesting that having gone through a careful process of selection we should then entertain someone who rings me up?

I claim to have been misrepresented inasmuch as I had good grounds to ask that question of Mr Humphries.

QUESTIONS WITHOUT NOTICE

ACTEW/AGL – Proposed Joint Venture

MR HUMPHRIES: Mr Stanhope asked me today about whether or not, on deregulation, I would expect that the ACT would experience a change in the pattern of customer loyalty, given the fact that in California, on the introduction of competition, only one per cent of the California market moved to a different supplier. Mr Speaker, I am advised that competition was introduced into California in April 1998 only for the consumers of companies selling green power at a substantial premium to normal prices.

Only a small percentage of the market was subject to deregulation in California. Mr Stanhope asked whether I check my facts before I come into this place. I give him the same advice. The regulator also imposed an arbitrary 10 per cent - - -

Mr Stanhope: You have had the advice? Have you got your couriers out there running this? Stop misleading the place.

MR HUMPHRIES: You are embarrassed because you have been found out, Mr Stanhope.

Mr Stanhope: I am not found out. I asked whether you were aware of reports.

MR SPEAKER: Order!

Mr Stanhope: You were not.

MR SPEAKER: I warn you, Mr Stanhope.

MR HUMPHRIES: They were not true. That is why I was not aware of them. No, Mr Speaker, I am not aware of untrue reports, if that is what Mr Stanhope's question was all about.

Magistrates Court – Parking Matters Listed for Hearing

MR HUMPHRIES: Yesterday Mr Hargreaves asked a question about the value of parking fines forgone because of what he described as the mismanagement of court listings creating a loophole for unscrupulous motorists to exploit. Mr Speaker, the answer to his question is as follows: No matters are ever dropped due to overcrowded court lists, nor are fines forgone for such reasons. "Not reached" cases are usually adjourned to another date. However, we know of no instances where challenged parking fines have been marked "not reached" and have subsequently been adjourned. The Registrar of Motor Vehicles had 72 parking matters listed for mention on 21 January 2000. Of these, 39 were listed for court but were subsequently paid. The remaining 33 were withdrawn by the informant, the Registrar of Motor Vehicles, for reasons unrelated to any perceived overcrowding of the court list on that day.

Housing - Rental Arrears

MR SMYTH: Mr Speaker, further to Ms Tucker's question, no, it is not straight policy to refuse priority allocation based on debt. The Commissioner for Housing uses his discretion on a case-by-case basis. Debt history is only one of the matters considered.

QUESTION TIME
Statement by Speaker

MR SPEAKER: Members, earlier today I said I was going to make a statement at the end of question time. First of all, this question time has lasted 1 hour and 27 minutes, probably longer than most question times. Mr Rugendyke's question was undoubtedly of some length and the matter may better have been raised as a matter of public

importance or even as a motion for debate, but that is a matter for Mr Rugendyke. The point I wish to make, however, is that in addition to that lengthy question there were at least two four-part questions asked of Ministers today, and subsequently a supplementary that ran to four parts.

We are two weeks into this year. I intend from here on in to adhere strictly to standing orders. I would remind members and perhaps those who prepare the questions for them that they should address themselves to standing order 117, which contains a whole list of things which questions should not contain. Standing order 117(a) states:

> Questions shall be brief and relate to a single issue;

I do not believe that four-part questions are necessarily adhering to that requirement. For a start, it is obvious that if it is a four-part question it cannot be brief. I would suggest, therefore, that it might be a very good idea, if you have questions of that length, to put them on the notice paper. Standing order 113 reminds you about that. Not everybody here, I hasten to add, is an offender, and not all offenders offend all the time, if I may put it that way. It could be that we have drifted into this by getting a bit sloppy. Standing order 117(a) therefore shall be adhered to. Equally, standing order 118(a), which concerns answers, states:

> shall be concise and confined to the subject matter of the question;

That too will be adhered to. Thirdly, standing order 119, relating to supplementary questions, states:

> Provided that the supplementary question is relevant to the original question or arises out of the answer given, contains no preamble, introduces no new matter and is put in precise and direct terms.

Furthermore, this is question time; it is not a court of law. Therefore, we will not have constant interjections when Ministers are trying to answer questions, in an attempt, I presume, to trip up Ministers. Some of the interjections are relevant and some of them, frankly, are inane and totally irrelevant. I do not expect that members will easily come to terms with these new procedures. They are, however, part of standing orders. I would advise you to read standing orders 117, 118 and 119. I intend to sit down anybody who breaches those standing orders in question time.

FINANCE AND PUBLIC ADMINISTRATION – STANDING COMMITTEE
Report on Implementation of Service Purchasing – Government Response

MS CARNELL (Chief Minister) (4.08): Mr Speaker, for the information of members, I present the Government's response to the Standing Committee on Finance and Public Administration (incorporating the Public Accounts Committee) Report No. 3, entitled "Implementation of Service Purchasing Arrangements in the ACT". The report was presented to the Assembly on 9 December 1999. I move:

> That the Assembly takes note of the paper.

Mr Speaker, I am very pleased to table today the Government's response to the inquiry report on the implementation of service purchasing arrangements in the ACT. On 9 December 1999 the Standing Committee on Finance and Public Administration tabled the report on the implementation of service purchasing arrangements in the ACT. The report contained 11 recommendations from the inquiry. The change in the funding processes that provide community and social services through non-government organisations has been informed by the Rogan Johnston report on the implementation of service purchasing arrangements in the Australian Capital Territory produced in 1997.

The Government has undertaken a three-year process to make these changes, with the final stages due to be completed late this year. The ACT Government has always emphasised two significant features of this implementation process - a robust partnership with the community sector and a whole-of-government approach so that all government agencies use the same policies and principles when purchasing services from the sector.

The Government welcomed the service purchasing inquiry as an opportunity to extend consultation even further and to seek feedback on the achievements we have made on the implementation to date. I am particularly pleased to see that the committee noted that the ACT Government had gone further than other governments in analysing the changes implied by a move to service purchasing; that the agreed process for implementation is seen as fundamentally sound; and that progress on the implementation is favourable.

I was also encouraged to see that the committee found a broad acceptance by the community service sector of the need for appropriate accountability in relation to funding for services provided. The committee noted that this acceptance should be attributed to the education role of government agencies with their providers in this area.

The ACT Government has already undertaken and put in place some of the developments referred to in the inquiry report. The key initiatives have included the development of an exposure draft of the guidelines for purchasing and pricing services from non-profit, non-government organisations and other suppliers using competitive assessment; the development of the "Quality Improvement in Human Services in the ACT - Framework for Future Development"; and the development of a standard service purchasing contract. These and other initiatives have been developed in close consultation with the community sector using a range of workshops, forums and review processes.

The Government is pleased to report that there is agreement in full, in principle or in part to eight of the 11 recommendations of the committee. The other three recommendations that are not agreed to refer to two particular strategies. The Government believes that recommendation 3 assumes a causal link between contestability and reduction in service levels that is not accepted as a policy intention or the outcome in practice.

Recommendations 4 and 5 require a definitive classifying of individual services as to their contestability. This process would fall outside the tenor of the Rogan Johnston report and would also contravene the Government's purchasing policy in this area.

Although there is a provision for defining funding programs in this way, contestability as it applies to individual services occurs on a case-by-case basis with full regard to the circumstances of the particular context at the time.

The government response suggests that recommendations made in the inquiry report relating to information, consistency and coordination will be accommodated by developing ongoing current and existing structures and developing training for government officers involved in purchasing and contract management. The Government will continue to look carefully at concerns raised in the inquiry report, whilst continuing to implement the service purchasing process and maintaining a robust partnership with the community sector.

Mr Speaker, the Government is proud of its progress and its achievements in implementing the Rogan Johnston report recommendations. I commend to the Assembly the government response to the Standing Committee on Finance and Public Administration report on the implementation of service purchasing arrangements in the ACT.

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

PRESENTATION OF PAPER

The following paper was presented by **Mr Humphries**:

> Financial Management Act, pursuant to section 26 – Consolidated Financial Management Report for the month and financial year to date ending 31 January 2000.

INDEPENDENT PRICING AND REGULATORY COMMISSION REPORT – ACTEW WATER CHARGES 1999-2000 TO 2003-2004
Paper and Ministerial Statement

MR HUMPHRIES (Treasurer, Attorney-General and Minister for Justice and Community Safety) (4.14): For the information of members, I present the Independent Pricing and Regulatory Commission's report entitled "ACTEW's Water Charges for 1999-2000 to 2003-2004 - Pass Through of the Water Abstraction Charge". I move:

> That the Assembly takes note of the paper.

In 1999, in the context of the Water Resources Act 1998, the Assembly agreed that the cost of using water should include a cost reflecting water's scarcity value. The mechanism for reflecting that cost is the water abstraction charge. The Act clearly determined that the charge should be borne by consumers and be directly related to the quantity of the resource that they consume. The charge is applied to ACTEW in the first instance, with the intention that it should be passed through to consumers in ACTEW's billing for water supplied.

In the commission's price determination for the period 1999-2000 to 2003-04, the commission set prices that excluded the water abstraction charge. However, the determination referred both to the amount of the charge and to how it should be treated. The Government sought advice on the amount and application of the charge based on economic and environmental principles on the structure and level of charge that should apply. The commission provided that advice and recommended that the charge should be in the order of 10c. The commission also indicated that the charge should be passed on to consumers by ACTEW in the final billing to consumers.

Legal advice received by ACTEW indicated that the commission recommendation was insufficient as a direction under the terms of the Energy and Water Act 1988. Consequently, the Government issued a reference to the commission for a direction to ACTEW authorising the passing through of the charge. The commission has satisfied the conditions of that reference with this report. The water abstraction charge will be passed through to water users by ACTEW from 16 March this year.

There are a number of facets to the water abstraction charge direction. ACTEW will apply the 10c per kilolitre charge to all consumers, except churches legislated to be churches in perpetuity. Churches legislated to be churches in perpetuity are exempt from water and sewerage charges. Schools, other churches and ecclesiastical properties that currently receive a 50 per cent discount funded through a community service obligation will have the full 10c per kilolitre charge applied, due to the requirements of the Water Resources Act 1998.

Similarly, the Water Resources Act 1998 requires the water abstraction charge to apply to the first kilolitre of water consumed, which currently incurs no usage charge. Unmetered dwellings such as flats that have a deemed consumption will have a 10c per kilolitre charge applied on a pro rata basis. In addition, for the water abstraction charge to show a clear signal to consumers about the scarcity of water and the environmental costs associated with its use, the commission has determined that ACTEW identify the charge as a separate entry on customers' bills.

Question resolved in the affirmative.

HEALTH AND COMMUNITY CARE - STANDING COMMITTEE
Report on Public Hospital Waiting Lists - Government Response

MR MOORE (Minister for Health and Community Care) (4.18): Mr Speaker, for the information of members, I present the Government's response to the Standing Committee on Health and Community Care's Report No. 3, entitled "Public Hospital Waiting Lists". The report was presented to the Assembly on 24 November 1999. I move:

> That the Assembly takes note of the paper.

Mr Speaker, I am responding today to the report of the Legislative Assembly Standing Committee on Health and Community Care inquiry into public hospital waiting lists. I do not think that I will provoke any argument when I say that there can always be room for improvement in the management of waiting times for elective surgery.

The Government is committed to improving the management of elective surgery in the ACT and to improving the outcomes for patients in our public hospitals. Indeed, my department has been actively examining this issue for some time, and we have welcomed the input of the Standing Committee on Health and Community Care in formulating a holistic approach. My department was in the process of preparing an elective surgery strategy for the ACT when the committee inquiry was called, and I decided to delay the finalisation of the strategy pending the outcome of the inquiry.

Mr Speaker, the Government's response to the report of the standing committee comprises two elements - a response to the recommendations in the report and a comprehensive strategy for improving the management of waiting times for elective surgery. The Government also acknowledges the issues raised in the report of the inquiry into public hospital waiting lists, and I am pleased to say that it has accepted eight of the nine recommendations in full and one recommendation in principle.

In brief, Mr Speaker, the Government has agreed in full to recommendations that it consult with specialists and the Division of Surgery to work towards developing a trial for pooling public patients that addresses the overservicing and medico-legal problems raised by the division; that it ensures that increased patient throughput is not jeopardised by excessive reduction in bed numbers; that it examine ways of improving theatre utilisation; that surgical procedures which are social and not clinically required (as determined by the relevant specialists) be removed from ACT public hospital waiting lists and that procedures of this type be undertaken through the private health system; that the department more widely disseminate accurate, timely and easily accessible data on public hospital waiting lists and waiting times; that it consult with the ACT Division of General Practice to encourage GPs to provide patients with the option (where clinically appropriate) of being referred to specialists with shorter waiting times; that it produce an information pack or brochure providing patients with a complete list of options available to them to minimise their time on the waiting list; and that the department investigate the usefulness and feasibility of collecting data on the length of time it takes patients to see specialists.

The Government has accepted in principle recommendation 5, that it address the shortage of specialists and anaesthetists as a priority and report tangible action to the Assembly. It is currently conducting analyses of the medical work force in several surgical specialties. Should reported shortages be validated, it will work with hospitals to increase specialist numbers. Both hospitals are trying to recruit more anaesthetists at this time. The Government will keep the Assembly informed of other tangible progress in this area.

Mr Speaker, the Government's response to the recommendations of the inquiry form a major part of the strategy for improving the management of waiting times for elective surgery. The document "Accessing Timely Elective Surgery" in the ACT sets out strategic directions for the management of elective surgery for this year and beyond. The key aim of the strategy is to provide timely access to elective surgery on the basis of clinical priority.

The objectives of the strategy are to achieve clinically acceptable waiting times for patients requiring elective surgical care; a reduction in overdue patient numbers to

acceptable levels; a system that is consumer friendly; improved management of hospital waiting lists; and improved ability to analyse and respond to trends through improved data quality, reliability and validity.

Whilst I will not go into the full details of the strategy here, I think it would be useful to outline the values that underpin it. Briefly, Mr Speaker, the strategy is based on equity, efficiency, transparency, certainty and consumer focus.

Equity: Patients should have timely access to elective treatment on a needs basis rather than on the basis of which clinician they see or how long they have been on the waiting list.

Efficiency: The system should use resources effectively and responsibly to treat people who are most in need.

Transparency: Patients will be informed about the priority of their condition and the principles of waiting list management so they can participate appropriately to ensure their needs are met.

Certainty: Patients should know with reasonable certainty and with reasonable notice when treatment will occur and by whom.

Consumer focus: The system should be focused on best meeting the needs of each individual.

Mr Speaker, the strategy has four main elements - improved responsiveness to demand; improved waiting list management; increased capacity of the system to respond; and increased consumer involvement and choice. Flowing from each element are a number of actions which, when implemented, should see a substantial improvement in waiting times for elective surgery.

Mr Speaker, I thank the committee members for their input to the development of this important strategy, and I commend the government response to the Assembly.

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

SUPERVISED INJECTING PLACE TRIAL
Ministerial Statement

MR MOORE (Minister for Health and Community Care): Mr Speaker, I ask for leave of the Assembly to make a ministerial statement on the supervised injecting place trial.

Leave granted.

MR MOORE: Mr Speaker, I am pleased to be able to stand before the house today and provide the first progress report on the implementation of the supervised injecting trial legislation. It is my intention to report regularly on this issue. I know it is controversial and I want to keep members abreast of what is happening.

As members are aware, the Supervised Injecting Place Trial Act was passed here in the ACT Legislative Assembly on 9 December last year. One of the requirements of the Act is that an advisory committee be appointed by the Minister for Health and Community Care to make recommendations regarding the establishment, operation and evaluation of a supervised injecting place. As you may have seen in the media, the advisory committee has now been appointed. Members will be aware that this committee comprises representatives, including business and community representatives, with a wide range of expertise. This level of expertise will ensure that the recommendations developed by the advisory committee will be sound, thoughtful and balanced.

Mr David Butt, the chief executive of the Department of Health and Community Care, chairs the committee and the deputy chair is Ms Maureen Cane, executive director of Assisting Drug Dependents Inc. The committee met for the first time on Monday, 21 February 2000. I would like to take this opportunity to thank all members for making themselves available so quickly and for the organisations that nominated them for expediting the process of their nominations so efficiently, even over the Christmas break. I understand that this first meeting was extremely positive and set the scene for an inclusive and sharing process in implementing the legislation. The members of the committee come from a wide range of backgrounds and organisations but are united in their desire to see a safer, healthier Canberra.

As you know, the responsibilities of the advisory committee are wide-ranging and include making recommendations regarding the location of the supervised injecting room facility; operation and day-to-day protocols of the trial; and the evaluation of the trial. The Department of Health and Community Care will support the committee in its work. At its first meeting, the committee was briefed by the department on its responsibilities under the legislation and the budget for the trial. The cost of operating the facility in a full year is expected to be $725,000. This includes costs for the evaluation components both before and after the trial.

The advisory committee also considered the issues around the evaluation of the trial. To enable a thorough assessment of the supervised injecting place at the conclusion of the scientific trial, it is essential that the baseline data be collected prior to commencement of the trial. In order to collect this baseline data, the Department of Health and Community Care has contracted with the National Centre for Epidemiology and Population Health and the International Survey Project at ANU to conduct the pre-trial evaluation measures. The remainder of the evaluation for the trial will be put to open tender. Specifications for this tender cannot be written until after the advisory committee has considered the evaluation issues thoroughly.

The pre-trial evaluation process involves a mapping of the current visible drug scene and a community attitude survey. The mapping exercise will determine the current physical drug scene in the ACT. Elements making up the physical drug scene include congregating of drug users and their associates; drug dealing; injecting in public; acquisition of clean injecting equipment; disposal of used injecting equipment; public nuisance in the localities of concern; police-user and police-dealer interactions; and overdoses.

The community attitude survey aims to provide essential information to map current community attitudes towards addictive drugs, injecting rooms and related issues; assess changes over time; and establish a baseline from which the impact of the establishment of an injecting room on these attitudes could be assessed.

In addition, the National Centre for Epidemiology and Population Health is developing a draft evaluation plan for the advisory committee's consideration. This will provide the foundation for the advisory committee to consider appropriate criteria for conducting a full-scale scientific evaluation of the supervised injecting place trial. The plan will consider areas of potential impact that a supervised injecting place may have on injecting drug users and the wider ACT community. The plan will also specify areas against which data could be collected and evaluated throughout the life of the trial. The majority of the pre-trial evaluation work will be available to the advisory committee at its next meeting.

The advisory committee also considered a wide range of issues concerning the selection of a service provider for the trial as well as the operational issues that will need to be resolved. The Department of Health and Community Care is currently inviting organisations in the ACT to indicate an interest in having a role in the trial. Given the complex and controversial nature of the trial, it is possible that a single service provider will be difficult to identify. Another option is that the service provider be a consortium-based or partnership arrangement, possibly a combination of non-government agencies or government and non-government agencies. The department has also contracted with KPMG to develop a range of operational policies and protocols for the committee's consideration.

The lead consultant will work with government and stakeholders, including the advisory committee, to develop a workable, innovative service provision model and to produce a comprehensive package of organisational policies and procedures for the use of the service provider selected to operate this trial. The range of operational policies and tools to be developed will include registration intake and assessment protocols; staffing policy; staffing selection criteria, training, qualifications and competencies; access protocols, including under-18s' access, and opening hours; plans for linkages to other services, including client referral policy; media liaison policy; data collection and reporting mechanisms.

The committee also considered a number of potential sites at which to locate a supervised injecting trial. It is likely that the final location will be within the city/inner-North Canberra area, close to health and other social services and close to public transport.

As members will be aware, law enforcement issues concerning the supervised injection place will be managed through a direction from the Attorney-General to the Director of Public Prosecutions. This direction will describe certain circumstances under which persons using the supervised injection place will not be prosecuted under law for an offence against the Drugs for Dependence Act. The direction to the Director of Public Prosecutions will be very specific in its terms to enable traffic in heroin to continue to be addressed by the AFP. It will clarify, for example, how a user of the supervised injecting place will be defined and the quantities of impure heroin that a client will be able to possess.

The advisory committee will next meet in March, and I understand that considerable work on the development of the operational protocols and the location options will take place before that time. Mr Speaker, the first meeting of the advisory committee is just the beginning of the process to implement the will of the Assembly. But it is a very important first step.

I would like to take this opportunity to thank all those concerned to date in progressing the matter. In particular, I thank my Assembly colleagues, the members of the advisory committee and the officers in my department for their continued support. I look forward to providing members with further reports on the progress of this exciting and important ACT initiative.

HEALTH AND COMMUNITY CARE - STANDING COMMITTEE
Report on Respite Care Services in the ACT

MR WOOD (4.31): I present Report No. 5 of the Standing Committee on Health and Community Care entitled "Respite Care Services in the ACT", together with a copy of the extracts of the minutes of proceedings. I move:

> That the report be noted.

Mr Temporary Deputy Speaker, it is good timing, is it not? The Government responded to an earlier report of the committee and I now table a further report.

Mr Moore: You give us no rest, Bill. No respite.

MR WOOD: No respite? Well, I do not know whether you would qualify on the same grounds of many of the people we saw. Members of the committee, Mr Rugendyke, Mr Hird and I, saw many great services and heard about many great services in operation in the ACT to provide respite care to those who need it. We have been impressed by the range of services and the quality of those services.

As you know, those services are provided across a wide range of activity. They can be for intellectually or physically disabled people, or both; they can be in-home or centre-based; they can be for frail aged whose carers often need respite care; they can be in a family situation. Modern society places great stresses on families and sometimes there is need for children in those families to go off for a while into a foster situation or a residential situation while the families receive respite.

Circumstances like one where there is an emotionally and intellectually disturbed teenager as big as the parents, who is very difficult to manage and can fly into a rage, seemingly without reason, and present a physical threat to the family and to the school, impressed the minds of all of us. That family needs a rest from time to time to try to maintain some semblance of family life.

We are probably all familiar with families where an elderly parent is quite frail, or sometimes not so frail but suffers some aspect of Alzheimer's disease and needs constant and vigilant time - consuming care; or the youngster who may have ADHD or

simply may be very problematic and requires to go off somewhere for a little while so that parents get their help. We have seen the services that provide that help. We have heard from them. I think you would agree with me that they all do an excellent job.

However, as the Minister knows, and as the Government knows, there is a considerable shortfall in what can be provided. I know that both the ACT Government and the Federal Government in recent times have made some contributions to respite care to try to ease that burden, to reduce that shortfall. Too often we heard that as families look for a measure of respite they are told that the books are closed; that they simply cannot take any more. We heard of the stress that families have and how difficult it is to get that little bit of extra help that is needed. I repeat that I know the measure of help that is already provided. There is a further difficult circumstance sometimes that people find themselves in because they have to track around a lot of agencies to try to find some help, yet those agencies tend to specialise, if I can use that word, in certain areas.

I know that the Minister has had a great deal to do recently with respect to disability services and lobbying the Commonwealth Government to try to get some extra money. I do not know whether the debate today will extend to a notice on the paper about his report of a disability services Ministers meeting where all Ministers, I believe, were disappointed that they could not achieve some greater increase in funding. I believe that Senator Newman has allocated more money, but it is much less than was very carefully quantified as being necessary by all those involved around Australia. So we urge on the Minister and the Government in their efforts to get more expenditure in that area.

I believe it would have been possible for the committee to come back with great detail and say, "We need another $1m here, $500,000 there, and $2m somewhere else". We could have come back with justification and indicated point by point where more money should have been spent, although I qualify that at the same time because one of our recommendations says we need to know more about where the shortfalls are. The committee chose not to go that far because we know the circumstances that this Government works in and we did not want to come back with a wish list that simply could not be met.

Our major recommendation is there and I am confident that Mr Moore will come back in a little time, as he has today, and say, "We accept all your recommendations and one in principle". The major recommendation, I would assert, in this report is recommendation No. 3, and I will read it:

> The committee recommends that the Government accepts that a substantial increase in respite care is of the highest priority.

I think that is our major recommendation. If we can draw the attention of the broader community and this Assembly more to the difficulties, because you all already know much about it, I think we have done an important job. There are a number of other significant recommendations relating to the way that care is provided that might ease the way for people and remove some of the complexities, such as ease in the number of examinations that are carried out and the assessments that are made for people. Sometimes they have to have one, two, three or four assessments from different groups. We need easier access so that people do not have to track around agencies. These are recommendations that might make it easier for those people who provide care.

Members, there is a great deal of care provided in the community, and I am sure that we are all part of it at some stage, such as just buying groceries for an aged parent who cannot quite so easily get out. At a simple level, care is provided; but we have been focusing on this area of complex, time demanding and difficult needs, and I hope that over the years more and more can be done to those carers who provide such a wonderful service. They need the assistance. I am sure we all agree that they should have the highest priority.

MR RUGENDYKE (4.40): I rise briefly to concur with my chairman, Mr Wood. I agree with his sentiments on this important area. The committee did come to several conclusions. There are a large number of areas of unmet need. We all know that. It is across the board, perhaps. One important thing that was discovered during our inquiry was the fact that carers are ageing at a greater rate. Carers of people with disabilities and so on are ageing rapidly. There will be a major problem when the population as a whole ages and also these carers of disabled people age.

Mr Temporary Deputy Speaker, I believe the recommendations that we have come to in this report are achievable and sensible and will go a long way to give the Government a way forward on this issue that has sometimes been not really recognised as a problem. They can be acted upon by government in a meaningful and sensible way.

Mr Moore: Mr Temporary Deputy Speaker, I indicate that the Government will be taking this issue very seriously.

MR RUGENDYKE: I thank the Minister.

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

GOVERNMENT CONTRACTS CONFIDENTIALITY BILL 2000

MR MOORE (Minister for Health and Community Care) (4.42): Mr Temporary Deputy Speaker, I present the Government Contracts Confidentiality Bill 2000, together with its explanatory memorandum.

Title read by Clerk.

MR MOORE: I move:

> That this Bill be agreed to in principle.

I quote:

> The Official Secrets Act is not to protect secrets, but to protect officials.

This quote is by Jonathan Lynn and Anthony Jay and is from *Yes, Minister*, Volume 1. This legislation is about open government. It is about restoring faith in government contracting and ensuring the best possible outcome for the people of the ACT. It is

about greater public confidence in the way in which the ACT Government and its agencies agree to confidentiality clauses in contracts.

Jim Hacker once asked Sir Humphrey in *Yes, Minister* about open government. Sir Humphrey replied, "You can have openness, or government, but not both". That may be the view of the quintessential bureaucrat, but I do not agree. We can have both if we are careful to balance the issues in a responsible way. I believe that this is what my legislation does today.

The new confidentiality process that I am proposing will allow Assembly oversight of confidentiality clauses. If such a system had already been in place we could have avoided the controversy that has recently surrounded the ACT sporting codes agreements. We need a system to lift the perceived secrecy surrounding such contracts. I believe that confidentiality clauses, although rare, are a proper part of some government contracts. Unfortunately, their use has become the subject of considerable public suspicion. This Bill will go a long way towards ensuring that government agencies act properly and maintain the confidence of the public.

I must say that government is already conducted in a very open way here in the ACT. There is no doubt about that. In fact, I believe that the current law in the ACT, and the current Government, set a very high standard of openness - the highest standard ever set in Australia. I would like to take credit because I have had a lot to do with achieving this over the last decade. But we do need to improve the system in this case, and this proposed legislation will do exactly that. It will further improve what is already the most transparent system in Australia.

I have always worked hard to ensure that processes of government are open and accountable, and I will continue to do this. The legislation continues the approach that I have operated under for the past 11 years. My track record in the Assembly in securing related reforms includes amendments to the Subordinate Laws Act in 1993, which gave the Assembly power to amend many government instruments; sponsoring the adoption of the Statutory Appointments Act 1994, which established the non-political process for making appointments to government positions; and sponsoring the adoption of the Administration (Interstate Agreements) Act 1997, which required Ministers to inform the Assembly about the implications of agreements made at ministerial councils.

This Bill will also implement policy that I campaigned on at the last ACT election. One of the action agendas in the election platform of the Moore Independents in 1998 was to "ensure that all legislation and administrative policy works from a presumption of openness, with confidentiality to be used only where specifically justified, and within a justifiable time limit". It also sought to "review the overuse by government of the 'commercial-in-confidence' status to conceal details of business dealings".

As an aside, I know that Mr Stanhope, in a press release in the last couple of days, has indicated that in some ways my piece of legislation is a stunt. In fact, I have been working on this for some time, and clearly from before the last election. When I listened to Mr Stanhope's speech I wondered why he would accuse me of doing a stunt on this particular issue. The reality is that he has put up a piece of legislation that is somewhat different from what I have done. Mr Osborne has indicated that he also will be putting

up a piece of legislation, which I also understand is somewhat different. I think we need to make sure that we can work together to get the best possible legislation for the people of the ACT and make sure that it is comprehensive enough. I believe, certainly compared to Mr Stanhope's legislation, that you will see that this is much more comprehensive.

The reason why, Mr Temporary Deputy Speaker, is that this legislation is consistent with government guidelines and, indeed, draws on the current ACT Government's "Guidelines for the Treatment of Commercial Information". This is important because those guidelines were finalised after a long consultation process with the business community, and I must say that I was very pleased to see that there was general agreement between business representatives and government officials that there was no justifiable alternative to an open set of principles.

I should also point out that this legislation is not retrospective. Existing contracts will not be altered as it would be inappropriate to make the Bill retrospective. I must say that I have also seen what I believe is quite inappropriate exposure by this Assembly and by its committees of contracts that were signed in good faith. I am quite critical of that and I will remain critical. As much as I have wanted to see change, I think the notion of doing it retrospectively is appalling and is a misuse of Assembly committees. We have to look very carefully at the way our Assembly committees are being used. The Bill is also carefully balanced so that on those rare occasions where there is a legitimate case for confidentiality the matter can be handled sensibly.

Mr Temporary Deputy Speaker, I will briefly outline the features of the Bill. The legislation is based on the approach of a light hand but a strong oversight. The subjects of the Bill are the government agencies who might be asked by a business to agree to an element of confidentiality in a contract. They will be required to follow a process set out in this legislation. The other parties to the negotiations will have a strong interest in ensuring the process is followed because the clause will not be legally effective if there is a breach of the process. That is where the legislation gets its teeth.

Briefly, agencies will first need to remind other parties to a contract that this legislation exists and that it must be followed. The Bill will require government agencies to link the request for confidentiality to a list of grounds which are acceptable. They will also need to consider a list of negative factors which would be grounds for refusing to agree to confidentiality. These lists, set out in the Bill, are broad and general, and will leave considerable scope for discretion.

The purpose of the Bill is not to unreasonably constrain the legitimate use of confidentiality, but rather to place the decision-makers in a position of knowing that their judgment will be reviewed by independent public officials. Indeed, they will be conveyed to a committee of the Assembly. Transparency, not complicated rules, is the way that this Bill will improve the practices of government agencies.

If a confidentiality clause is judged to be justified, the grounds for doing so must be stated in the contract. The contract and the grounds for confidentiality must then be recorded on a register kept by the Auditor-General. Finally, the Auditor-General must notify an Assembly committee of each confidentiality clause on the register. The Bill provides for this oversight committee to be nominated by the Speaker so that changes in

the Assembly committee arrangements can be quickly and easily accommodated. Finally, there is a protection for agencies providing information to the Auditor-General and the Assembly, ensuring that no legal actions can be taken to prevent disclosure in the Assembly.

There is no attempt to specify the role that the oversight committee should play. Rather, this is left to the good sense of MLAs on that committee. Every Assembly committee contains non-government members, so any attempt to use confidentiality for purely political ends would become much, much harder. There would be no VITAB confidentiality, just as there have been no political jobs-for-the-mates since the Statutory Appointments Act was adopted in 1994.

Obviously, the committee will need to exercise responsibility, and members will need to avoid mere grandstanding or serving their own political ends. But the transparency of the process should, once again, work to keep them responsible as any inappropriate handling of contracts will quickly be called to account.

In summary, this Bill will work by the simple device of exposing decision-makers at several levels to scrutiny, while still leaving room for the responsible management of genuinely sensitive commercial information. I hope that all of those who believe in fair and open government will support the legislation. I look forward to both the major parties and each of the crossbench MLAs in the Assembly supporting the adoption of this law as soon as possible.

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

LAND (PLANNING AND ENVIRONMENT) AMENDMENT BILL 2000

Debate resumed from 17 February 2000, on motion by **Mr Smyth**:

That this Bill be agreed to in principle.

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

COTTER RIVER REPEAL BILL 2000

Debate resumed from 17 February 2000, on motion by **Mr Smyth**:

That this Bill be agreed to in principle.

MR CORBELL (4.53): Mr Temporary Deputy Speaker, the Labor Party will be supporting this Bill today. It is a straightforward Bill to repeal the Cotter River Act of 1914 and also amendments in 1919, 1928 and 1931, all passed by the Federal Parliament. This Act was first put into place to protect the catchment of the Cotter River following the construction of the Cotter Dam. It was put in place to ensure that the catchment was not subject to pollution or abuse. It made sure that the Cotter was a river which could continue to provide safe drinking water to the then establishing Federal Capital Territory.

The Labor Party has looked closely at the arrangement surrounding this Bill. We understand that this Bill should proceed simply because the Cotter River Act is now superseded by a number of other Acts, notably the Trespass on Territory Land Act 1932 and the Nature Conservation Act 1980. Whilst there will need to be some amendments to the Bushfire Act 1936, the issues covered by the Cotter River Act are also dealt with by that Act. Mr Temporary Deputy Speaker, the Labor Party will be supporting this straightforward piece of machinery legislation today.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

ADJOURNMENT

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

That the Assembly do now adjourn.

Disability Services Camp

MR WOOD (4.55): Mr Temporary Deputy Speaker, ACT government agencies have a duty of care towards those for whom they have responsibility. Along with the Aboriginal community, I ask whether that care has been delivered, at least in one recent incident.

No doubt with good intent, care providers took four residents from a Disability Services group home to a camp held at Wee Jasper in November. This was to be a recreational opportunity for those residents. These people, because they have disabilities, are also liable to have associated behavioural difficulties, yet their employed carers came to a stage where that was disregarded. They also appeared to disregard the likelihood that those in their care may have trouble discerning between acceptable and unacceptable behaviour.

Disability Services can surely be expected to employ people who do understand what is unacceptable behaviour. Not on that night, apparently, because, as I am reliably informed, the workers took alcohol to the camp, shared beer and Jack Daniels with the participants, and then bought more alcohol and shared this and, I am told, marijuana with those under their care, even a young Aborigine aged 16 who decided he wanted to go home. The carers apparently refused the request.

The occurrence of such an incident is bad enough, but after some drinking there was an altercation after which one of the workers called the police and one of those in care was charged. No more can be said about that because it is the subject of a court hearing to take place in April, I believe in Yass.

Mrs Calita Murray of Jerrabomberra, a relative of the young boy, objects that such an incident could happen without appropriate action. A court had previously placed her relative, whose parents live in Gippsland, with ACT Disability Services in the belief that his placement under their care would be his best option.

Disability Services must be held responsible for the events of that night in November, and Mrs Murray and the parents of the young resident asked Disability Services to take appropriate action. They have been told that this is not the first time such an incident has occurred. They believe the carers must be held accountable. So far they believe there has not been a satisfactory response from the service, considering that the workers in the government service so totally failed to apply duty of care. So far the relatives have been told that the matter, which occurred four months ago, would be investigated, but they have not been told of any outcome.

I thank the department for the briefings I have had, and I have passed that information on to the family. "We do not want this boy to have a court record when it was the responsibility of Disability Service workers", they said. This is a very serious matter and the family wants a full response from the Government and the assurance that the lad in care is being cared for properly. I ask Mr Moore for a response, perhaps in the adjournment debate next week.

ACTEW - Expressions of Interest
Royal Canberra Show

MR QUINLAN (4.58): Mr Temporary Deputy Speaker, I would like to return to the end of question time today just for a moment. I wanted to make an explanation and I confess that I may well have been out of order and may well have contributed to the disquiet of the Speaker. I wish to put on record an explanation. It was I who asked the seven-part question. I could have condensed that question very quickly by asking, "What about the other sections of ACTEW?", rather than asking a specific question about each. I have to say that my care in setting out the question was borne of the persistence of the Government in not answering questions as they are asked.

I did take the step of giving the Treasurer a copy of the question, not as an advance notice of the question but to let him address each of the elements of the question and not have to have the inconvenience of trying to note them down while listening to them. Further, at the end of question time the Treasurer did allude to the fact that I might have misled the house in some way, so I wish to put on record a couple of the elements of a newspaper article in case they were missed during the hubbub that the Speaker was so perturbed about.

In relation to the matter of ENERGEX and ACTEW, the newspaper article that the Treasurer referred to starts with this paragraph:

> The chief executive of Actew, John Mackay, has confirmed that a company willing to pay between $200m and $500m for a share of the utility has been frozen out of the bidding process.

Getting that knowledge caused me some disquiet, of course, given that Mr Humphries had claimed on 15 February in this place in question time that the door was open, and quite clearly the door is not open. The article in the *Canberra Times* further goes on to say:

> Mr Mackay said his board was already committed to seeing through the AGL deal.

Again we have a confirmation that the door is not open. Then there is a quote from Mr Mackay that says:

> "Is Mr Quinlan seriously suggesting that having gone through such a careful process of selection we should then entertain somebody who rings me up? Talk is cheap until you sit down with the cheque book."

That again, I think, indicates, at least from the ACTEW perspective, that the door was shut, and that is in conflict with what the Treasurer has said. So I do not resile from the question that I asked him.

Before I sit down I congratulate you, Mr Temporary Deputy Speaker, on your role as the judge of some of the stalls at the Royal Canberra Show. I am sure it was only coincidence that the ACT Public Service won the best community non-profit organisation display.

Disability Services Camp

MR MOORE (Minister for Health and Community Care) (5.03): Mr Temporary Deputy Speaker, I would like to respond to the issues Mr Wood raised. He raised a number of very serious issues. Although I have had some briefing on them, I think it will be far better if I come back to the Assembly early next week, and, as he suggested, I will respond in the adjournment debate.

Question resolved in the affirmative.

Assembly adjourned at 5.03 pm until Tuesday, 7 March 2000, at 10.30 am

ANSWERS TO QUESTIONS

Bruce Stadium - Attendance Figures
(Question No. 217)

Mr Rugendyke asked the Treasurer, upon notice, on 15 February 2000:

In relation to the Bruce Stadium

What is the official breakdown of official crowd figures for every:

(a) ACT Brumbies;
(b) Canberra Cosmos; and
(c) Canberra Raiders.

Match held at Bruce Stadium from 1998 until the present.

Ms Carnell: The answer to the Member's question, on behalf of the Treasurer is as follows:

Canberra Raiders

1998 Season		**1999 Season**		**2000 Season**	
Event Date	Crowd	Event Date	Crowd	Event Date	Crowd
12 April	12,202	5 March	17,122	7 February	14,264
18 April	7,638	20 March	9,696	13 February	10,085
1 May	9,211	28 March	6,590	19 February	13,337
17 May	7,629	11 April	11,031		
31 May	12,728	25 April	11,580		
21 June	6,686	9 May	11,098		
5 July	9,568	4 June	8,804		
12 July	8,610	19 June	13,041		
19 July	7,488	4 July	8,765		
2 August	8,198	24 July	8,532		
14 August	12,621	7 August	10,018		
		29 August	11,217		

The Brumbies

1998 Season		**1999 Season**		**2000 Season**	
Event Date	Crowd	Event Date	Crowd	Event Date	Crowd
6 March	8,809	19 March	6,342	25 February	13,824
14 March	6,365	27 March	4,609		
21 March	8,027	2 April	8,020		
24 April	8,244	10April	8,323		
2 May	8,197	17 April	17,037		
16 May	9,706	6 July	8,401		
		11 September	8,742		

Canberra Cosmos

1998/99 Season		**1999/2000 Season**	
Event Date	Crowd	Event Date	Crowd
11 October 1998	1,821	1 October 1999	2,225
25 October 1998	1,810	10 October 1999	2,454
7 December 1998	1,447	15 October 1999	2,074
14 December 1998	1,704	29 October 1999	2,860
21 December 1998	5,321	15 November 1999	2,044
10 January 1999	3,287	26 November 1999	2,389
26 January 1999	1,526	10 December1999	1,795
8 February 1999	1,478	28 December 1999	1,863
22 February 1999	2,170	26 January 2000	1,699
8 March 1999	1,399	28 January 2000	1,847
5 April 1999	1,911	18 February 2000	2,251
24 April 1999	1,416		

Temporary Accommodation Allowance
(Question No. 218)

Mr Corbell asked the Chief Minister, upon notice:

> In relation to reimbursement for costs of sale and purchase of properties for executives, and given the answer to question on notice No 211; In each of the following instances were the payments made to the executives listed for either:
>
> (a) The sale; or (b) The purchase of a property.

Ms Carnell: The answer to the Member's question is as follows:

> In answering this question I would remind Members of the issue of privacy of individual employee's remuneration and financial matters.
>
> While Executive contracts are tabled in the Assembly, all employees are entitled to the protection of their personal and financial affairs under the Privacy Act. While Members are also entitled to ask questions about the payments of allowances, it is not clear why the names of individuals have been sought. I would ask that Members respect the privacy of the financial and personal affairs of these individuals.

Mr D Butt	1997	purchase	$6,160
Mr D Butt	1998	sale	$6,853
Ms E Fowler	1997	sale	$6,842
Ms E Fowler	1997	purchase	$8,680
Mr R Gilmour	1998	purchase	$9,246
Mr G Lee Koo	1997	sale	$5,568
Mr G Lee Koo	1997	purchase	$6,118
Ms A Lennon	1997	sale	$14,280
Mr M Lilley	1997	sale	$13,965
Mr R MacDiarmid	1998	sale	$12,937
Mr R MacDiarmid	1999	purchase	$20,565
Mr O Moon	1999	sale	$6,560
Mr O Moon	1999	purchase	$17,574
Mr M Murray	1997	sale	$9,716
Mr T Spencer	1996	sale	$6,122
Mr A Thompson	1998	sale	$5,493
Mr A Thompson	1999	purchase	$12,801
Mr P Veenker	1997	purchase	$6,373

Members should note that in the Question on Notice the last entry was shown as Mr A Thompson. This appears to have been a transcription error and should Mr P Veenker.

Senior Executives - Conditions of Employment
(Question No. 219)

Ms Tucker asked the Chief Minister, upon notice, on 16 February 2000:

In relation to the requirement under section 35 and section 244 of the *Public Sector Management Act* 1994 for executives and officers to seek written approval to undertake second jobs:

1. What are the criteria that are used by Ministers and within the ACT Public Service to assess whether a second job would create a conflict of interest in the performance of the employee's duties and therefore can or cannot be approved; and

2. When were these criteria written.

Ms Carnell: The answer to the Member's question is as follows:

Guidance on ethical issues for the ACT Public Service is found in the Public Sector Management Standards, which include Best Practice Notes. The Public Sector Management Standards were first released in 1994, on commencement of the ACT Public Service. They were republished in June 1998 to more clearly separate out the rules in the Standards and guidance material in the Best Practice Notes.

The Best Practice Notes on Ethics include a section on conflicts of interest. This section covers the roles and responsibilities of public employees, including Executives, and provides guidance on assessing conflicts of interest and applications for second jobs.

The Best Practice Notes are intended as a source of general guidance across a wide range of circumstances. Given the complexity of some ethical assessments, it is not considered appropriate to canvass a range of specific circumstances or propose more specific criteria. Decision-makers should consider the context and circumstances of each case in light of the provisions of the Public Sector Management Act 1994; the Standards; and the general guidance provided in the Best Practice Notes.

A conflict of interest is defined in the Best Practice Notes as:

either actual, potential or apparent. An actual conflict of interest occurs when a public employee's private interests influence the performance of official duties. A potential conflict of interest exists when the employee's private interests may influence the performance of their official duties. An apparent conflict of interest may exist if a public employee's private interests may appear, on reasonable grounds, to influence the performance of their official duties - even though there is no actual influence.

The Best Practice Notes suggest applications for second jobs should be considered in the following way:

Under section 244 of the Act, officers must have the approval of their Chief Executive before engaging in any employment other than their Public Service position. This includes company directorships and may include voluntary work. A similar rule applies to Chief Executives under section 35 and to Executives through their contracts.

In considering applications to begin a second job, Chief Executives should strike a balance between the interests of the ACT Government as an employer and the rights of officers to lead their private lives free from unnecessary intrusions. When assessing applications, Chief Executives should consider the following criteria:

officers should not have a second job if that employment places them in a conflict with their official duties;

a second job should not affect the work performance of officers in their official positions;

and the second job should be performed totally in officers' private time.

Roads - Building and Maintenance
(Question No. 226)

Mr Hargreaves asked the Minister for Urban Services, upon notice:

In relation to roads in the ACT - In (a) 1995-96, (b) 1996-97, (c) 1997-8, (d) 1998-9 and (e) 1999-00:

(1) How much did the Government spend on (i) building and (ii) maintaining roads.

(2) How much is proposed to be spent on (i) building and (ii) maintaining ACT roads in 2000-01

Mr Smyth: The answer to Mr Hargreaves' question is as follows:

1.

Year	**(i) Building**	**(ii) Maintaining Roads**
1995-96	$2.6m *	$11.lm
1996-97	$10.2m	$11.5m
1997-98	$6.4m	$10.0m
1998-99	$1.1m	$10.0m
1999-2000	$4.1m	$11.1m

* 1995-96 building only includes Urban Services (ie excludes DELP projects).

2.

Year	**(i) Building**	**(ii) Maintaining Roads**
2000-01	$5.5m	$13.5m

Comments:

Building includes all new roads sponsored by ACT Roads and Stormwater and Planning and Land Management, but excludes intersection improvements.

Maintenance includes annual recurrent repairs and maintenance and road rehabilitation projects.