



**DEBATES**

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

**HANSARD**

7 March 2001

**Wednesday, 7 March 2001**

Land (Planning and Environment) Amendment Bill 2001 .....	729
ACT Forests—involuntary redundancies .....	731
Questions without notice:	
National wage case.....	760
Commercial and retail leases legislation .....	760
Budget deficit.....	765
Business—payroll tax.....	768
KLA housing study .....	770
Problem gambling .....	770
Electromagnetic radiation and leukaemia.....	772
Burnie Court redevelopment.....	772
Glenloch cork plantation .....	773
Parking for the disabled.....	774
Needlestick injuries .....	774
Schools—heating and cooling .....	775
Personal explanations .....	776
Questions without notice:	
Electromagnetic radiation and leukaemia.....	778
ACTION bus accidents.....	779
Latham shops—proposed auction of adjacent land.....	779
International Women’s Day—assistance to women in crisis .....	797
Motor vehicle fuel prices .....	814
Adjournment .....	823

## Wednesday, 7 March 2001

The Assembly met at 10.30 am.

*(Quorum formed.)*

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

## Land (Planning and Environment) Amendment Bill 2001

**Ms Tucker**, pursuant to notice, presented the bill and its explanatory memorandum.

Title read by Clerk.

**MS TUCKER** (10.33): Mr Speaker, I move:

That this bill be agreed to in principle.

This bill removes the provision for defined land in the Land (Planning and Environment) Act. To explain what this means, development in the ACT is governed by the Territory Plan, which sets out the types and scale of buildings that can be built and where they can be built. The land act sets out a process for varying the Territory Plan.

Normally, PALM will put out a draft plan variation for public comment. Once the public consultation period has ended, PALM prepares a final variation which is submitted to the executive and then to the Planning and Urban Services Committee. This committee undertakes its own inquiry into the plan variation and makes recommendations to the executive. The executive then finalises the variation and tables it in the Assembly, where it can be disallowed by members if they so wish. The process is a complicated one, but at least it is a publicly accountable one where the final say on the variation rests with the Assembly.

However, this process can be circumvented by the use of the so-called defined land provision in the land act. Once an area is classified as defined land under the Territory Plan through a previous plan variation, it is possible for PALM to further vary the Territory Plan in relation to the defined area of land without having to go through the normal plan variation process involving public consultation and the Assembly.

The original reasoning for having the defined land provision was that it would provide a simple process for plan variation in greenfield areas while land was being subdivided. In the past, broad land use zones such as residential areas, major roads, school sites and commercial centres were specified when land was defined and then the detailed boundaries of these zones would be set by PALM as subdivision progressed.

The defined land provision has been used extensively in Gungahlin, where whole new suburbs have been defined before their subdivision. However, I have received a number of complaints on how the defined land provisions have been used, or perhaps I should say abused, which bring into doubt the validity of this provision.

*7 March 2001*

The key problem is that the defined land provision provides no certainty for residents in that defined area as to what could be built next to them and no opportunity for them to influence such decisions. That is quite different from the situation in other suburbs. If some developer or the government want to build something there that is contrary to the Territory Plan, they would have to go through the normal plan variation process.

I can give a couple of examples. Last week in the Assembly I raised the problems that had arisen at Harcourt Hill. Residents were brought into the area because the original plans for the estate showed that certain parts of the estate, particularly Percival Ridge, would stay as open space. However, later they found that the plans for the estate had been altered under the defined land provisions without any public involvement and that some of the open space had been rezoned as residential land and the trees in those areas bulldozed.

Another example is Amaroo. People bought land along Burdekin Avenue in Amaroo about a year ago on the understanding from reading the Territory Plan that there would be housing over the road and behind that a large pond and park. However, they were recently told by PALM that over the road they will now have a preschool, two primary schools and a high school. Down the road will be a shopping centre. The pond has been shrunk and the open space will now be used as a sports ground.

These facilities were originally shown on the Territory Plan as being located in other parts of the suburbs and in the future adjacent suburb, but PALM decided to move them all to Burdekin Avenue. Because all this land is defined under the land act, there is no need for PALM to go through the normal Territory Plan variation process, so the residents cannot do anything to stop this change.

These residents believe that they have been totally misled by PALM. The residents recently found out from PALM that the change to the planning of this area was decided nearly three years ago, but the Territory Plan map was never updated to reflect this change. These residents would not have bought these blocks if they had known that they would be living opposite schools and having lots of traffic pass their doors. I understand that the Gungahlin Community Council is now supporting the residents' concerns and has called for a moratorium on development in this area until the plan for the area has been reviewed.

These examples highlight that the defined land provisions are leading to unaccountable planning decisions being made that are adversely affecting residents in the new areas of Canberra. I do not believe that the defined land provisions are leading to good planning, so I am proposing that they be deleted from the land act. If there is a need to make major changes to the zoning of a particular area, then it should go through the normal plan variation process, not through the unaccountable defined land provisions.

I am sure that the government will say that that would be too inflexible, but what I would say is that they should be doing more detailed initial planning of greenfield areas before the areas are sold off. I should also point out that it is already possible to subdivide land without going through a plan variation process, provided that it is done within the boundaries of the existing zones in the Territory Plan.

Unfortunately, the defined land provisions have allowed planners not to worry too much about the initial planning of greenfield areas, because they know that they can fix things up as they go along or they just leave it to the developers to come up with plans that suit them, but not necessarily the existing residents. As I have illustrated, that can have significant impacts on residents who move into these areas based on certain planning expectations that are later undermined.

My bill seeks to remove the defined land provision from the land act, but there is a transitional issue about what to do with areas that are already defined. I accept that developers who have bought defined land have a reasonable expectation that the defined land provisions will apply to their development. I have therefore allowed the defined land provisions to continue to apply to land that has already been sold by the government. However, for other areas of currently defined land that are still owned by the territory, the government will in future need to make any changes to their planning through the normal plan variation process.

Debate (on motion by **Mr Humphries**) adjourned to the next sitting.

## **ACT Forests—involuntary redundancies**

**MR BERRY** (10:40): Mr Speaker, I move:

That there be no involuntary redundancies among the 20 ACT Forestry jobs which the government has announced its intention to axe.

Mr Speaker, this motion arises from a litany of attacks by this government on workers in the ACT government work force. That is not something that is new to the ACT. It is something that, regrettably, we have been forced to tolerate. But our suffering is nothing compared to that of the workers who have been put under enormous pressure by this government, which is committed to the doctrine of “public bad/private good”. We can go back to issues such as the tips being privatised and CityScape being privatised. Mr Moore’s botched announcement in recent times about the Totalcare workers who will lose their jobs because of privatisation merely adds to the long list of attacks on workers under the dogma of “public bad/private good”.

What does this mean for the workers involved? In the case of forestry workers, I had a letter from a forestry worker’s partner who drew attention to the plight of some of the workers. Last week in question time I drew attention to how these people had been scrapped, how they had given long and faithful service to the territory but the government was indifferent to their long and faithful service through wearing blinkers that keep them focused on the bottom line at all times.

Mr Speaker, these workers are people who have given 20 or 30 years of their lives to working in our forests. They are people who throughout their working life have risked their own welfare in the forests of the ACT in protecting the interests of the territory and doing the job that they were provided with. These workers have been recognised for their service to the community, with one being named Canberran of the Year in 1985. As a co-worker then, I recognise the commitment that they have made. Amongst the faces that were outside the Assembly the other day, I recognised many who in my earlier life I saw blackened with the ashes of bushfires as they worked—

7 March 2001

**Mr Humphries:** Ha, ha!

**MR BERRY:** You can laugh, Mr Humphries. That shows how much interest you have in what those fellows do. They put their lives at risk. You will not have to do it in here and you would not know about that, so do not laugh at these workers.

**Mr Humphries:** Mr Smyth knows. Mr Smyth does it as well.

**MR BERRY:** For Mr Smyth, who so often boasts about his membership of a volunteer bushfire brigade, to ignore the commitment that these people have made to the people of ACT is just extraordinary. I will tell you what: he will not find too many friends amongst his fire fighting colleagues after this, for good reason.

Mr Speaker, one other example was the person who was recognised with a national medal and clasp for 25 years of service to the ACT public service. Those sorts of things just do not fall into your lap. They happen after long and committed service to something that you like doing. For the government to turn its back on such workers at short notice is just beyond comprehension.

I will give an example of what one of these workers will get: five weeks pay in lieu, two weeks pay for each year of service, a \$22,000 bonus for having over 30 years of service and a \$2,872 pension per annum. How can you do that to them? These people were misled about their ability to contribute to the superannuation scheme that was available to other public servants.

**Mr Humphries:** By whom?

**MR BERRY:** By their superiors, Mr Humphries. I understand that there is a matter before the courts in relation to that. Forget that for a moment and forget for a moment those other areas of service, if you are so black-hearted that you can forget them too, and just treat them as human beings. No, that would be something that would be foreign to you because you have become familiar with this foul way of treating workers.

**Mr Humphries:** Dear, oh dear, Wayne! Where are the violins?

**MR BERRY:** Mr Humphries still does not recognise it. Mr Speaker, in the last budget this government said that there would be no new funded redundancy programs.

**Mr Humphries:** That is right, centrally funded.

**MR BERRY:** Mr Humphries says that that is right. Mr Smyth then tried to hide behind this statement in the budget papers:

The projected operating results for 2001-02 to 2003-04 are shown as being identical as ACT Forests is subject to an extensive review which may significantly change its operation and estimated outcome.

He said, "We said that and these workers are always at risk, so it does not matter." It is not said there that jobs may go as a result. Nothing was ever said about the job prospects of these workers. These workers have been treated dishonestly from the word go. I am not surprised to hear that some of them want to get out of it because they have had enough of the mismanagement.

The government, in its announcement of these redundancies, went to great lengths to try to blame governments of yesteryear. It might even have blamed Bob Menzies' government. Yes, we all know that there is a long lead time when it comes to planting trees and harvesting them. We all know that and we all know that mistakes are made. But we all know that there are enough professionals out there to identify any mistakes made and take action to lessen the impact on the workers and on the territory. It seems that this government, after five or six years in office, is in the indefensible position of not having done much at all except ignore reviews and come up with others, one after the other. In the end, lowly paid blue-collar workers are going to pay the price.

In effect, these fire fighters, who have a warehouse of personal knowledge about their job, particularly local knowledge of the topography, of the forests and of the risks that certain locations in the forest present to them as fire fighters and to other fire fighters, form the backbone of the fire fighting service in the forest. What is the government going to do about that? Each year, it is going to call in some volunteers to help out. Some of them will come from university as prospective forestry workers, which is a good thing, but they do that anyway.

Mr Speaker, if you take away the backbone of forestry fire fighting—that is, the experienced workers out there—you take a serious risk with any new fire fighters that you introduce on a part-time basis. How are you going to compensate for the loss of corporate knowledge about their job out in the forest? It is beyond me to contemplate such a thing being done in such a harsh and unconscionable way. I just cannot believe that you would—

**Mr Humphries:** Of course you can, Wayne.

**MR BERRY:** I am sorry, I withdraw that. I do believe that the government would do it because I have the experience in front of me—Forests, Totalcare and so on, your own workers. I must say that the dogma has leached into the language that all of you use. Mr Moore sprouts it as if he was born to it. I heard him saying the other day of 100 workers that it was not about 100 jobs. First of all, there were no jobs involved and then there were 30 jobs; anyway, there were going to be jobs in Canberra. He does not seem to appreciate that it is important to somebody who has worked in a job for 30 years not to lose it. To him, the jobs will stay in Canberra and it does not matter whether a dozen, 20,30 or 50 people lose their jobs with Totalcare as other people will get them. That is just incomprehensible.

Mr Speaker, my motion goes to the issue of voluntary redundancies. The government will climb to its feet in a moment and say that it is negotiating with the unions and will probably use the triple R award, which deals with voluntary redundancies, with nobody being forced to go. But what the government does—I have had calls about it to my office—is it makes them an offer of voluntary redundancy, saying that they should bear in mind that if they do not take a voluntary redundancy there are not going to be any job

7 March 2001

there anyway, and those who say, "Gee, I've got nowhere else to go; I think I will hang on for a while and get some training," are poked out in the departure lounge and more or less left to their own resources in the hope that they will get sick of it in the end and go. That is what happens to them.

My motion is very clear. This is not going to happen with these forestry workers. If any one of them says that they do not want to go, you are going to find them a job. That is the intention of my motion: you are going to find them a job. Listen up, because that is what this motion is about. It is about telling you that if these workers who have been with you for periods in excess of 30 years say that they do not want to retire yet, bearing in mind that some of them are waiting for the age pension because of very low superannuation contributions and benefits, you are going to find them a job and make sure that they are not disadvantaged.

Let us dwell for a moment on the sort of money that these fellows earn. One of the letters I got indicates that the men are on less than \$30,000 per annum. A good amount of that money is made up of overtime and allowances when they are on fire watch, if you like to call it that, during the bushfire season. I am also saying to you that you should take that into account too. I do not want to see these workers disadvantaged because they no longer have anything to do with the provision of bushfire services in the ACT.

Each year these people receive overtime and allowances for providing fire watching services in vehicles, in stations, in towers and so on throughout the ACT when the various levels of fire alert are posted in the bushfire season. What I am saying to you is that these people are not to be starved out of their jobs and they are not to be forced to go if they do not want to go. I accept that some of them will say, "We have had enough of these bastards; we want to get out." I cannot blame them for saying that. But some of them will say, "I just cannot go, because it would damage my and my family's future prospects to do so."

Mr Speaker, this is a straightforward motion which deals with a human problem created by government incompetence. For six years the government has not been able to deal with this issue, and then all of a sudden it springs these redundancies on the workers and says, "You are on your way; get on your bike." That cannot and will not be tolerated, I am sure, by this Assembly. It is an intolerable situation to put workers in and the government must be supportive of moves to protect the interests of these workers. I will not tolerate the government standing up and saying, "We will put them through a process. We will give them a little bit of training and prepare them for another job," if it sticks them out in a departure lounge and says that they will be all right there.

They will not be all right unless this motion is passed and these workers are guaranteed jobs and work. I am saying to members that this motion guarantees them a job. This motion is not something that the government can discard. It guarantees them a job and it requires the government to look after their interests. They have given the government good and loyal service and I think that the government should respond likewise. The appalling announcement by Mr Moore in relation to Totalcare workers only emphasises the need to do something to protect these people. I urge members to support this motion.



**MR KAINE (10.56):** The matter raised by Mr Berry with this motion is a perplexing and complex one and I am not sure that it can be resolved by a motion as simple as the one that Mr Berry has put forward. The world has had to confront the fact over a number of decades that the workplace in many respects is a rapidly changing place. For example, the ACT public service of today is unrecognisable with the one of 10 years ago.

The same thing is happening right across the workplace, whether it is in the private sector or in government. The fact is that the workplace is changing rapidly. The logging industry is no different from the rest. Although my memory is getting a bit dim now, I worked in the forestry industry when I was a younger man. It is a hard slog, it is difficult work and it is not particularly well paid, but the fact is that the logging industry, like most sectors of industry, has changed enormously. If you look at shots on almost any television program these days which is focusing on the forestry industry, you will see huge machines taking out entire trees: they chop them up, they hold them and they strip off all the bark, branches and everything else.

When I was in the forestry industry that was all done by people. First of all, you had to use an axe and a hand-held crosscut saw to fell the tree and then you would spend probably two days cleaning up the trunk before it could be hauled away to be converted into useable timber. Not today. The number of people required in the forestry industry is changing because of mechanisation and automation, just as it is in all other occupations. It is not good enough to say that employers in the logging industry may never dispense with the services of human beings when the nature of the job changes and the human beings are not required any more. That is a fact of life; it is the nature of the 20th and 21st centuries, and I can only assume that the rate of change in the workplace, as compared to what it was in the 20th century, is going to accelerate further in the century we are just entering.

We cannot put a blind eye to the telescope and say that nothing is going to change as things are going to change. Employers and employees have to confront the fact that the workplace is a changing environment and that the need for human beings in the workplace is going to change, is going to reduce. The skills that people have in the workplace, regardless of the occupation they are engaged in, are going to change; the skill level and the nature of the skills are going to be different.

The logging industry in the ACT, the pine forests, has been an ailing industry for as long as we have had self-government and no doubt before. I do not recall that it ever made a profit. Obviously, as with other industries, the need for people in the ACT forestry industry is reducing. I can remember having a look at this problem 5, 6 or 7 years ago and just over the border towards Tumut there was a large expanse of pine forests. My recollection is that when I looked at those forests in New South Wales five or six years ago, they were about the same size in total as what we have in the ACT and they were being run by nine people.

I do not know what the difference is between an expanse of pine forests in New South Wales and one of similar size in the ACT, but they can do it with nine. I cannot tell you how many people we have, but I know that it is a lot more than nine. Mr Berry, the trade unions and the employer have to look at the problem from a different perspective. It is not a question of saying that there will be no redundancies, voluntary or otherwise. The

7 March 2001

question has to be: what can the employer and the employees do to ensure that those people have other employment?

There is clearly an obligation on the employer in today's world. It did not use to be so; somebody could leave a job and get another job virtually overnight for most of the period of my lifetime. People cannot do that any more. If they are made redundant here, one has to ask: where can they go to get a job in the forestry industry? There are not too many jobs anywhere else, either.

That imposes a responsibility on the employer—in this case the ACT government—to find ways of placing those people in other suitable employment. It will probably require training programs. It will probably require negotiation with all sorts of employers to find slots into which these people can go. On the part of the employee, there has to be an acceptance of the fact that they have to change the nature of their occupation.

It has happened right across the workplace. Just think of the workplace in the public sector even 20 years ago. Where did all the tea ladies go? Where did the typists go? Where did the people go who worked on filing in the registry? There were hundreds of them. Those jobs do not exist any more. Even in the last 10 years they have gone. All of those people have had to confront the fact that they had to train and be willing to accept other types of employment.

For Mr Berry to suggest that the forestry workers in the ACT are somehow different and that their secure future in the ACT logging industry has to be guaranteed no matter what is to be totally out of step with the reality of the world in which we live.

**Mr Berry:** I never said that.

**MR KAINE:** I do not want to get into an argument on this issue with Mr Berry. I know that he has very firm views on it, based on his union background. I do not want to get into a dispute with the unions. I think that I can reasonably claim to have had a pretty good working relationship with the unions in this city over the last 10 years. I do not want to get into a hold with them and I do not want to be too critical of them, but I think that most of them do accept the reality of the need for flexibility, and this is such a case.

It comes down, in my view, to the fact that the government has an obligation to find alternative employment into which these people can go, even if it requires some expense on the government's part to train them. Mr Berry referred in particular to a person whom I heard being interviewed on radio. He was 59 years old. He had been in the ACT logging industry for 30 years or so. He felt that his job was going to be terminated and he asked a good question. He said, "What am I going to do for employment at my age with no experience in anything other than the logging industry?"

That is a question that the employer has to deal with. Some people in this place might ask the same question the day they lose their seat here. What are they going to do? How are they going to get a job? Do they have any skills to get a job? I notice Mr Moore is having a little chuckle. He might have to confront that issue in a few months. But it is a serious matter and the government does have to accept responsibility for finding other employment for these people and, if necessary, spending some money on training them so that they are able to make the transition into some other form of employment and at

least have the dignity of a job, rather than being thrown onto the unemployment scrap-heap.

That does require some responsibility from the people involved and it requires some assistance from the unions. Instead of getting into confrontations with the employers, they have to be prepared to work with the employers—in this case the ACT government—to find solutions. The employees themselves have to accept that the world is changing. The fact that their jobs are becoming redundant does not mean that they do not have a place in the work force or in society, but they do have to be a bit flexible and be prepared to take on training, where necessary, to equip them to move into some other form of employment.

As long as the government accepts its responsibilities in that regard, the trade unions associated with this industry accept their responsibilities to ensure a reasonable transition and the workers themselves recognise that their job cannot remain forever and there is no guarantee that they will, I think that amicable solutions can be found and there should not be need for real concern on the part of the individuals involved. They should feel confident that they do have a future and that the government—their employer—will assist them in achieving that.

I would like to get something from the government that reinforces that notion in the minds of the people concerned, because they must be feeling very insecure at the moment and they are entitled to some assurance of what the future holds for them. I do not believe that the problem is insurmountable. It is a function of the changing world that we live in and we all have to work to make sure that we get an appropriate solution.

**MR HUMPHRIES** (Chief Minister, Minister for Community Affairs and Treasurer) (11.07): I agree with Mr Kaine that the nature of the workplace has changed very dramatically in recent years. The nature of the responsibility of governments as employers has also changed in that time. We would be doing our community a grave disservice if we were to attempt to preserve the patterns and structures of work in this community just as they were, say, 10 years ago, when we know that other workplaces are changing around us and we have an obligation to ensure that ours are able to offer a contemporary and appropriate avenue of work to those employed in the ACT public service.

Mr Speaker, the nature of work in the ACT, elsewhere in Australia and the world may have changed, but Mr Berry's rhetoric has not. Mr Berry, as ever, sees this matter in class warfare terms. It is the vested interests of power and money against the poor, exploited, downtrodden worker.

**Mr Berry:** You do not like it, Gary, but it is true.

**MR HUMPHRIES:** On the contrary, Mr Berry. I love to hear you say that. When I was going to university 20 years ago, the radicals at the university used to use that kind of language all the time. They were arguing for class struggle, revolution and things like that. It is comforting to know that, with the Soviet Union going and the world changing as much as it is, there are still people like you, fossils like you, who are prepared to put on the record their belief in these 1950s industrial relations notions. Mr Berry, I think you do the Labor Party a great service every time you go out into the community and use

7 March 2001

that language! I am not worried about what you have to say about this matter. I am very pleased about it and I would encourage you warmly to continue with that line of attack.

Mr Speaker, you could almost hear the violins behind Mr Berry as he spoke a moment ago. He spoke of the long and faithful service of these workers and the attacks by the Liberal government on those workers, of how we are undervaluing the service they provide, of how we obviously despise the contribution they have made to the ACT over many years, citing their medals and awards with respect to bush fire services in the ACT. Mr Speaker, all of that would ring rather truer—it would sound plausible, almost—if it were not for the record that Mr Berry and his colleagues themselves have in government when it comes to the issue of wages and their positions.

Need I remind the Assembly, Mr Speaker, that it was not very many years ago that Mr Berry and his colleagues brought to this place a budget to provide for \$17 million worth of redundancies in the ACT public service. Mr Berry, were any of the people who were made redundant at that time by virtue of that program people who had given long and faithful service to the ACT?

**Mr Berry:** No involuntary ones.

**MR HUMPHRIES:** Our intention also is that they not be involuntary. That is also our intention, as Mr Smyth has made quite clear. We will do our best to ensure that everybody who takes these redundancies does so willingly and accepts that money on that basis. Was the value of those workers that the territory was dispensing with in the days that you were in office any less than the value of these forestry workers?

**Mr Berry:** There were no involuntary ones.

**MR HUMPHRIES:** You avoid the questions, Mr Berry. I will answer that question for you. No, there was no less value in those workers. They were workers who had put in diligent service to the ACT but, as Mr Kaine has made reflection, we did not have the capacity as a territory any longer—

**Mr Berry:** No involuntary ones.

**MR HUMPHRIES:** I heard that point several times, Mr Berry.

**MR SPEAKER:** Stop interjecting. You will have a chance to respond when you close the debate, Mr Berry.

**MR HUMPHRIES:** The thousands of workers, as I recall, whose services you dispensed with were workers who had also given valued service to this community, but we did not have the capacity as a territory to sustain a work force of that size any more. You knew that and we know it now. We have worked hard to address the territory's budget position, in particular the budget operating loss, and we have had to do that by making some decisions, including one on the size of our work force.

Mr Berry tried to make play of the fact that we promised in the last budget not to have any redundancies. We did not promise in the last budget not to have any redundancies. Mr Berry, as usual, has twisted and distorted what was said. We promised not to have any centrally funded redundancy program and the—

**Mr Berry:** And this is coming from Treasury?

**MR HUMPHRIES:** No, this money is coming from the forests, another little tarradiddle from Mr Berry.

**Mr Berry:** That is not what the workers are being told.

**MR HUMPHRIES:** We never said that our program would mean that there would be no redundancies anywhere in the government. No government could ever make that promise.

**MR HUMPHRIES:** The fact is, and Mr Kaine brought this out very appropriately, that ACT Forests has never been a profitable part of the operations of the ACT government. It has never been a business that we have been able to make operate effectively. It has always entailed significant losses to the ACT taxpayer.

**Mr Osborne:** So have the buses.

**MR HUMPHRIES:** I think there is a community service in having a good bus system in the ACT. I do not know that there is such a large case to be made for having a work force of forestry workers of the size we now have in operation in the ACT. Of course there is value in having people there as de facto volunteer back-up bushfire fighters. Of course there is a value in that and we have to make sure that in this program of reducing the number of people in the work force of ACT Forests we do have people who are able to fight forest fires in the ACT. But the losses in forests each year are substantial. We have worked very hard in the last six years in an attempt to address that. Indeed, we have reduced the extent of those losses, but we cannot put an end to the organisation's loss for the ACT taxpayers without making some other changes. That includes reducing the number of people on the work force.

Mr Speaker, a question I would pose about this motion is: if we believe that forestry workers deserve not to be ever put in the position where they are involuntarily retired from the public service, why do we not believe the same entitlements should flow to any other workers in the ACT?

**Mr Berry:** We do.

**MR HUMPHRIES:** That is not what your motion says. At the moment it is possible—I must say, quite rarely, but it is possible infrequently—to make redundant someone for whom a job cannot be found within the public service. It does happen occasionally. You have not moved a motion previously to prevent that from happening. The question is: why are you not doing so now?

**Mr Berry:** Because I believe in it.

7 March 2001

**MR HUMPHRIES:** Why are you not doing it, if you believe in it?

**Mr Berry:** I am doing it.

**MR HUMPHRIES:** You are only doing it as far as forestry workers are concerned, people who fight bushfires. Is it because they came to the Assembly the other day en masse that you are taking up their cause? Are the other people who go to the career assistance unit from time to time and get redundancies people you do not care about because they are not here in large numbers and you cannot exploit them for the purposes of the coming election? Is that why the motion does not refer to them, Mr Berry?

The fact is that you are concerned about this issue today because there is an election coming up and you want to make sure that you grandstand on these workers whereas you were quite happy just a few years ago when in office to put 17 million bucks into making redundant workers in the ACT public service. You were happy to put thousands of workers out of employment in the ACT back in the days of the Follett government. Apparently that is not good enough any more.

Mr Speaker, let me say on behalf of the government that we will do our very best to make sure that every worker in ACT Forests is provided with a job or is able to take a redundancy which they willingly and voluntarily accept. Despite what Mr Berry says, the packages being offered to these workers are not inconsiderable. We needed to make them considerable packages in order to be able to get people to take them up. There is no point in offering them if they are not going to be taken up, and I am confident that many workers will do so. But let us not get confused by the bleating of those opposite who pretend to be concerned about the position of workers in this community, but in office demonstrate quite the opposite level of concern.

**MR OSBORNE (11.17):** I must admit to being a little disappointed with the Chief Minister's attitude towards some of the things that Mr Berry had to say about the forestry workers. At times I have criticised Mr Berry about some things, but to accuse him of not being a strong advocate for workers is far from the truth. You can say lots of things about him, but that is not something that you could say.

A question that has nagged me for many years has been answered today. I have always wondered where Mr Kaine developed his skill with the axe in this place, and I am pleased that he stood up and answered that question for us today.

Mr Speaker, this motion is not about restructuring the industry. It is not about forcing the government to retain the 42 workers within that group. This motion is just about requiring the government to find those people a job. I will be supporting it. I think that there would be widespread agreement in here, obviously at different levels, that ACT Forests is in need of improvement. I have looked at the material that was put out by the government, with some questions and answers, on the need for change. Question No 5 asks how ACT Forests came to be in the present position. It is very clear from reading that paragraph that the first point was the lack of plantings in the late 1960s, combined with overcutting in the 1980s. That was obviously a bad decision on the part of the bosses, not the workers.

The second point is on the overall costs of running ACT Forests. I think we all know that the major cost for any government agency is wages. I found the third point most interesting, and I will read it. It says:

In recent years, the commercial forestry operations have been subsidising the cost of conducting ACT Forests' community service obligations, such as providing recreation facilities and fire suppression resources, therefore the need for restructuring of ACT Forests as a consequence of a combination of past management decisions, higher recurrent costs and underfunding of community service obligations.

I have a question. Who is going to take up these community service obligations once these workers are gone and how much will that cost? Obviously, there is going to be a cost to government for that.

Further on there is talk about how much money will be saved, and there is a figure of \$1.3 million. It says that ACT Forests will save about \$1.3 million from its wages bill by reducing its work force by 20. It is estimated that about \$600,000 of that will be needed to spend on contract work, so you will really save only \$700,000. I would like to know how much money is going to be spent in other government departments on community service obligations and why there is not a figure for that in here. Perhaps we will see that the savings are not quite as high as the government is making out.

I have heard some of the interviews and listened to some of the workers who are faced with a bleak future and I, like Mr Berry, feel for them. This motion is just about placing an obligation on the government to find them a job. I am sure that Mr Smyth will stand up in a little while and say that we are already offering voluntary redundancies. Question 23 starts out well until you get to the last line, where it says that, if redeployment actions are unsuccessful, at the end of the staff members' retention period they will be retired.

**Mr Berry:** That sounds a bit different from what Gary was saying.

**MR OSBORNE:** Yes. I think that there have been some untruths said in response to Mr Berry's motion today. This motion is not about forcing the government to keep these workers within ACT Forests. It is just about ensuring that people who have given service to the territory are looked after and found a job, and I will be supporting it. I understand that Mr Smyth has an amendment that he has not circulated yet. I must admit to being a little suspicious about it, but I look forward to listening to what he has to say.

**MR QUINLAN (11:22):** I will be fairly brief. Mr Kaine recognised that the world is changing and we have to agree that the world of employment has changed. Much of that change has been driven by economic rationalism in recent times and the simple economics that you cost one option versus another and choose the least cost or the most profitable option. But these tend to be the economics of the enterprise ownership, and it may well be that if all costs were factored into the equation there would be a different answer. If all costs are being factored in and taken into account, they must include the human cost or the cost to the individuals involved. This is a government enterprise and, remember, governments are primarily responsible for people.

7 March 2001

The import of this motion is about redeployment and that redeployment in this case must be part of the process. Mr Kaine referred to this process as being out of step with the modern world. A lot of the precepts of the modern world are now under challenge. The concept of wholesale outsourcing is now under challenge. The concept of perfect markets whereby pure economics should govern every decision we take is under severe challenge because we know—we will probably talk later about oil companies—that pure economic rationalism is not the total case and should not be applied without some consideration of the people directly involved.

I have to say that I do hope that extracts of *Hansard* incorporating the derision that was such a feature of the Chief Minister's comments will get out. I do hope that Hansard picked up some of the interjections made about violins, et cetera, while Mr Berry was speaking. I think that it would make interesting reading for the people directly involved and for other people within the ACT public service just to know the caring nature of our Chief Minister.

I am not sure, but towards the end of what he said I did detect some softening of the attitude. It may be that he also has a view to an election, something he accused Mr Berry of having, but I have to say that everything I have seen and heard from the Chief Minister in recent times has had nothing else in mind but an upcoming election and that, at least occasionally on the Chief Minister's part, is a recognition that the people will have a say from time to time.

This motion is purely about there being no involuntary redundancies. It is about the responsibility of an employer to find alternative work for people that have served long and faithfully. I do not think that that should be beyond our capability. If it is, I think it is a sad commentary on the administration the Chief Minister heads.

**MR STEFANIAK** (Minister for Education and Attorney-General) (11.26): Mr Speaker, I noted with interest the comments made by Mr Kaine, and I think they are very pertinent to this debate. It is a sad fact of life that with globalisation, with the world moving on, situations have changed, and people are affected by that.

I want to deal with a number of matters, Mr Speaker. The action that the government has decided to take on ACT Forests has been carefully considered. It has been based on sound information and reasoning. Let me explain.

Over the last 10 years ACT Forests has been making a loss and, unless something is done, losses will continue for at least another five years. They are not insubstantial losses. There have been two separate independent consultancies, and a report by the Auditor-General as well, and all concluded that something must be done, and done now. An option for the government, based on the conclusions of the consultants, was to divest itself of complete or partial ownership of the business. The government carefully considered this and decided on a less drastic approach, one that protects the jobs of many workers in that industry.

The government is aware of the fact that ACT Forests' output of logs is a crucial input to local forest industries. The industries employ some 370 people. If our forests are not an efficient and sustainable operation, then those jobs and those businesses are at risk in the highly competitive, globalised plantation timber market.



ACT Forests is a medium sized plantation business. It should be profitable, as are most comparable businesses of this size in Australia. It should not continue to be calling on taxpayers to support its commercial operations. By comparison, Forestry South Australia, which has been recently corporatised by the South Australian government, made a profit of \$32.5 million in 1999-2000. Forestry South Australia has five times the area of plantations that our forests have, but if you extrapolate on that basis our forests should be able to make a profit of around \$5 million.

Well, why aren't our forests profitable? There are several reasons. One is the fact that our overheads are 100 per cent greater than in comparable forest businesses. Another is that underplanting of trees back in the 1960s and the overcutting of trees in the 1980s is now causing additional costs in operations. Finally, the commercial operations have been subsidising community and recreational use of the forest. All three factors are being directly attacked by the government's restructuring strategy.

The government decided that in order to put the business onto a sustainable footing it was necessary to reduce and restructure its work force. It was also necessary for it to be in a position to diversify its sources of revenue by providing commercial forestry services through things like joint ventures with other forestry companies and investors. Most significantly, the government has decided that the community and recreational use of the forest should be fully and transparently funded through community services obligations.

Ultimately this restructuring will have a very significant benefit to the community. It will enable other jobs in forests and related industries to be created downstream. Investment by the private sector will not occur unless our forests, the anchor supplier of logs, are efficient and sustainable. The restructure will mean that ACT Forests will have the capacity to improve its environmental performance both on the commercial side and public use operations. This will be achieved through a complete restructuring of the organisation and through the appointment of technically qualified staff, either through new recruitment or through re-training, to supervise the forestry operations.

Finally, the increased funding for community use of the forests will be widely supported by the wide range of ACT residents who use our forests for recreation. Each year there are over a million visits to our plantations, and the recreation facilities provided by ACT Forests need to be well managed.

Part of the additional funding provided to ACT Forests for community service obligations will be used to ensure that it continues to maintain its capacity to contribute to fire suppression operations throughout the ACT. This will be achieved by employing casual firefighters each summer to work with the experienced ACT Forests staff. All of these firefighters will have to meet strict fitness and training requirements.

In devising this strategy the government and the management of ACT Forests have been acutely aware of the impact on staff. Many have worked at ACT Forests for many decades. The government realises the difficulty that some of the staff may face in a wider employment market. It is not easy to get a new job when you are 59 and you have been working there for 30 years. That is why the voluntary departure packages have been

7 March 2001

especially structured for additional financial assistance and for assistance with re-employment—I will say that again, re-employment—and redeployment.

The government has made a commitment. I think my colleague Mr Smyth has indicated that no involuntary redundancies will occur unless the government has followed to the letter the provisions of the EBA and the AIRC has agreed that we have done everything in our power under the EBA to avoid the use of involuntary redundancies. I understand that is a commitment that my colleague the Minister for Urban Services has made.

If the government did not take these steps I think we would face a risk of far more people losing their jobs downstream than what is occurring now. If the government were to sit on its hands and let the situation continue, our forests would not be a viable concern, and that would have a far greater effect upon people in jobs than at present.

**MR CORBELL** (11.32): Mr Speaker, it is patronising in the extreme to suggest that this is a debate about some old-fashioned 1950s class war ideology.

**Mr Humphries**: Oh, it's true though.

**MR CORBELL**: It is patronising in the extreme.

**Mr Humphries**: A sensitive nerve.

**MR CORBELL**: I know that Gary Humphries, the Chief Minister, is continually fixated with responding to these sorts of debates in that way, but that says more about how he views the debate rather than how members on this side of this place view the debate. This is a contemporary debate, Mr Speaker. It is about the future lives of workers in ACT Forests and the aspirations they have for themselves, their spouses and their families. For Gary Humphries to walk into this place and accuse the Labor Party of making comments about some class war, I think, just shows how out of touch he is with the concerns that these people have raised.

Mr Speaker, what are we talking about here? Are we talking about whether or not ACT Forests should be made more viable? There is no disagreement that ACT Forests needs to improve its operation. No member of this place would disagree with that; nor would any member of this place disagree with running any government agency in a more efficient manner. But what Mr Berry has put forward in his motion today does not deal with either of those things. The question we are debating today is should the workers in ACT Forests be forced out of their jobs in an involuntary way? What Labor members in this place are saying is that they should not. And why shouldn't they?

There are two reasons. First of all, this government made a commitment that there would be no involuntary redundancies. This government said in the last election campaign "the pain is over". They were their words, their phrase; no-one else's; theirs. So what we are doing in moving this motion today is saying stick by it. Stick by that absolute commitment you gave—the pain is over. Do not force out of employment people who do not want to go.

I heard the protestations from the Chief Minister about how they will not be endeavouring to do that; that they really do not want to do that. Well, if you do not want to do that, support the motion, because that is what the motion simply asks you to do—no involuntary redundancies.

Do not come into this place and talk about how genuine you are, and then attempt to categorise this debate as some sort of outdated 1950s ideological class war debate, which is what you have done. Do not come into this place and say you are genuine about protecting the interests of these people, and that you will not really, hopefully, force them into involuntary redundancy when at the same time you offer them packages which in many respects are less than two years salary after, in some instances, 38 years of service. Is that just? To not guarantee that you will not sack them and then to offer them less than two years annual salary after periods of service in some instances going up to 38 years?

These people deserve better than that. They deserve better from a government which professes to say the pain is over and that there will be no more involuntary redundancies. This motion is about holding you lot to your commitment; nothing more, nothing less. It is not about binding ACT Forests to some process that will not mean they will not be able to be competitive. It is not about that at all. It is about doing the decent thing by people who have given good service to the territory.

Mr Speaker, I was shocked when I saw what some of the employees of ACT Forests were faced with as, to use the government's words, "a very generous package". Many of these workers in ACT Forests earn less than \$30,000 per annum. That is considerably less than anyone else in this place. For this Chief Minister particularly to come into the Assembly and pontificate about class war when he is sitting on a salary of well over \$100,000, and to say people on less than \$30,000 per annum will get the equivalent of two years salary for 38 years of service, is, I think, a complete disgrace.

Look at the situation many of these workers are faced with in relation to their superannuation entitlements. In the instance quoted by Mr Berry, there will be an employee who, after 34 years of service, will only receive a pension, a superannuation entitlement, of \$2,800 per year. That is also a disgrace.

For those reasons, members, we should be insisting that the government keep its commitment to no involuntary redundancies; no get-out clauses; no go direct to jail and collect \$200.

**Mr Humphries:** We didn't say that.

**MR CORBELL:** Nothing like that. Keep your commitment and say, "No involuntary redundancies." No ifs, no buts; keep your commitment.

**Mr Humphries:** I take a point of order, Mr Speaker. There was no such commitment made by the government.

**MR CORBELL:** Oh, sit down, Gary. You are debating the question. He is debating the question. The Chief Minister still thinks this is some cute debate where he can joke. We are talking about people's livelihoods. We are talking about the aspirations these people

7 March 2001

have for their families, for their spouses and for their own futures. Yet this government seems to want to be able to fudge it around the edges so that they can say, "Well, we will do our best to make sure there are no involuntary redundancies, but we cannot guarantee it."

Mr Speaker, in light of the so-called very generous packages that the government is prepared to offer, packages which quite frankly are a joke, and in light of the already clearly inadequate superannuation entitlements that in some instances these people will receive, the very least that this Assembly can do is say to the government, "No involuntary redundancies." That is the purpose of the motion today, and I urge members to support it.

**MR RUGENDYKE (11.41):** Mr Speaker, I am happy to support this motion. I am happy to support it because it does what I think the government has said it will do—that there will be no involuntary redundancies. I note that Mr Osborne has drawn our attention to a big bailout provision that is in the government's documents. I think the motion ought to be supported because the government itself seems to support it. The government appears to support the motion because Mr Smyth has circulated an amendment to it, and I will assess that later.

Mr Speaker, I have sympathy with the forestry workers. In fact, my dearly departed father-in-law was a forestry worker who may well have worked with our chainsaw wielding colleague over here. In about 1957 or 1958 his family came to the ACT and my wife started her life here as about a six or seven-year-old in the Stromlo forestry settlement. So, Mr Speaker, I do have a great sympathy for these forestry workers. I have known some of them over the years through my association with my father-in-law, obviously.

It is clearly the intent of the speakers in this debate that the onus is on government not to discard these workers, not simply to allow them to disappear through some departure lounge to a retirement village. The clear intent of members in this chamber is that the onus is on government to find them a job, particularly at the later stages of their working careers at ages of 59, et cetera. It is most important that the government does find them a job.

Mr Speaker, the Treasurer has proudly announced \$4.6 million worth of Commonwealth funding that apparently is to come before the various committees. Surely some of that money can be used to find 20 jobs. I do not think it will be difficult.

As well as the onus on government to find these workers a job, I think there is also an onus on the workers to accept, as Mr Kaine says, the lack of jobs in forestry, given that huge machinery now fells and strips trees, as he has described. The onus is on the workers not simply to sulk because they no longer will be able to wield an axe or a chainsaw, but to respond to reasonable offers of training and job diversification. It is the nature of the work force that people do need to adapt and to consider other options in their working life.

Mr Speaker, I turn now to the amendment that Mr Smyth has circulated. I think he will tell us that this is part of the proper process. I will consider it and I will listen to the debate when that comes about. I think that Mr Smyth, firstly, needs to be given a clear

message that workers will be found jobs and not simply discarded through some sort of departure lounge. I will assess the amendment on the merits of the debate.

**MS TUCKER** (11.45): The Greens also will be supporting this motion. What is at the basis of the debate today is really a very important issue, and I think that Chief Minister Humphries' response was totally inadequate from a government that is supposedly interested in social capital. I think I understood Mr Humphries correctly a minute ago when he stood up and said that it was never his government's claim that they would not have involuntary redundancies. I thought they had made a commitment to that effect some time ago. It is interesting if in fact that is the government's position.

I am raising the question of social capital here for a couple of reasons. When you do reading on social capital—there are a number of academics who write on it and there are different interpretations of it—there are a couple of things that are common with all the interpretations, and perhaps the government is moving further away from those understood interpretations. In fact, social capital, in this government's view, does not actually include the concept of trust and trust in community. I guess that is where I see a fundamental contradiction in what government is doing here today and their claims to be committed to social capital, because there is definitely a betrayal implicit in this.

I think Mr Corbell spoke well to the issues. As he said, this is about what is fair. This is about how people who have worked for a long time in Canberra are treated. This is about people who may well be thrown into poverty, basically, and we hear a lot about poverty from this government. We need to understand what it is like for someone who has been on \$30,000 a year. We need to understand that they are not likely to have a huge reserve of money in the bank, that they will be living from pay to pay, and that this is a huge trauma and shock to them because they believed they had a secure job.

We also know that this is related to the question of poverty. We have an increasing phenomena, the working poor. Anybody earning \$30,000 a year is already in trouble, basically. That is not a good income. I believe that we need to be much more serious about looking at what it is like to live on that level of income in this place, and that just does not happen. We also see people living on less than that who are on government payments.

The federal government's punitive approach to people, and this government's punitive approach through its housing policy to people who are not coping on that very low income, are also quite contradictory to the notion of fairness or justice, or, dare I say it, social capital. In particular, I am talking about housing's policy on people with poor rent records. If you think it is hard on \$30,000, look at what some people receiving government benefits are having to live on. I think it is extremely difficult for people on that sort of income to meet all the different financial requirements. Paying the rent may not be the thing that gets the highest priority, and what does that mean if they then become people with a poor rent record? The CEO of ACT Housing—I can't remember his name—said in the newspaper recently that we need to get tougher on these people.

It is quite hard even to access medical care in Canberra any more unless you have \$30 in your wallet because there are not that many places you can go to that bulk bill. You probably need to get there by bus, and there may not be a bus anyway to that particular place. There are a whole lot of issues here that I think are not being acknowledged.

7 March 2001

Mr Humphries just tried to dismiss Mr Berry's motion. I don't know; maybe it's what people do in the university debating teams. I have noticed with debating teams from universities that they like to put the opposition down, and maybe that's how it works.

**Mr Humphries:** Well, you do it, Kerrie. Why shouldn't he do it?

**MS TUCKER:** In fact, they are real issues that are being debated here. Mr Humphries says I do it. I am certainly criticising Mr Humphries for his debating tactic. I am. I think it is appalling

**Mr Humphries:** So what's the difference?

**MS TUCKER:** Mr Humphries says, "What's the difference?" This is exactly the sort of tactic that I am talking about. I am saying that this is an important issue. Mr Humphries is not addressing the issues. He is the Chief Minister of a government in a parliament supposedly caring about people in the ACT. An opposition member has put up a motion which deals with serious social issues and Mr Humphries is just trying to demolish the credibility of the person putting the motion and not addressing the issues. That is what I am criticising and, yes, I think I have the right to do that. I think the really important issue here is to actually look at the issues that are at the heart of Mr Berry's motion.

As I said, we have seen what is at the heart of this motion. It is about people's livelihoods. It is about people's lives. It is about people who have been thrown into a very traumatic state of insecurity. The rationale for it, from this government, is cost cutting in ACT Forests. Okay? So now we can look at the issues of ACT Forests.

It appears to me that ACT Forests is a marginal business operation that cannot compete equally with commercial plantations in other areas. The ACT has a marginal climate for the planting of pine trees, and some planted areas are very steep, with strong potential for soil erosion. It is also true that the plantations were not managed on a sustainable basis before self-government, and, even since then, governments of both persuasions have not managed the plantations well. Blackberry and other weeds run rampant in the plantations and there have been a number of instances of inappropriate logging next to watercourses that has caused erosion.

It is also the case that few other pine plantations in Australia would be so close to a major city and subject to significant recreational pressures, such as car rallies, mountain bike riding and camping. The plantations provide a community service and also an environmental service by keeping some of these activities away from more ecologically important areas in our nature reserves.

The government wants to cut its losses with ACT Forests, but I am not sure that it has adequately addressed the community service obligations that ACT Forests have to provide, and whether they are being funded adequately for these. Perhaps it also has to think more laterally about the viability of the current plantation business, for example, by moving more into hardwood or downsizing its plantation area to get out of the more environmentally sensitive areas. On the other side of the jobs, as I have already said, this is another example of the casualisation of work brought on by the pressures of market competition, with all its attendant social impacts on families.

In conclusion, I say again that I think the government does have an obligation to fairly treat its existing employees and not just throw them on the scrap heap if they do not fit their commercial plans. If there is a need for a new skill mix within ACT Forests, and there may well be, I think the government should first look at retraining and redeployment of existing staff rather than sacking them and bringing in new workers on contract. If there are any employees in ACT Forests who are happy to take a redundancy package because it suits their plans, then, of course, I would not stand in their way. However, I do not think that employees who do not want to leave should be forced to through involuntary redundancy. I think this is poor staff management and it should not be undertaken by this government.

**MR SMYTH** (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (11.54): Mr Speaker, there has been much said here this morning. This really is about the viability of an industry long term and a number of jobs in the industry that can grow. The potential of this region and its ability to grow more jobs, and its ability to secure the 350 jobs in the region, is based on ACT Forests. ACT Forests is the linchpin of any future expansion and, indeed, the retention of the current jobs across the industry at about the level of 350.

We do not compete. We do not compete because our overheads are too high and because we do not, as Mr Kaine so appropriately outlined, have practices that allow us to operate in the modern world. Our overheads are double what is the accepted industry norm, which is about \$60 to \$75 per hectare. Ours are up at the \$150 mark. So there is a dilemma. There is a dilemma about what we do and how we restructure.

The motion that Mr Berry put forward today is about the restructure. It is curious, Mr Speaker. We hear lots of noise, but we need to come back to the facts. The fact is that we have too many staff. We cannot compete in the market because that is our largest overhead. Mr Speaker, we have to lose some of those jobs.

The packages that are on offer by ACT Forests represent, for most staff in the lower ranges, an effective doubling of the standard package on offer for any other worker in the ACT public service and the APS. It is curious. We hear from those opposite that the packages are not generous enough. Overall this is a better deal than FISAP, the forest industry structural adjustment package, which was agreed to by the Trades and Labour Council in New South Wales, the CFMEU in New South Wales, and the ALP government of New South Wales. They are better than those offered in New South Wales or by the private sector. These packages are better than anything ever offered in the ACT or Commonwealth public services. They are better than what those opposite offered when they were in government from 1991 to 1995, Mr Speaker. They are far better than what these people bleat about. They were voluntary redundancies. They were all voluntary. They had the choice. What we are offering is much better than what has ever been on the table before.

Mr Speaker, the package was tailored to meet the specific needs of the forest staff. When we put it together we took into consideration the age profile, the likelihood of redeployment, and the type of work that the employees are used to and would like to do. What we have done is offer a package—\$15,000 for staff with up to 25 years, an

7 March 2001

enhancement of \$15,000, \$18,500 enhancement for those with over 25 to 29 years of service, and \$22,000 for those with over 30 years of service.

The average forestry worker is paid a salary of between \$27,000 and \$44,000, depending on their classification. There has been much said about those on the lower incomes. Yes, there are some on lower incomes, but, for instance, five or six of them are GSO9s and they get \$43,000 a year before overtime. Some of them, yes, are on the lower edge of the scale, but some of them are doing okay on \$43,000 a year with overtime. Mr Speaker, the enhancements are in addition to the standard package, which is a maximum of 53 weeks pay, depending on service.

Mr Kaine raised the point of what are we doing about redeployment and retraining. Ms Tucker also asked. Well, that is the whole point of the package. If those opposite had delved further into the package they would have seen the incentives that are on offer. We have offered a further \$100 a week training subsidy for 12 months to any employer who will take on any ex-ACT forestry worker. I think this will be a substantial incentive for any employer to employ displaced staff, particularly those employed with ACT Forest industries because there will be opportunities in the contracting that comes up.

A further \$4,800 is available. That is paid directly to an ex-employee for such items as fees, computers, textbooks, tools of trade, et cetera, to set the displaced worker up in future employment. Finally, some may choose to move elsewhere to follow a career in the forestry industry. Those opportunities may be elsewhere. There is an allowance of up to \$20,000 to resettle if they seek employment somewhere else. If they get a secure offer of employment we will help them resettle. That is an acknowledgment that some of them may wish to stay in this industry and may find jobs elsewhere. What we have is a comprehensive package there to address those needs.

Mr Speaker, much has been said this morning. Mr Osborne, for instance, questioned the CSOs. What we will do is restructure ACT Forests to take into account that areas under forest are used for other things than just the production of timber. We will fund those community service obligations so that it is quite clear that what has been funded is for the use of the community as opposed to the production of timber. That will be in the budget.

Mr Quinlan said that he hoped that Hansard had picked up Mr Humphries' comments. Well, I hope Hansard picked up Mr Berry's comment—I think Mr Wood was saying it too—that under Labor there were no involuntary redundancies; none whatsoever; that they put their \$17 million on the table and everybody who went was happy to take it. Well, Mr Speaker, I am told that in fact—

**Mr Quinlan:** No, we didn't take the hard decisions. Remember that?

**MR SMYTH:** You did not take hard decisions. I see. Well, contrary to what Mr Berry was interjecting, I was told by an ex-union official that there were at least three involuntary redundancies during Labor's term in office.

**Mr Wood:** Three. Oh dear. Did we make a mistake?



**MR SMYTH:** We will look for other examples. These were actually activated at the end of those staff members' retention period. That is something we are seeking to do. It is exactly what we wish to do. We wish to follow the established process.

What Mr Berry's motion does is say it is acceptable for Labor to have a process, but the Liberal Party is not allowed to have access to the same process. That is what we are seeking to do. We will look and find out how many others were actually made involuntarily redundant under Labor. It is an important point to make.

Mr Speaker, the package, by normal standards and in comparison to the FISAP, is a generous program. Mr Corbell said that it was not, but Mr Corbell needs to go back and look at all the elements of the package. It is better than anything Labor ever offered when they were in government. This is a better package than anything that has ever been offered by the ACT public service or the Commonwealth public service. I think Mr Corbell needs to go back and look at what is there instead of spouting rhetoric in the way that he does. Mr Speaker, employees who have been with ACT Forests for a long time will not be forgotten. That is why the enhanced package is there.

Mr Berry also raised the issue of fire fighting. Again, that has been taken into consideration. We are very much aware of the services that have been provided by ACT Forests, and allowance has been made to make sure that there are enough firefighters on hand during the fire season. We take that responsibility very seriously.

Mr Speaker, we then get to what it is that we are putting in place. We will be putting in place specific assistance for staff who may seek redeployment rather than take a voluntary redundancy. We are restructuring and realigning the careers assistance unit program and the services that they offer to make sure that we give maximum opportunity for those workers who wish to remain in the public service.

Mr Rugendyke asked what would be done to help. Well, the package is all there and they will be given time to retrain. We will look for other opportunities. We will follow that process through because we would like to see people in employment. We have worked very hard over the last six years to create new employment opportunities. We would like to see any worker displaced in this way take up those opportunities. Mr Speaker, members of the Assembly have seen the initiatives in the information pack that was distributed. All of this information is contained there.

Now, when we get to Mr Berry's motion, you have to ask on what ground does Mr Berry suggest that these workers should be given the undertaking of employment for life. Is that the undertaking that Jon Stanhope's Labor opposition is giving—that all ACT public service employees under a Labor government will have opportunities to be employed for life? I notice that Mr Berry does not even bother to interject because he knows that that is not what they will offer. They are not in the position to offer that because they know that circumstances will change that necessitate restructure. So we get back to the comments made by the Chief Minister. This is just a stunt. It is playing to an audience. Everyone knows that occasions will arise when restructure must take place.

There has been a long history with ACT Forests. It does go back to inadequacies in planning under Liberal governments in the 1960s. It goes back to over-harvesting under federal Labor governments in the 1980s. (*Extension of time granted.*) It is important to

7 March 2001

understand that history, but the time has come now when we must change. We must be competitive in order to give ACT Forests a real future, with all the jobs that hang off that, and the potential jobs and investment that hang off that—the opportunity to prosper and grow here in the ACT.

Much has been made, Mr Speaker, of comments that we have not followed the industrial relations process. The advice to me from the department is that ACT Forests have been following the consultative process as outlined in the enterprise bargaining agreement and as directed by Commissioner Deegan of the Australian Industrial Relations Commission.

We have been having meetings with the forestry union each Thursday morning to consult over the proposed restructure and the impact upon staff of any resultant redundancies. We have provided all documents and reports of the two consultations and have identified a path that the management and the union are discussing. Another meeting is scheduled for this Thursday morning. We are also discussing the financial circumstances of ACT Forests, and they are being explained in detail. We are also arranging for the consultants to address the union over any issues they wish to raise from their reports.

Mr Speaker, we then get to the nub of what it is that Mr Berry is about today. He is simply about denying this government access to the same process that they had access to and under which they had forced redundancies. Mr Speaker, officers who opt for redeployment rather than voluntary redundancies—

*Members interjecting—*

**MR SPEAKER:** Order, please! I wish to hear the minister.

**Mr Wood:** Why?

**MR SPEAKER:** Because I think he is talking some sense.

**MR SMYTH:** Mr Speaker, officers who opt for redeployment rather than voluntary redundancies will be transferred to the Urban Services career assistance unit where they will be provided with training and assistance to enhance their prospects for redeployment either within the ACT public service—I think we have had some from the unit go to the Commonwealth public service—or within the private sector. This will include placements with potential employers to assist the employee and the potential employer to see if they can work together. Those officers will be able to have access to the career assistance unit for either seven or 13 months, depending on their service.

If after these retention periods we cannot find alternative employment we will go to the AIRC and ask for the commission to examine whether we had done everything we could to redeploy these officers. If the AIRC believes that we have then we will seek to involuntarily retire the officers. If the commission feels that we have not done everything the commission would have the power to direct Urban Services to do whatever the commission felt was necessary to fulfil its obligations. Mr Speaker, this process is being discussed with the unions as we speak. The whole issue will be determined by the AIRC, as is appropriate, and reflected in the enforceable variations to the EBA.

Mr Speaker, we then get to the amendment. I move the amendment circulated in my name which reads as follows:

After the words "to axe" add "without the approval of the Australian Industrial Relations Commission".

Mr Speaker, this is about allowing the current process to continue. It is the same process that Labor acted under when they were in government. We believe it appropriate that we be allowed to do this as well. This is about industrial democracy. It is about how the employer and the employees can both go to the AIRC. What Mr Berry's motion would suggest is that the ACT government not be allowed to do so. This is about following the process, and it is a process that has been agreed to over a long time by both Liberal and Labor.

What we do today is set a precedent that says that the Assembly will actually tell the ACT public service. Those opposite will set a precedent today if this motion gets up unamended that says we will now set the terms and conditions on every job in the ACT public service. That is rightly something for the CEOs to administer in their departments, while the government determines the policy.

Mr Speaker, we have a dilemma with ACT Forests in that it is not competitive. It is time to appropriately address that dilemma. Part of it is the restructuring that unfortunately means some jobs will go. But we have a process in place, a very generous package as against the FISAP package that was agreed to by unions, the Trades and Labour Council and the Labor government in New South Wales. It is far more generous than anything that has ever been offered in the ACT. With the amendment, the government can support Mr Berry's motion.

**MR HARGREAVES** (12.10): Mr Speaker, I want to make a couple of comments about the 20 people who are going to get it in the neck from this government. We are talking about some of the lower paid members of the work force, and probably the most powerless members of the work force.

We do not have a thriving forestry industry in the ACT along the same scale as there is interstate, so the ability of people to trade in another part of their industry is considerably diminished. In other words, Mr Speaker, the chance of somebody being able to be placed elsewhere within the service is somewhat limited. One of the difficulties with people who work in forestry is placing them. We could say that they have skills we can use elsewhere, say in CityScape, but we know what happened to the workers in CityScape when the competitive edge was brought into that part of the government service. CityScape lost half of the contracts south of the lake. There is another contract up for grabs at the moment in Tuggeranong, and if I was a betting man I would bet that that one goes to the private sector as well with a resultant loss of jobs.

So what happens when these people get the axe? They go to the careers assistance unit. I do not know whether Mr Kaine and Mr Rugendyke have looked into it, but the careers assistance unit does quite a lot of good work and it does try to give people other skills that they can sell in the marketplace. But imagine, if you will, Mr Speaker, a man who has spent 30 years on the business end of a chainsaw being given numeracy and literacy

7 March 2001

training and IT training. Imagine how successful he is going to be in the competitive marketplace. I do not reckon he is going to do all that well.

There have been a number of notable successes by the CAU and I wish to acknowledge those. There have been some notable failures also. I am not blaming the staff of the CAU for that because I know just how committed they are to doing the right thing by the people sent to them by other parts of the bureaucracy. However, I know of one case of a person who was a GSO, qualified roughly the same as these people in forestry. This was a very recent event.

This person was sent to the CAU and with the best will in the world they tried to give him this extra training, but he just could not take it in. What happened, Mr Speaker, was that there was nowhere else to go. He was a customer of the CAU for many months. It was not successful as an esteem building exercise. It did not work with this poor bloke, and I suspect the same thing will apply to those people getting it in the neck from forestry. What happened was that he was terminated from the service. He was no longer required, thank you very much, and he was paid out. He was paid out for less than \$20,000. He has no tertiary qualifications, Mr Speaker, and he has nothing to sell in the marketplace.

We do not have a forestry industry like New South Wales, Victoria, Queensland or Tasmania. We have an ever-shrinking public sector horticultural service, with not much measure of success, I have to say. If we look at the success of the private contractor now servicing the Woden/Weston area, I am quite frightened when I think that that very same firm might be trying to provide the services in the Tuggeranong region, Mr Speaker, because right now, due to the government's cutbacks and shifting priorities, like the shifting sands in the desert, the services in Tuggeranong as well are pretty ordinary.

Mr Speaker, we need to support this motion. We do not need to go along with this amendment. It is not needed. What is meant by the words "without the approval of the Australian Industrial Relations Commission"? That means we have to find a way to abrogate responsibility, to shift it onto somebody else. I wonder how long the Australian Industrial Relations Commission will exist under Mr Smyth's mentor, Mr Reith? I really do not think it has much of a life unless the tsunami takes care of Mr Reith come the end of the year.

This government ought to accept and honour the undertaking given by the former Chief Minister when it comes to redundant employees in the ACT. I was a member of that public service at the time. In fact, Mr Speaker, I was sitting in the transit lounge at the time with my bags packed. The senior bureaucrats of the time were sharpening knives all around. The only little ray of comfort that I had was that both Rosemary Follett and Kate Carnell had given an undertaking, their personal word, that nobody would be compulsorily retired from the public service.

**Mr Humphries:** But they were, under your government.

**MR HARGREAVES:** I just told you, Chief Minister, the details of a man who is in poverty at the moment, and your government just saw him go. I think the Chief Minister is being hypocritical in the extreme with that one. He is just trying to run the odd red herring. It is just silly. All I am getting out of this, Mr Speaker, is that this Chief Minister

is saying in categorical terms, "I am not going to honour the undertakings given by my predecessor." This Chief Minister is saying that all bets are off, and that is just not good enough. It is just not good enough. You have an obligation, Chief Minister, to the bureaucracy that serves under you and provides you with loyal service. You demand their loyalty and for nine tenths of the time you get it, but leaving the people to go is no way of returning the favour.

I do not care under what regimes people left; this is just not consistent with the undertaking by either Kate Carnell or Rosemary Follett. I think this Assembly ought to uphold that undertaking. We are talking about 20 people and their families who depend on a particularly low wage. We all know that if a minister in this place does one term and gets booted out on his backside because of some odd tsunami going through the place, he is going to walk out with a super payout of \$150,000, or of that order. These people are going to be given 20 grand.

Mr Speaker, I do not think we should condone the government flick-passing this to the Australian Industrial Relations Commission. We should be saying to the government, "Accept your responsibilities to these people. Acknowledge the fact that Kate Carnell and Rosemary Follett both said that nobody would be kicked out compulsorily."

**Mr Humphries:** You did.

**MR HARGREAVES:** The Chief Minister is clearly saying to me that he is not going to uphold the word given by his predecessor. That means that Mr Humphries is going to take personal responsibility for the people that he compulsorily boots out of here. I hope the media picks this up, Mr Speaker, because this is just not on. This Chief Minister is saying now, "Okay, all bets are off when you are not needed any more and we can prove the point, and we have trained you in IT when you are really good at wielding chainsaws. You are gone. Bad luck. See you later." Well, I don't think that's on, and I really and truly hope that other members of the place go along with me.

I have sat in the transit lounge three times and worn the fear of it, Mr Speaker. It is not pleasant. I have worn the political vindictiveness and I have worn the bureaucratic vindictiveness. I survived, fortunately. My heart goes out to these people who are facing this now. If the only thing they have to cling to is that they will not be sacked from a measly \$25,000 year job, then I say give it to them. Look after them. We have an obligation to look after them, Mr Speaker.

**MR HUMPHRIES** (Chief Minister, Minister for Community Affairs and Treasurer) (12.20): Mr Speaker, I will speak to the amendment. I would like to draw members' attention very briefly to the fact that the amendment Mr Smyth has moved aligns the process that the government will use in respect of these workers with the process that was used by the former Labor government. It will align those two processes. If it was good enough for Labor, it should be good enough for this government as well.

**MR KAINE** (12.21): I would like to speak briefly to the minister's amendment. I spoke earlier about the necessity for the government to actively assist anybody who might have to change their occupation and seek work elsewhere. I think Mr Hargreaves' comments were very pertinent to that.

*7 March 2001*

When I said that it is up to the government to assist these people, I think it needs more than just broad policy statements. The real issue is how the individual is dealt with at a one-to-one level. The minister says there is a package. There are redundancy provisions and if they choose not to accept those there is money available for training. There is money available—I think he said something in excess of \$4,000—perhaps to buy a computer or something. That indicates to me that the level of thinking for the people that we are talking about is a bit bureaucratic.

I would like to emphasise that assisting people at that level to qualify and seek employment elsewhere requires more than just the broad provision of money. These people have to be dealt with at a one to one level. Some of them probably have not even thought about other employment opportunities. They have been perfectly happy doing what they are doing. Now they are confronted with the necessity to change. Somebody needs to talk to them on a one to one basis and find out what jobs they might be interested in and what jobs they might need training for. It is not good enough to say there is money available for training if the person does not know, first of all, how to access it, and, secondly, how to use it to the best advantage for himself or herself.

We are dealing not just with the number of people who are confronted with the problem in ACT Forests. The same thing is happening in a sense with organisations like CityScape, and we know that it is going to happen with TotalCare because of events of recent days. So these people, if you like, are the models on which the treatment of other people in the near future is going to be based. Simply to have a broad policy statement saying, “Well, we will provide money and we will assist them,” without being specific about how that is to happen, will be small comfort for some people at the bottom end of the employment scale who have only one skill and do not necessarily know how to go about acquiring another one. Mr Hargreaves gave us a case in point. It is not easy for some of these people to even know how to put the money to best use. They need one to one treatment by people who are qualified to advise them on how to go about changing their careers.

Several people have spoken about the relationship of poverty to the people that we are talking about. Some of them may well be living in poverty now. Governments talk in broad policy terms. The solution to poverty, we are told, is education and job creation. Well, they are lofty ideas but they do not mean much to the husband and wife and three kids living out in Holt in poverty. It is no good saying we are having programs to create jobs and to educate you. They are concepts that are far away from the reality of how those people live. They need to be translated for them into terms that they can understand and how they can go about acquiring this education and a job at the end of it. If somebody does not help them they will go no further than where they are today.

It is fine to have the policy statements, and I think the government has expressed a willingness to help these people in certain ways, but they need not just bureaucrats who are following a formula in getting one person from one job to another. They need people with some sensitivity to the issues and to those involved who can assist them to translate what the government is offering into terms that they can understand and can exploit in their own interest, and that is a one to one thing.

It is no good saying to these people that there is money available for training if they do not know how to access it and they do not know how to use it to their best advantage when they have got it; and it is no good offering them a redundancy package unless they understand how to deal with that package after they have got it. So this is more than just having some broad quality statements. This requires that one-to-one treatment, and I hope the government is prepared to get down to that level and help these people where it really counts.

**MR SMYTH** (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services): I seek leave to speak again to answer some of Mr Kaine's concerns.

Leave granted.

**MR SMYTH:** Mr Kaine is right. It is about getting down to the personal level. I am told that we have the best practice in terms of policy on redundancy management in the country, but that does not help you if it is not personal. What we offer is very personal. The clients are individually case managed. They have professional counselling available to them. They are monitored on an individual basis. Financial planning is brought in to assist them. We will go on an individual basis and talk to employers to work out how we can retrain them. If a worker in the career assistance unit finds a course that they would like to do, we will fund that for them. So it is about the person. It is about meeting people where they are at. It is about making sure we look after them the best that we can.

Mr Speaker, the other point is that involuntary redundancies have been agreed to by both the unions and staff under certain circumstances, and that is enshrined in the EBA. The Assembly, if it passes this motion without the amendment, will override the EBA.

**MR BERRY** (12.27), in reply: Mr Speaker, first of all I want to deal with Mr Humphries' contribution to the debate. When he runs out of ideas he is prone to falling into the habit of making spiteful and personal attacks. I am used to that, so it really does not have much of an effect on me. Mr Humphries is a man of the past. We are not still fighting about the Berlin Wall. It came down in 1989. Gary, it's over. We have moved on. Economic rationalism and the greedy 1980s have been left behind. Economic rationalism, privatisation, and contracting out are all on the nose, Mr Humphries. Join the new world. This is 2001. We are not still back in the greedy 1980s. To dust off some old undergraduate speech and to lay it on some politician in here just demonstrates how bereft of ideas this Chief Minister is.

So far as his other contribution is concerned, just to bring it into perspective, the superannuation payment per annum for the worker who has been mentioned in the course of the debate here is a little less per year than is Mr Humphries' package per week. That should bring it into perspective. I would expect a more compassionate view from this Chief Minister of the strife that some of these workers face against that background. That puts it into perspective.

I do not disagree with Mr Kaine. Change is inevitable. I can recall the days when I was working around the forestry settlements looking after fire equipment. There were hundreds of workers living out there. Those days are gone. Those jobs are gone. We all know that.

7 March 2001

**Mr Kaine:** They don't fight fires like they used to 50 years ago, either.

**MR BERRY:** They don't do it with a wet bag any more. Things do change, but in these circumstances we have to forget this rusted on view that economic rationalism and contracting out is good, and it forms some part of social capital. I think the Liberals opposite think that social capital is a cocktail party you have downtown after the bottom line improves. You try to create the impression that you have got a little warm and fuzzy bit somewhere in there, but by your actions in cases like those involving these workers we are all reminded that it is tungsten steel. It has nothing to do with social capital.

What worth is mouthing the words "social capital" to a 58-year-old worker who is dumped on the scrap heap? There is no point to muttering "social capital" at him. He will not believe you, or he will not understand what you mean and will say it is meaningless. If you have any concept of social justice you will apply yourselves in a more compassionate way to the plight of workers like these.

This motion is about this Assembly saying to this government, "For these workers, no involuntary redundancies." That is what it is. It is this Assembly saying to this government that there will be no involuntary redundancies in the case of these workers. That is what we are saying.

The amendment moved by the Minister for Urban Services, to add the words "without the approval of the Australian Industrial Relations Commission", is merely an attempt to water down the decisions of this Assembly and to tinker with whatever powers are left in the Industrial Relations Commission. I am certainly not going to come in here with an analysis of the Workplace Relations Act to work out whether this is a good thing or a bad thing for these workers. What would be a good thing for these workers is that they say, "I don't want to be retired," and they are not retired; that they are looked after by the government and recognised for the contribution they have made to the community.

Mr Speaker, I heard Mr Smyth refer to a former union official who had informed the Liberals that Labor had done something in the past. If it is a former union official he must be a disgruntled one if he is a friend of the Liberals, and I must say I think the evidence would have to be regarded by most as just a little bit thin. Mr Speaker, the issue here is what this government is doing to workers.

**Mr Humphries:** We will check it out, Wayne. Is it true?

**Mr Smyth:** He said it is not true.

**Mr Humphries:** He is not denying it though, is he?

**MR BERRY:** Mr Humphries, you have dusted off the old undergraduate speech. Tuck it away for another day. You live in the past. You are a man of the past, still fighting the battles of the greedy 1980s and the Berlin Wall. Forget it. It's over. We are in 2001 now. The wall has come down. You can turn around the picture on your wall. Communism is gone. Turn around the picture on your wall. It's over. We have moved on to 2001.

**Mr Humphries:** Oh, I can't call you comrade.



**MR BERRY:** Mr Speaker, this man of the past is still harbouring the old hatreds of the greedy 1980s.

**Mr Wood:** He thinks they are under the bed still.

**MR BERRY:** Yes, the Reds are still under the bed. Mr Speaker, this about real people who deserve real compassion. The motion that I put forward recognises that there is change happening in the workplace, but it demands compassion for workers who have made a contribution to the community.

The amendment which has been put forward by Mr Smyth is merely a diversion. The industrial relations powers have been limited by Mr Smyth's mentor, Mr Reith. Maybe Mr Smyth forgot that during his time up there the industrial relations powers were so watered down that the commission has hardly any power to do anything, let alone arbitrate. The powers of arbitration are just about done for. The approval of the Industrial Relations Commission these days is quite different. The Industrial Relations Commission's powers are quite different from what they were when Labor was in office. Mr Humphries, in the course of his contribution to the debate, said, "Let's parallel ourselves with Labor." Well, industrial relations powers when Labor was in office were quite different from what they are now, so that was a nonsensical contribution to the debate.

Mr Speaker, the amendment moved by Mr Smyth should be defeated. This Assembly is the instrument of the people of the ACT. It makes the decisions about what happens to people in the ACT. Let's not try to flick-pass it to somewhere else as Mr Smyth is intending to do. Ditch the amendment. It is an attempt to undermine the process of this Assembly. Support the motion, members, and these workers will get just a little of the compassion that they deserve.

Question put:

That **Mr Smyth's** amendment be agreed to.

The Assembly voted—

Ayes 9

Noes 8

Mrs Burke	Mr Moore	Mr Berry	Mr Stanhope
Mr Cornwell	Mr Rugendyke	Mr Corbell	Ms Tucker
Mr Hird	Mr Smyth	Mr Hargreaves	Mr Wood
Mr Humphries	Mr Stefaniak	Mr Osborne	
Mr Kaine		Mr Quinlan	

Question so resolved in the affirmative.

Amendment agreed to.

Motion, as amended, agreed to.

## **Sitting suspended from 12.38 to 2.30 pm**

### **Questions without notice**

#### **National wage case**

**MR STANHOPE:** Mr Speaker, my question is to the Chief Minister. Is the Chief Minister aware that the federal government, in its submission to the safety net review being undertaken by the Australian Industrial Relations Commission, suggested a \$10 weekly increase would be appropriate for workers on low wages, and nothing for anyone earning more than \$492 a week? Does he agree that such a figure represents an increase of about two per cent for workers on minimum wages, well below the GST-fuelled inflation rate of about 6 per cent? Does the Chief Minister think a \$10 increase is fair and reasonable?

**MR HUMPHRIES:** No, I do not, which is why the ACT government declined to be a party to that wages initiative.

**MR STANHOPE:** The Chief Minister took me by surprise. Can the Chief Minister confirm whether the ACT government did or did not make a submission and, if it did make a submission, did it argue in the submission that there was a case for a fair and reasonable increase in the minimum wage, and can the Chief Minister tell us what he thinks a fair and reasonable increase should be? What does he believe the minimum wage should increase to?

**MR HUMPHRIES:** The government did make a submission to the national wage case. That submission was separate from other non-Labor governments in Australia. There was an invitation to the ACT government to contribute to a joint coalition or non-Labor wage submission, but we declined to do that because we believed that a \$10 a week submission was inappropriate. We did, however, make a submission of our own to the national wage case. I will be very happy to make a copy of that available if Mr Stanhope would like to see it.

It argues principles: that there has been a period of restraint in wages in the Australian context for a number of years, and it is appropriate for that restraint to be taken into account when a further round of wage increases is considered. It is our view that the principles to be expounded are very clear in that submission and, as I said, members can see a copy of that if they wish.

#### **Commercial and retail leases legislation**

**MR HIRD:** My question is to the Attorney General, Mr Stefaniak. Attorney, last night the parliament passed new legislation to cover commercial and retail leases. Can you advise the parliament what the effect of the new legislation will be?

**MR STEFANIAK:** Thank you. It is an important matter and I think most members realise that. The matter is, in fact, at the heart of the wellbeing of the ACT economy. The issues, of course, are a classic dilemma of finding a balance between the competing interests of capital and tenants. Investment in the growth of Canberra, Mr Hird, and the upgrading of our infrastructure are at the heart of the future of Canberra, our region, our

ability to attract investors to the region and, indeed, jobs, especially for our children and their children.

In the harsh light of economic reality, we face competition from all other regions of Australia and overseas. They are all trying to achieve exactly the same outcome for themselves. Everyone is looking for additional economic development in their state or territory that will give them some benefit. Some in this place argue that growth is not necessarily the way to go, but I think those Luddites forget that, without growth, our kids simply will not have jobs or the opportunity of having jobs, and prospects for the future will be diminished. I would hope that most members recognise that.

The legislation we passed last night was the product of the longest and most complex process of consultation, lobbying and sheer hard work by a large bunch of people, including staff in the Assembly, political staffers and advisers—and I think I have already complimented them on their work. It occurred through a process that included negotiations at many levels, and a general consensus was reached. I thought all parties knew quite well where everyone else stood.

There were amendments and cross-amendments drafted—some would say too many—to cover every possible outcome. We all thought we knew pretty well where everyone was coming from. Agreements were reached with competing interests to ensure that no-one would surprise or gazump anyone else. I thought that it was an excellent process and that the people involved should be commended.

It was recognised, I think, before we started the debate yesterday, that we would find ourselves with legislation which would be similar to that applying in South Australia, because it is important that this territory's legislation does not differentiate itself much from what applies elsewhere. We cannot afford to go so far ahead of other places seeking the same investments that we drive potential developers away. We do not want to do things that would penalise the ACT by putting up the price of those investments. That is a basic economic fact: if the risks are perceived to be higher, the return on investment will need to be higher, which will drive people away, and it is pointless to create barriers to investment.

**Mr Corbell:** On a point of order, Mr Speaker: I think the minister is coming very close to reflecting on a vote of the Assembly.

**MR SPEAKER:** I have been listening very carefully. So far all he has done is extol the virtues of everybody who participated in the debate.

**MR STEFANIAK:** I heard a representative of the tenants suggest on ABC radio this morning that, if investment in the ACT was restricted by these provisions, she would be:

... delighted. We don't need any more retail. We are the most over-retailed city in the whole of Australia, and if big developers don't want to build any more malls, you will hear the cries of small business people rejoice.

I hope those words do not come back to haunt her, and I hope that her children will still have the opportunity to set up their own businesses down the track, and not find that these amendments mean that there are no premises to rent because investors have taken

7 March 2001

their money elsewhere. It is not just big investors either. We are talking about little people too, and that is what worries me.

We almost got there. Labor knew that we, on this side of the house, had particular concerns at the prospect that tenants would be able to undertake what I call a double whammy. Not only would tenants be able to claim rights under the tenants preference provisions, but they would also be able to claim redress through market rent review procedures. That far exceeded any provision that existed in any other state or territory, including South Australia.

The government was led to believe that Labor accepted our position. Even when Mr Stanhope voted against the government amendments, he indicated that he had his own amendment there with which he would proceed at a later stage, and which would have a similar effect.

Unfortunately, Mr Speaker, Labor did a complete backflip on this matter. Those opposite reneged on an undertaking that they had given to everyone involved and I think that was just disgraceful.

**Mr Corbell:** On a point of order, Mr Speaker.

**Mr Stanhope:** I gave no undertakings to anyone.

**MR STEFANIAK:** What about the property council, mate? Even the tenants thought you were going to do that.

**MR SPEAKER:** Please, Mr Stanhope, Mr Minister, be quiet. We have a point of order.

**Mr Corbell:** Mr Speaker, the minister is clearly reflecting on a vote of the Assembly. The decision of last night that he is criticising is actually a decision of the Assembly, Mr Speaker, and he is clearly reflecting on the vote taken less than 12 hours ago. You should rule him out of order.

**MR SPEAKER:** I am sorry, I have not heard him reflect on a decision of the Assembly.

**Mr Corbell:** He did.

**MR SPEAKER:** He was referring—

**Mr Hird:** No he did not.

**Mr Humphries:** He was reflecting on your position.

**MR SPEAKER:** Just a moment.

**Mr Corbell:** No that was not our position. With all due respect to the Chief Minister, it is not solely our position. It is the position of the Assembly as adopted by a vote last night.

**MR SPEAKER:** Mr Minister was referring, as I understand it, to an amendment that was to be put forward or was put forward by the Labor Party.

**MR STEFANIAK:** That is right.

**MR SPEAKER:** We are not talking about a decision of the Assembly in this matter. I have not heard the minister say that the Assembly was wrong.

**Mr Corbell:** No, that is not what he said. On your ruling, Mr Speaker: the minister's words were "the proposal was defeated". Defeated by whom, Mr Speaker? The Assembly. He is reflecting on a vote of the Assembly.

**Mr Hird:** Defeated in caucus.

**Mr Smyth:** Yes, I think he meant defeated in caucus.

**MR SPEAKER:** You mean the Labor Party motion was defeated by the Assembly?

**Mr Stanhope:** How many members did you not tell? Bloody hypocrisy.

**MR SPEAKER:** There is no point of order, but I will watch it very carefully. I appreciate your concern Mr Corbell, and the worry.

**MR STEFANIAK:** Mr Speaker, I can understand why they are so touchy about this issue. Apart from the fact that this amendment was not proceeded with at what someone said was the 11th hour, but it was more likely 11.59, it is no wonder they are touchy.

**Mr Berry:** Mr Speaker, he is reflecting on the vote of the Assembly. Splitting hairs about—

**MR SPEAKER:** I do not think we are splitting hairs here. Just a moment. If, as I understand he is, the minister is referring to an amendment by the Labor Party that was moved or was not moved—I am not sure what the situation is—that is hardly a reflection on a vote of the Assembly.

**MR STEFANIAK:** No.

**Mr Stanhope:** The same amendment was moved by Mr Stefaniak and defeated.

**Mr Kaine:** Mr Speaker, could I take a point of order? Could I ask for your ruling under standing order 118 (b) in terms of the distance the minister has travelled already?

**Mr Humphries:** Which is?

**MR SPEAKER:** Well, there might be an exchange going on across the chamber, but I do not see it as a debate.

**Mr Kaine:** Is the minister debating the question or is he not, Mr Speaker? I submit that he is. He is not answering a question.

7 March 2001

**MR SPEAKER:** Mr Minister, do answer the question.

**MR STEFANIAK:** Thank you, Mr Speaker, I will. I am not the only one to raise this. It was raised by Ms Cunich on the ABC who said this:

Well, it's not an easy thing to do when things are passed through the assembly. We will be discussing this with the Labor Party. We're very, very disappointed that Mr Stanhope withdrew an amendment that would have seen, basically, an either/or provision so that a tenant could either choose to go down the preferential rights provision or choose to go to market rent review at the end of the lease. Now, Mr Stanhope, at the eleventh hour, withdrew that amendment.

**Mr Stanhope:** So your 250 Club millionaire mates are disappointed with the Labor Party. We are devastated.

**MR STEFANIAK:** Dearie me, Mr Stanhope. I thought we all started off on the premise of all trying to get a level playing field. Mr Stanhope obviously is concerned about this. He does look a bit worried about this. Maybe the answer is really quite simple. I think we all know that Labor is going through some of the same ructions that they had in 1997. Perhaps the Left and the Right factions of the party are now getting ready to dump Mr Stanhope and put in the dream team of Quinlan and Corbell. Is that what is happening here? Is that what we are actually seeing? Are they going to let a good policy go down the drain for their own political ends? I wonder, Mr Speaker, I wonder. Thanks, Mr Hird.

**MR SPEAKER:** Mr Minister, the last part of your comment was quite out of order. It is not our place to rule or your place to rule on the internal divisions of the Labor Party.

**Mr Wood:** Oh, come on. That's not fair either.

**MR SPEAKER:** Well, I am sorry. I am upholding it.

**Mr Wood:** There is nothing there.

**MR SPEAKER:** All right. I take the point nevertheless, Mr Wood, that there was no point of order taken. Nevertheless, I do want to be fair in these things.

**Mr Wood:** The comment was not fair.

**Mr Stanhope:** Mr Speaker, I seek leave to make a statement pursuant to standing order 46.

**Mr Humphries:** At the end of question time, Mr Speaker.

**MR SPEAKER:** It is normally done at the end of question time, Mr Stanhope.

**Mr Stanhope:** I think it is up to the Speaker to make that decision. It is not up to him.

**MR SPEAKER:** Yes, it is, and I am making it. We normally have these at the end of question time.

**Mr Stanhope:** I am asking for it now.

**MR SPEAKER:** I will give you leave—

**Mr Stanhope:** I will respond to the lies that were told now rather than later.

**MR SPEAKER:** No, thank you. I have said that we will have it at the end of question time, Mr Stanhope. That is the normal procedure. Now, Mr Quinlan, you have a question, I think.

### **Budget deficit**

**MR QUINLAN:** I do, Mr Speaker. My question is to the Chief Minister. Chief Minister, I think it is time to revisit that hoary chestnut of the deficit position you claim to have inherited, the \$344 million mislead. I understand that your learned deputy was spruiking the figure on commercial radio yesterday. There is not a lot to be gained by asking him to espouse his financial knowledge or appreciation so I ask you the following question: in the first year of accrual accounting—that was actually 1996-97—there was a reported operating result before abnormal items of a \$100 million deficit. This was the middle Carnell year. The \$344 million figure that you chant so often arises out of backcast figures for the previous year that I have been informed by the Auditor-General were not subjected to any rigorous audit.

**Mr Moore:** Is that written down anywhere?

**MR QUINLAN:** I think it might be in the *Hansard* of an estimates committee. Does your memory permit you to advise this Assembly as to the main changes that occurred to allow such a significance difference in one year if it did not happen as a result of loading every nasty into the backcasting so as to provide the lowest possible base from which to improve?

**Mr Humphries:** I did not quite understand that last part of the question. Would you repeat it?

**MR QUINLAN:** There is a claim that they inherited a \$344 million deficit. In the first year of accrual accounting the deficit reported before abnormal items was \$100 million. Do you remember, Treasurer, what were the significant changes that brought about that substantial difference in the result?

**MR HUMPHRIES:** Mr Speaker, I thank Mr Quinlan for that question. If he wanted to get a detailed answer to this he would have had to put it on notice rather than ask it without notice. The fact is that, first of all, the figure of \$344 million was confirmed by the Auditor-General. Secondly, the abnormal items relating to that year were not of the order to make a difference between \$344 million and \$100 million.

I do not recall what the figures were, Mr Speaker, but they were nothing like anything of that order. I will get you the figures if you want them, Mr Quinlan, and give them to you later on. I am sure you are well aware of what they are. They were nothing of that order to render a figure of \$100 million. That is saying that there were abnormal items totalling \$244 million. No, I do not think so.

7 March 2001

Mr Speaker, it is true that this is a backcast for the year, the first full financial year after the Carnell government came to office. Of course, it is possible to argue, as Mr Quinlan has tried to do in the past, that there was a much, much better financial position when Labor was in office, but some sort of dramatic deterioration occurred and that loss of \$344 million was the product of the Carnell government's mismanagement of the economy and the ACT fiscus.

The problem with that theory, Mr Quinlan, is that you have to go back and look at your own rhetoric during those first couple of budgets brought down by the Carnell government. You will see that what your colleagues were saying during those years—you were not around, of course—was that the Carnell government was ripping the guts out of the Canberra community. It was cutting jobs. It was getting rid of tried and true and trustworthy public servants, to echo what Mr Berry said this morning. It was reducing services. It was being mean and niggardly with the dollars of the ACT community

You have to give us at least a little bit of credit. If we were ripping the guts out of the city, to use your words, if we were cutting expenditure and increasing taxes—that also was another complaint from that period—surely we were improving the bottom line, if nothing else, in that process. Surely we were doing that much. Of course we were. So the figure of \$344 million is probably on the conservative side of the size of the accrued loss that the ACT was running at that time. It was probably larger than that amount for 1994-95, that last year of Labor government.

**Mr Hargreaves:** It's pluck-a-duck time. Pluck another figure.

**MR SPEAKER:** Order! I warn you, Mr Hargreaves.

**MR HUMPHRIES:** Mr Speaker, that is the reality. I know this figure rankles with you, Mr Quinlan.

**Mr Quinlan:** Misinformation rankles with me, Treasurer.

**MR HUMPHRIES:** I know you would dearly have loved the Auditor-General not to have endorsed that figure as he did in his annual report for the subsequent year. You would love him not to have done that. He is probably off your Christmas card list for a couple of years as a result. The fact is that he did say it and it was the audited result of that year. It was not the product of what we had done. We were busily retrieving the situation by that time. We were reducing expenditure and we were increasing taxation. You have to acknowledge that because you or your colleagues on that bench were saying that very thing at that time.

The position facing the territory was clearly grave. It clearly was a very serious loss situation and today we have a surplus, a real surplus. It is a surplus produced because of those hard decisions that you lot were so anxious to criticise

This morning you raised the question of jobs. How anxious you were to attack the idea of this government doing away with jobs. You know, this terrible Liberal government has reduced the number of people working for the ACT community. Let us say that there



were 2,000 jobs, give or take, lost over the last six years as a result of the process you have been so keen to attack. Multiply that by an average of about \$70,000, including overheads, and you get a result in terms of a payroll of about \$150 million. If we had not shed those jobs we would not have the surplus we have today. You cannot have your cake and eat it too. You cannot attack us for losing public service jobs and then claim that the surplus we are in today is some sort of accident of history. That is having your cake and eating it too, and it does not wash.

You can quibble all you like about the figures, Mr Quinlan, but not even the best Stalinist approach to revision of history, the best George Orwell type of rewriting the things in the ministry of truth, can remove the fact that there was that figure of \$344 million which your government, one day perhaps, will have to try to live down.

**MR QUINLAN:** As a service to government I would just let the Chief Minister know that the wages figure—

**Mr Humphries:** Mr Speaker, is this a preamble to a supplementary question?

**MR QUINLAN:** You do not want the facts? The wages figure in the backcast figures was \$759 million. The figure for last year was \$745 million so where is the \$150 million? Since 1995-96 Commonwealth funding for the ACT has improved by some \$400 million while taxes and fees—

**Mr Humphries:** Is this a different question?

**MR QUINLAN:** It is relevant to the bottom line. Taxes, fees and fines are in the same neighbourhood as they were back then, despite the sacrifices on the altar of the GST. Where is the evidence that we are in surplus as a result of your economic management?

**MR HUMPHRIES:** Mr Quinlan has asked this question before on several occasions. If he likes, I will get the answers again from the previous occasions; I will go and fish them out. You asked before for the plot of ACT government expenditure over that period. It reduced in real terms. That must have some bearing, would you not think, on the size of our operating result? You do not have to be the accountant of the year to know that if you reduce your expenditure you have some impact on your operating result, be it a loss or a profit. And that is the fact here.

I will fish out the figures again for Mr Quinlan if he wants them. But, as I said before, you cannot have your cake and eat it too. You cannot keep attacking us year in, year out for cutting back on taxes. Only just yesterday I quoted in this place your attack on the hated and despicable insurance levy. How is it that we can be putting these things on and not be making a difference to the bottom line of the territory? How can that be? Is it not impossible to be making up ground through extra taxes and reduced expenditure and not make a difference?

**Mr Quinlan:** We are talking about a lot more ground than that, mate.

7 March 2001

**MR HUMPHRIES:** Mr Quinlan can fish these figures out but he knows very well that this government has done the hard yards. It has made the difference to the bottom line and the reported and audited figures for each year that we have been in office demonstrate the extent of our achievement.

### **Business—payroll tax**

**MRS BURKE:** My question is to the Treasurer, Mr Humphries. Can the Treasurer advise how the changes in the threshold for payroll tax will impact on local business?

**MR HUMPHRIES:** Yes, Mr Speaker, I can. I thank Mrs Burke for the question because the impact of these changes bears repeating. The budget for this year provided for a staged process of raising the threshold for payroll tax in this community. From 1 January this year, we raised the threshold for payroll tax from \$800,000 to \$900,000.

**Mr Quinlan:** Budget Paper No 3, page 78.

**MR HUMPHRIES:** Unfortunately, not all people read the budget documents so it is worth repeating and reminding some people about these things.

It is also worth reflecting that what we have done has amounted to a reduction in government revenue from payroll tax. Do you not think that would have some effect on the bottom line? You would think it would affect the operating result in some way, wouldn't you. But apparently not. I cannot understand that. I had better get back and read my text books again.

As I said, from 1 January this year we raised the threshold for payroll tax from \$800,000 to \$900,000. The threshold will rise again on 1 July this year to \$1.25 million. It will rise again on 1 July 2002 to \$1.5 million. This represents the biggest tax relief given to ACT businesses in this critical area of payroll tax. I would hope that we would all agree that this is an iniquitous tax—a tax on employment; a tax that discourages businesses to make a decision to recruit that extra person when they might have the chance, because of the growth of their business or demands on their business, to do so.

We believe that it is appropriate to take those sorts of measures to stimulate the viability of employment in ACT businesses. We have a record of doing this over a period of some years. In 1996 we lowered the payroll tax rate from 7 per cent to 6.85 per cent. In 1998 we raised the threshold from \$700,000 to \$800,000.

I will give you an example of how this might impact on a small to medium business in the ACT. Let us suppose a business has a wages bill of \$1.45 million. Under Labor that business was paying \$63,000 in payroll tax. We are talking about a full position of a person in that firm—perhaps even two in some businesses. We have now cut their payroll tax by \$18,475. In July that business will be paying \$13,700. So this government will have cut their bill by \$49,300 or 78 per cent. From 1 July next year, that business, which was previously paying \$63,000 in payroll tax, will be paying not one cent. That is an opportunity for business to grow in this community. I know that this is disconcerting for Mr Stanhope. I know he is not happy about business getting this benefit. But the fact is this has produced the jobs that this city needs.

Mr Speaker, as a result of that strategy in part we have increased the number of jobs in the ACT by 17,000 net since 1995. We are one of only two jurisdictions in Australia to have continuing growth in jobs advertisements. I am proud of that position. It is a strong financial position which has allowed those businesses to grow. I and the government intend to continue that direction to ensure, despite the views of those opposite, that job growth in this community continues. We have a demonstrated recipe for making that happen and we will continue that recipe if given the chance.

**MRS BURKE:** Mr Speaker, I have a supplementary question. I thank the Treasurer for that good news. Can the Treasurer advise the Assembly whether he has received positive feedback from the business community about the increases in the threshold?

**Mr Stanhope:** I think it is a triumph.

**MR HUMPHRIES:** I quite agree, Mr Stanhope—it is a triumph. Mr Chris Reeves of the Canberra Business Council welcomed the initiative on Capital TV. He said:

If we raise the threshold, it means that people can create more jobs and employ more people.

Mr Bastian, the CEO of the Australian Council of Small Business, was equally supportive on Prime TV. He said:

There is a range of paperwork behind payroll tax that no longer has to be handled so you save a bit on the tax and presumably you've got some forms that you don't have to fill out any more. It's great.

We're talking several hundred businesses there. It would be hard not to see 100 or so jobs in that type of measure.

Mr Peters of the Canberra Chamber of Commerce and Industry—

**Mr Stanhope:** The glove puppet.

**MR HUMPHRIES:** I thought I would get a reaction. Mr Peters said:

One more staff member or some pay increases would throw us into payroll tax. With the increases—

that is, the increase in the threshold—

we could continue to be in the position where we continue to be outside payroll tax and we can employ one more person without having to pay payroll tax.

The endorsement I was not expecting came from Mr Quinlan who, on WIN News a few days ago, said:

The ALP supports this initiative. In fact, we supported it last year when it was in the budget. There is nothing changed in relation to last year's budget and this year's.

7 March 2001

He said that he supported it in last year's budget, and I wonder how he demonstrated that support. He did so by voting against the budget. I would be interested to hear how voting against something can be a demonstration of support for it. You will have to explain that sometime to me, Mr Quinlan. I really do not understand that.

We all know that threshold increases in payroll tax make a big difference in the profitability and therefore the employment capacity of businesses in the territory. We need to keep that going. I think we have a very good record. I think the business community understands that and ordinary Canberrans, who benefited from the creation of those 17,000 jobs in the last six years, also understand it.

### **KLA housing study**

**MR WOOD:** My question is to Mr Moore, the minister for housing. I understand that the government's review of the KLA study of the stock transfer from ACT Housing to Community Housing Canberra was to have been conducted in January. By that time, the government had had that report for quite a time. It is now March and we still have not seen what the government thinks of it or is going to do. You might confirm for me how long the government has had that KLA report and when it will be publicly released with your comment on it.

**MR MOORE:** I will take that question on notice and come back to the member.

**MR WOOD:** Add to that on-notice bit, if you would, Mr Moore. I have had numbers of calls in recent time from members of community housing groups who assert there is a hold on any transfer. They have been promised houses by the community housing group they belong to, but there seems to be a hold, and they are anxious that things get moving. Would you tell me in your answer whether there is any relationship between the delay in this report coming out and the hold on what has been happening? Things need to get moving so that people can get into houses.

**MR MOORE:** I agree that we need to ensure that we move more quickly on the transfer from ACT Housing to Community Housing. I understand that people are waiting and there has been a concern. There was a concern about getting agreement from the Auditor-General as to the way to treat the transfer of housing in accounting terms. I felt it was appropriate—and the advice from ACT Housing was that it was appropriate—that we sort that problem out prior to any transfer of housing. I understand that that has now been resolved, so I expect that we can move reasonably quickly. I will be asking the department and ACT Housing to do that.

### **Problem gambling**

**MR KAINE:** My question is to the Chief Minister and Treasurer. I note that the ACT Gambling and Racing Commission has now embarked on a comprehensive study which hopefully will reveal the true extent and impact of problem gambling in the ACT. This was the subject of one of the key recommendations of the Select Committee on Gambling about a year and a half ago, so it is timely that this review is taking place. From information I have had, particularly from the media, it would appear that the study—which is headed by Professor Jan McMillan of the University of Western

Sydney, a person eminently qualified to carry out such a review—will focus principally on poker machine gambling. That seems to be the thrust of it.

Of course, there are other forms of problem gambling. One which is only just emerging and potentially very much more serious and socially damaging perhaps than some of the other forms is that of Internet or online gambling. I ask the Chief Minister: will he ensure that this form of gambling is given due consideration in this research project?

**MR HUMPHRIES:** No, I will not. The reason is that the matter which has been taken up by the Gambling and Racing Commission has been expressly the matter of the administration of the Gaming Machine Act and all its implications in the ACT. Through this process, it is addressing the question of poker machines and their impact on the broader community.

The question of problem gambling is an important issue, but it is a very large issue, a matter on which there has already been a number of inquiries in the ACT and nationally, including through the Productivity Commission. It would be inappropriate to so widen the inquiry that the commission is proposing that it would be unable to come back to this Assembly with a comprehensive answer for a very long period. I think it is more appropriate to take this process in bite-sized chunks. The most obvious and pressing chunk which deserves to be bitten on is that of poker machines in the community.

**MR KAINE:** I assume from the Chief Minister's answer that, although it is not part of this study, Internet and online gambling will be the subject of such a review in the future. My supplementary question relative to the report the Chief Minister has now described is: noting that the cap on the gaming machine sunset clause is less than four months away, will the Chief Minister ensure that that report from this review is tabled in the Assembly for debate before then?

**MR HUMPHRIES:** No. Again, I cannot do that, because I believe the timeframe we are looking at for decision or for recommendations arising from that report is much longer than four months from now. It would have to be about three months from now that the Assembly would need to receive the report for it to be of any use in a debate in four months time about whether to extend or change the arrangements with that cap.

I have discussed the matter with the chairman of the Gambling and Racing Commission. It is possible that there could be some interim recommendations or interim advice from the commission on the question of the cap. In light of what Mr Kaine has just asked, I will certainly seek that advice from the commission. That may or may not be educated by the work that is being done by Ms McMillan. It may or may not be a factor in her work, but it is certainly a matter I will raise as result of this question.

It would be inappropriate to leave the question of the cap to this inquiry. This is going to be a broad-ranging inquiry into many aspects of the Gaming Machine Act. It would be wrong to try to force it to come down with a report in time to allow us to make a decision about the cap. It is better to get a comprehensive and complete answer on the position and role of poker machines in this community.

## **Electromagnetic radiation and leukaemia**

**MR HARGREAVES:** My question is to the minister for health. Does the minister share the same dismissive attitude as his colleague the Deputy Chief Minister to research suggesting a link between electromagnetic radiation issued from high-voltage transmission powerlines and leukaemia in children? If Mr Smyth is not aware of the new British research, is Mr Moore, as health minister, aware of it?

**MR MOORE:** Perhaps I can answer the question. The question was whether I am as dismissive of this study. I do not perceive that Mr Smyth was dismissive of the study. He paid particular attention to it and answered a question yesterday. I am not dismissive of the study either, but it is one epidemiological study. In the preamble to the question asked yesterday there was a suggestion that it was akin to smoking. No, it was not akin to the results of that first epidemiological study on smoking, which made very clear the damage from smoking.

I have heard—I have not checked this myself and I will need to do that—that even the researcher himself has said that his study is not conclusive evidence. We still do not have conclusive evidence that would bring about enough concern for me to say we need to move people out of housing they are currently in.

With the way the ACT has been planned—certainly with our newer suburbs having underground wiring—we should have reason to be very proud. High-tension cables, to the best of my knowledge, do not run over the top of any housing in the ACT. If there is a place where that happens, I would be interested to know. We always make sure that we are reasonably cautious about these things. Should we get a greater concern than at the moment, we would ask our Health Protection Service to look at that study carefully and to look at any areas in the ACT where it might apply, and take the appropriate action.

**MR HARGREAVES:** I cannot tell you how encouraged I am by that answer. My supplementary question is: after you have read the report—no doubt you will do that very quickly—will you reinforce the warning issued by your federal counterpart, Dr Wooldridge, for parents to keep young children away from powerlines? Will the government review powerline siting in the ACT in view of this research?

**MR MOORE:** We will look at the report and make an assessment of that study and the calibre of that study and other studies in this area.

## **Burnie Court redevelopment**

**MS TUCKER:** My question, which is to the minister for housing, is in regard to the latest plans for the redevelopment of Burnie Court. The consultant responsible for the master planning process for the redevelopment of Burnie Court told the public meeting last Saturday week that all decisions on the proportion of public to private housing and on specific policies for public housing at the site would be made by the government after the current master planning process. However, the Lyons Community Association claimed in a newsletter distributed to all residents of Lyons prior to that consultation meeting that certain agreements had been reached with ACT Housing in relation to future housing at the Burnie Court site and they included a reduction of 70 per cent in the public housing, no publicly funded games or meeting room, no-dogs policies and no-

gardens policies. I would like a reassurance from the minister that, in fact, he and the Housing executives have not given such a commitment to the Lyons Community Association.

**MR MOORE:** No such commitment has been given. Ms Tucker, I was surprised when I read that. I did read the papers that were circulated. People who read that newsletter from now on ought to take what they read with a pinch of salt.

**MS TUCKER:** I have a supplementary question. According to the consultant who is managing the consultation process and who spoke to a member of my staff at that meeting, the brief is only to consult with the community on the physical master plan urban design matters. I am interested to know how the government is going to ensure that issues of community development, the role of public housing, building social capital and so on will be included in the community consultation if the brief to the consultant is so narrow.

**MR MOORE:** The brief to the consultant is entirely appropriate; it is about getting a specific master plan. Issues of building social capital and the number of housing tenants in there are matters properly for government and we will take that responsibility seriously and wear it on our shoulders.

### **Glenloch cork plantation**

**MR CORBELL:** My question is to the Minister for Urban Services and relates to the Glenloch cork plantation. Minister, the exclusive in-principle agreement between ACT Forests and Amorim Pty Ltd in relation to the stripping and use of cork from the plantation provides Amorim with the first right of refusal of the cork produced from the first two harvests—the initial stripping and the second stripping in eight to 10 years time. Officers from ACT Forests confirmed in a briefing of my office earlier this week that ACT Forests would rely on Amorim to value the cork produced from the harvests prior to purchasing it.

Minister, how can you ensure that the ACT community is receiving full value for money when the company—that is, Amorim—with which your department has entered into an exclusive arrangement to purchase the cork will also be the company advising the department on how much it will pay for the cork? Can you identify the person from the Canberra and District Winegrowers Association who invited Amorim to be the exclusive partner?

**MR SMYTH:** As I explained to Mr Corbell yesterday in response to his previous question, these people are the ones with the experience. It is not an experience that we have. It is not an experience that you can pick up on the street. You go looking for experts to develop partnerships so that you can get on with doing a good job.

In regard to the cork plantation, when we looked at what needed to be done we sought expert advice round the world. Amorim are the people who can provide it. Yes, we have an agreement with them. They will tell us how much the cork is worth, because nobody else can.

7 March 2001

**MR CORBELL:** I have a supplementary question. Minister, has your department done any work to ensure that an independent valuation of corkwood will be obtained prior to entering into any binding commercial arrangement with Amorim? Secondly, is it normal practice for the ACT government to get the purchaser of a product also to tell us how much they will pay for it?

**MR SMYTH:** As I said yesterday, the primary function of the maintenance work on the plantation is to protect its heritage value. We have gone to world experts on that. They are the ones who can provide us with the knowledge and the skills required to look after the trees and then harvest the cork and, in a commercial sense, they are one of the few firms in the world—I am not aware of any other firms—that can give us the information on this valuation. It is appropriate to do it in this way. You go to experts to get an expert opinion.

### **Parking for the disabled**

**MR OSBORNE:** My question is to the Minister for Urban Services. It is in response to a statement he made yesterday, for which I was not here, in relation to my question last week on parking for disabled persons. Minister, I noticed that you said in your answer that both the Canberra International Airport and the Bruce Stadium authority are not under your control and, in particular, that the Bruce Stadium authority, as an independent statutory authority, has decided to apply a commercial parking charge to all of its customers. Given that you have no control or influence over the BOPL board, will you undertake to write to it and ask it to reconsider its decision, or do you support its decision to charge disabled people a fee for their parking spaces?

**MR SMYTH:** There is nothing to stop members of this place writing on their own behalf, but I am happy to write to BOPL on behalf of Mr Osborne and ask it what is its policy in that regard. Parking for disabled persons is an interesting issue. I receive a number of letters and inquiries about the policy of the government. I have asked the department to review the number of spaces that we have in the ACT for parking for disabled persons. It is currently working on that review. When I have further information about both BOPL and the all-up review for those with disabilities, I will certainly report to the Assembly on it.

### **Needlestick injuries**

**MR RUGENDYKE:** My question is to the health minister, Mr Moore. Minister, in November 1999, I wrote to you concerning a needlestick injury that occurred to one of my constituents in John Knight Memorial Park and the lack of information that was available at Calvary Hospital when he was treated for the injury. At the time, I requested that you take the necessary action to review procedures to ensure that appropriate material was made readily available at the accident and emergency areas of our hospitals to assist people to cope with such a situation. Could you please advise the Assembly whether the Chief Health Officer has reviewed the situation?

**MR MOORE:** It is a shame, Mr Rugendyke, that you did not give me half an hour's notice of a question like that. If you had, I would have been able to answer it. I did make that request. I presume that that has been done, but that is only a presumption. I will come back to you on that as soon as possible.



## **Schools—heating and cooling**

**MR BERRY:** My question is to the Minister for Education. It follows on from the masterful John Howard-style backflip with pike that the minister did in relation to heating and cooling schools, in particular heating and cooling in demountables. I have to congratulate the minister for his good sense in ditching the “open the window” solution. It is noted that the minister will now supplement the budgets of schools to cover heating and cooling and that at last the government appear to have accepted their responsibility for heating and cooling infrastructure in schools, to the extent of about \$5,000 a portable or classroom. Does the \$5,000 include the possibly quite high costs of running airconditioning?

**MR STEFANIAK:** No, it does not, nor should it, because that quite clearly is a responsibility of school-based management. Mr Berry, I do not think you would find any schools particularly worried about that. When I was having detailed discussions with Gordon Primary School board and principal and tossing around a lot of issues, that was discussed, and that school was more than happy to indicate that that is something they would expect to run. With certain types of airconditioning, with reverse cycling especially, you can get very substantial improvements in your costs of heating. While you might spend a bit more money running the cooling, your heating costs are a lot cheaper because of the efficiency of the unit. It is so much more efficient than heating systems in schools. That point was raised by someone at that meeting, not me.

The short answer to the question is no. I do not see that as a problem. Again, I was delighted to see the reaction of the Gordon school board and people involved there to what the government came up with. It covers more than their situation. As I indicated earlier, not all schools will have the same solution, but there is availability for all schools. I would not expect all schools to take it up, because of the factors I mentioned when I answered a question earlier but will not go over again.

**MR BERRY:** Is it not true, Minister, that larger schools or schools with higher energy requirements receive more money to cater for those energy requirements? Why then has this knee-jerk decision not taken into account the increased energy requirements that might flow from possibly quite high airconditioning energy consumption?

**MR STEFANIAK:** I think you will find, Mr Berry, that they have more kids and they tend to get more money anyway. With a large primary school like Gordon, that is the case. I hark back to my earlier answer. They did not seem to have any problem whatsoever and fully accepted that they would have to pay the energy costs. They thought that, depending on what they got—it is all swings and roundabouts—they could make up a bit with lower heating costs because of greater efficiency.

**Mr Humphries:** I ask that further questions be placed on the notice paper.

## Personal explanations

**MR SPEAKER:** Mr Stanhope has a personal explanation under standing order 46.

**MR STANHOPE** (Leader of the Opposition): Thank you, Mr Speaker. In answer to a question in question time today, the minister gilded the lily to the extent of not telling the truth. I would normally say that he actually lied and, in lying, defamed me quite seriously.

**Mr Humphries:** Mr Speaker, it is inappropriate to use standing order 46 to make attacks.

**MR SPEAKER:** Standing order 46 allows you to make a personal explanation, not to accuse ministers or anybody else for that matter of lying. Whether you call them untruths or not, it is unparliamentary to do so. Withdraw that, please, and then get on with your personal explanation.

**MR STANHOPE:** I withdraw that. In answer to a question today, the Chief Minister alleged that I had made an undertaking which I did not make. I believe that to be a lie.

**Mr Humphries:** You did not ask me a question today.

**MR STANHOPE:** The Attorney-General. I will start again. In answer to a question today, the Attorney-General made a statement in which he alleged that I had made and undertaken a commitment, a commitment and undertaking that I did not make. I therefore believe that what the Attorney-General said was a lie and a quite serious defamation of me. That is what I believe.

**Mr Humphries:** Mr Speaker, to call it a lie is still unparliamentary. Mr Stanhope has just been warned.

**MR SPEAKER:** That is correct; it still is.

**MR STANHOPE:** This is a personal explanation. What am I meant to say?

**Mr Hird:** That it is an untruth.

**MR SPEAKER:** Just a moment, thank you, Mr Hird; I will handle it. You said, to begin with, that the minister had alleged certain things. You did not have to add the words that it was a lie. You were making perfectly clear that something was wrong.

**MR STANHOPE:** All right. How do I explain, then, in my personal explanation that the Chief Minister—that the Attorney-General, I beg your pardon, Chief Minister; it is obviously your previous part as Attorney-General, a portfolio which I am very rapidly regretting that you gave up—

**Mr Humphries:** You never said that when I was Attorney-General, did you?

**MR STANHOPE:** No, that is right. How quickly our opinions change.

**MR SPEAKER:** Get on with your personal explanation. otherwise I will have to sit you down.

**MR STANHOPE:** I am in difficulty here in making a personal explanation on a matter which is quite serious to me. In answer to a question today, the Attorney-General made the statement that I had made an undertaking—in other words, that I had given my word—to the Property Council in relation to a certain amendment. I did no such thing. To suggest that I did is a lie; it is a lie.

**Mr Humphries:** They are under the impression that you did give that as an undertaking.

**MR STANHOPE:** I did not give any such undertaking. The only undertaking I have ever given to the Property Council was that I would take every issue in the bill on its merits, something which I did. I was not, like the Attorney-General and your party, seduced by your millionaire property development mates.

**MR SPEAKER:** All right. That debate—

**MR STANHOPE:** I made no undertaking to the Property Council of any sort in relation to any amendment. The Attorney-General's suggestion today that I did is simply not true; it is a lie.

**MR SPEAKER:** Thank you. Sit down. Again, you were using the word "lie", and I ask you to withdraw it. You have made your point, Mr Stanhope.

**MR STANHOPE:** I have made my point, but there is a difficulty here. For a minister to stand up in answer to a question and to defame me by suggesting that I gave my word and then broke it and for me not to be able to suggest that he was lying really does create a problem.

**MR STEFANIAK** (Minister for Education and Attorney-General): Mr Speaker, if I could make a personal explanation under standing order 46.

**MR SPEAKER:** Yes, you may.

**MR STEFANIAK:** Mr Stanhope, if I said that you gave an undertaking to the Property Council and you take offence, I am happy to withdraw that, because I would not know what you said to the Property Council as I was not there. Let me put that on the record. If you have taken offence because you thought I said that, I am happy to withdraw a statement that you gave an undertaking to the Property Council. How could I say that as I was not there?

What I did say, however, and I thought I made quite clear, was that there was an amendment on the table, an amendment which everyone would expect to be moved, a very important one, which, at the end of the day, you and your party did not move. I think people have to ask why.

I am happy to withdraw any implication that you made undertakings to the Property Council. As I said before, I was not there; I would not know. If you take offence at that, I take your point, Mr Stanhope; but the fact remains that there was that amendment there

7 March 2001

on the table, it was not moved and I think I quoted what the Property Council said on the radio.

**Mr Stanhope:** You did say that I had given an undertaking to the Property Council. I did not. I accept your apology, Minister.

**MR SPEAKER:** Now withdraw the reference about lies, please.

**Mr Stanhope:** It will be in the *Hansard* available tomorrow. The minister said it in his answer and I have accepted his apology. I have accepted the fact that he has withdrawn it, but he did say it. Do not come in here now and pretend that he did not say it, that he was simply quoting the Property Council. He said it himself.

**Mr Humphries:** Mr Speaker, is he going to withdraw the terminology?

**Mr Stanhope:** Every single person who participated in the debate did not proceed with the amendment last night.

**Mr Moore:** Mr Speaker, standing order 46 does not provide for such a debate.

**MR SPEAKER:** Mr Stanhope, you will withdraw the word “lie”, otherwise I will name you.

**Mr Stanhope:** Haven't I withdrawn it? I thought I had done that.

**Mr Stefaniak:** No. I think you had better. You are starting to defame me, too, so withdraw it.

**Mr Stanhope:** I withdraw the use of the word “lie”.

**MR SPEAKER:** Thank you.

## **Questions without notice**

### **Electromagnetic radiation and leukaemia**

**MR MOORE:** Mr Speaker, my staff have provided me with further information from the Chief Health Officer about the question Mr Hargreaves asked at question time regarding high voltage power lines. It reads:

Over the last decade there has been substantial interest from the public in the risk of cancer from high voltage power lines. The research published to date has been contradictory, with there being little scientific evidence that electromagnetic fields cause cancer (e.g. Linet et al, Residential exposure to magnetic fields and Acute Lymphoblastic Leukaemia in children, *New England Journal of Medicine*, 337, 1997). However, there are “lingering concerns”, with some studies finding statistical associations between electromagnetic fields and childhood leukaemia, as well as chronic lymphocytic leukaemia in adults exposed to magnetic fields through their work.

The anticipated Doll report—

“anticipated”—

provides further evidence to support these “lingering concerns” that there is a causal link between high voltage power lines and childhood leukaemia. Although not released, the report is believed to re-examine previous research. We believe the findings suggest a significant increase in the risk of childhood leukaemia for children living in close proximity to high voltage power lines.

Various agencies, groups and governments will assess the report when it is released later this week.—

so, we are expecting it to be released shortly—

According to Energy Networks in the ACT, high voltage power lines run close to the Parkway, across golf courses (e.g. Woodhaven Green where houses do back onto the golf course), through parkland, and behind some residences (e.g. McKellar). Given that electromagnetic fields dissipate quickly as the distance away from the source increases, the risk of cancer from exposure to magnetic fields produced by power lines in the ACT is extremely low.

The incidence rate of childhood leukaemia has remained stable in the ACT since reporting started in 1982, with about 4.5 per 100,000 children aged 0 to 9 years newly diagnosed.

Mr Speaker, that is the information to me from the Chief Health Officer. I must say that I am very proud that this matter has been watched and examined by the health protection service. We will continue to do so and, as indicated in the briefing from the Chief Health Officer to me, when the Doll report is released we will examine it closely.

### **ACTION bus accidents**

**MR SMYTH:** Yesterday, Mr Hargreaves asked for information about an accident that occurred at 4.30 pm on Launceston Street, Woden on Sunday and whether ACTION was involved. The ACTION bus was not involved in the accident in any way. The ACTION bus driver, who was en route to the Woden interchange, witnessed the accident and stopped to offer his name and address as a witness and to check whether emergency services were required. After giving his details to the person involved in the accident, he continued on his way with his driving duties.

### **Latham shops—proposed auction of adjacent land**

**MS TUCKER (3.33):** I move:

That this Assembly calls on the Government to:

- (1) postpone the proposed auction of block 3, section 31, Latham until the development application for the redevelopment of the adjacent Latham local shops, block 1 section 31, is resolved; and
- (2) depending on the outcome of the redevelopment proposal for the Latham local shops, review the development conditions for block 3 section 31 before auction to ensure that development on the two blocks is integrated.

*7 March 2001*

This motion is about an issue of process which I do not think has been handled well by the government. In recent weeks, the government advertised for sale by auction block 3 section 31 Latham, with the auction to occur on 22 March. Block 3 is a relatively small block on Wanliss Street on the corner of the Latham shopping centre. I am not arguing that this land should not be developed, but I am questioning the timing and nature of the development.

Members will be aware that for three years there has been debate over the future of the Latham shops, with the owner of the shops believing that the shops were no longer viable and seeking to redevelop the site primarily into townhouses, with very small provision for retail space. Many residents in the area, however, still want to retain shops in this location and they are also concerned about the density of the redevelopment, the loss of off-street public parking and the incorporation of public open space around the edge of the shops into the redevelopment.

I do not intend to debate the merits of this proposal, but I note that a development application for the redevelopment of the shops was lodged at the end of last year for 19 townhouses and one convenience store. I understand that there were some 60 objections lodged and that an appeal against the application is likely to go to the AAT. There is therefore no guarantee that this development will be approved in its current form. There is still some way to go before we will see building work on this block.

Nevertheless, the government is now proceeding to sell the adjacent block and has specified that it must be used for 3 two-storey townhouses. It is quite clear from the sale documentation that development on this block is meant to integrate with the proposed townhouse development on the adjacent Latham shops land. It has even specified where the courtyard walls of the three new dwellings will go, which line up with the proposed courtyard walls for the new townhouses on the Latham shop land.

It is quite clear that the government is just assuming that the redevelopment of the Latham shops will be approved, which makes a mockery of the objection and appeal process. If this block is sold at auction but the redevelopment proposal for the adjacent shops is knocked back or modified, the government could be placed in the difficult situation of having sold this block for a development that is no longer integrated with the rest of the section.

In the past, local residents have called for the development of a master plan for the Latham shops covering all blocks on section 31 as there is another block on the other corner, an old service station, which could also be redeveloped. PALM has resisted the development of a master plan for this area, but it seems that we now have a de facto master plan based around the developer's proposal for the shops site. This makes a mockery of the concept of master plans, which are supposed to be driven by broad planning considerations and not by what any one developer may want. It also, might I add, makes a mockery of any claims from this government that it is interested in social capital.

Surely, it would be more sensible to wait until the nature of the redevelopment of the adjacent Latham shops, the major block in this section, is resolved before selling off this land. It would be much easier then to ensure that development on this block is integrated

with the major development on the Latham shops site, as we would know for sure by then what is being built there. This deferral may only need to take a few months, but it could take longer. It really depends on how the future of the Latham shops is resolved.

This is the primary issue in this location and I do not think that this issue should be clouded by the government attempting to get some development happening on the smaller adjacent block. There has been a huge loss of trust in the community over this incident. It is another incident; they are just building up. That is why I am starting to think that the claim of this government of being committed to developing social capital is a bit of a joke. Time and again the government makes very broad rhetorical statements about its commitment to building social capital and community development principles and then it does something like this.

We heard from Mr Moore one minute ago that the government is not expecting its consultant to engage in debate with the community about social capital and community development issues over the redevelopment of Burnie Court because the government will do that later. I am sorry, that is not how to build social capital. That is the powerful elite making decisions and imposing those decisions on the community. That is the opposite of what anyone would understand would lead to the development of trust in community development principles. It is totally the opposite. This is another example of that.

I hope to get support for this motion from the Ginninderra members. I am really concerned that they are not taking greater interest in it.

**MR HIRD** (3.38): Mr Speaker, may I just say to Ms Tucker, as a member for Ginninderra, that I am taking a positive interest in this matter, and she knows that. It was rather a low blow that she threw across the chamber. I think that she is grandstanding a bit on this issue. I have made inquiries of certain residents of Latham and they are concerned about the eyesore that remains at the Latham shops, whose redevelopment she gave an undertaking to hold up.

Let me talk about the issues in real terms. A committee of this place reported on the proposal in October 2000, having taken evidence at public hearings. During 1998 and 1999 the committee received seven submissions from the public and one from the government. The committee held public hearings in November 1998 and a further four public hearings in 2000. It went into the matter in great detail. You know, Ms Tucker, that there were 10 variations. Some of the people you are speaking for have vowed to stop this development, no matter which way the appeal goes. They have said that.

**Ms Tucker:** Which development are you talking about?

**MR HIRD:** The proposed development of 19 townhouses and the ability to take commercial areas from the 19 townhouses, plus a 100 square metres corner shop. I could go into that in great detail, but you already know about it because you would have read in detail report No 58 of my committee dealing with this—

**Ms Tucker:** I take a point of order, Mr Speaker. Could I help Mr Hird by going over my speech again to say what development I am talking about in my motion?

7 March 2001

**MR SPEAKER:** No, you cannot. Sit down, listen quietly and you will have the opportunity to respond at the end of the debate on the motion.

**MR HIRD:** Mr Moore spoke yesterday about there being none so blind as those that cannot see. You are not listening, Ms Tucker. You are certainly not listening to my constituents. You might be listening to some of the constituents, but not the majority, in the suburb of Latham. There are people in Latham who want to get rid of the eyesore and the only way they are going to get rid of the eyesore is by having the development go ahead.

Let us analyse Ms Tucker's motion. When you look at it you will find that she has left out a very important part. A concerned resident of Latham, Mr Dirk van der Vliet of the Latham Residents Association, has informed me that the Latham shops site issue has been resolved, which is not mentioned in this motion. It will be going from PALM to an independent commissioner next week. That has been resolved, but you are not saying that. You are saying here that it is to be resolved.

I do not know whether your means of communication are at fault, but the fact is that the issue will be going to an independent body. On a number of occasions, Mr Corbell has called for an independent body and said that politicians should stay out of the planning process. I just happen to agree with him on this matter. I agree that the matter should be dealt with by an independent commissioner and politicians should butt out of it, because the area has been laying idle, stagnating, for a number of years, doing nothing for anyone but the children who are playing there. If they damage themselves or cause themselves some injury, you might have something on which to criticise the government for not taking the appropriate action.

I would just say to you, Mr Speaker, that it would appear on the surface that, once again, Ms Tucker is grandstanding, trying to win votes for her Greens colleagues and drum up business for her party out in the great electorate of Ginninderra. That is the real truth of the matter. She is not worried about the problems of the ugly site for the citizens of Latham and their wish to do something about it. This option has been on the agenda for some time. It surprises me that Ms Tucker is not telling the full story, that is, that it has been resolved that it will go from PALM to an independent commissioner next week.

I believe that. I have no reason to doubt it. But what do we have here in private members business? We have Ms Tucker grandstanding to try to win votes for the Greens. I cannot blame her for that as there was a member of the Greens there in 1995, but Mr Rugendyke is there now and I trust that Mr Rugendyke will be there after 20 October this year. He certainly has my support and I know that Ms Tucker will be supporting him, too.

**Ms Tucker:** No, I think the Liberals will be supporting him more.

**MR HIRD:** Come clean, Ms Tucker. An in-depth report was made by my committee in respect of this issue and all matters were taken into consideration, let me make that quite clear. If you do not have a copy of the report—report No 58—I am sure that I can make one available to you. Mr Speaker, I will be recommending to my colleagues on this side of the house that they vote this motion down. It should not even be dealt with in this chamber, knowing the full facts.



**MR STANHOPE** (Leader of the Opposition) (3.45): Mr Speaker, the Labor Party will support the motion. A development application for the Latham shops is currently with PALM. The application is for approval to demolish the shops and erect 19 two-storey townhouses with a single storey shop on the site of the shops and the surrounding territory land. I think the point could be reasonably made now that Ms Tucker and Mr Hird were talking about two completely different blocks of land. Ms Tucker's motion does not go to the block of land on which the shops are located; it goes—

**Mr Hird:** She is asking the developer to hold up.

**MR STANHOPE:** Yes, on the adjacent block of land. Mr Hird, you have missed the point. You need to rewrite your speech and actually address the motion. The motion is addressed to block 31, not to the Latham shops.

**Mr Hird:** No, it is not block 31; it is block 1 section 31.

**MR STANHOPE:** Block 3 section 31, which is not the block on which the Latham shops are located. Unfortunately, Mr Hird, your entire speech was misplaced, though it did relate to what is happening at the Latham shops site.

**Mr Hird:** I thank the Leader of the Opposition for that.

**MR STANHOPE:** There is a relationship, Mr Hird. It is a pity, though, that you did not address Ms Tucker's motion.

At public meetings, in correspondence with me and other MLAs and before the Standing Committee on Planning and Urban Services, the inquiry Mr Hird refers to, the residents of Latham have made clear their dissatisfaction with the situation at the shopping centre and various proposals to redevelop it. The residents of Latham quite clearly want shops at Latham and they want the restoration of the current derelict site. The fact that the residents of Latham do find the site an eyesore, do find the dereliction very frustrating, is something with which I do agree with Mr Hird, but we do disagree in terms of what it is that the residents of Latham want to happen at the site. They quite clearly want the site to be used for the purpose for which it is there, namely, for commercial purposes. They quite clearly do not want the site to be converted solely into residential use. But, over and above all of this, the residents of Latham want to be consulted fully on any redevelopment proposal. They do not want the recycling of proposals that they have already rejected.

A public meeting at Latham Primary School in June 2000—I believe that Mr Stefaniak was there and can attest to this—rejected overwhelmingly the then proposal from the owner for 14 residential units and seven mixed use residential/commercial units. It is not surprising that the residents association rejected the current proposal and that a large number of objections have been lodged with PALM. I understand that PALM is about to refer the development application to the Commissioner for Land and Planning for decision. A decision by the commissioner in favour of the developers is unlikely to be well received by the Latham community. If the commissioner rejects the application, the owners will need to come up with a workable proposal. If they do not, the minister will have to consider strong action.

7 March 2001

In the context of this debate and this issue, we need to keep in mind that this development is to proceed as part of variation 64 to the Territory Plan. Variation 64 is a response to the decline in local shopping centres. Local centres were intended to provide convenience retailing and other convenience shopping and community and business services. Variation 64 allows a wider range of uses at local centres, such as light industry, veterinary hospitals, church uses and some servicing and repair uses. It also allows residential and mixed uses in the centres. Convenience retailing is to be retained unless it can be established that it is not commercially viable and it is reasonably accessible from other centres. The commercial space cannot be reduced by more than 50 per cent and replaced by residential development—this is very important in relation to this matter of the Latham shops—unless it can be substantiated that the local centre or the commercial space being replaced is no longer viable. The zoning remains commercial (d). Commercial uses can be re-established at a later stage and the areas changed to residential.

There is some dispute in relation to the extent to which commercial use of the Latham shops is or is not viable. It needs to be remembered that at the time of the fire that burnt out the Latham shops there were four viable, continuing businesses. That was the situation prior to the fire. We now have suggestions that Latham cannot be regarded as a viable commercial centre, despite the fact that at the time of the fire there were four viable, active, continuing businesses. All of a sudden, when it is no longer convenient to regard Latham as a viable commercial centre, we dismiss the facts of that recent past.

Variation 64 allows redevelopment within a variation of the Territory Plan. Most importantly for developers, the government will remit all the change of use charge. It will waive fees for development and building applications and land title registration fees. It will remit rates and land tax for a six-month period. Variation 64 was designed to revitalise shopping centres, not as a back door way for owners to convert shopping centres to residential use without amendment of the Territory Plan and to avoid the normal charges.

It is my contention, and I believe it is the view of the residents of Latham, that the minister has played a less than helpful role in this process. I believe that, if the commissioner rejects the application, the minister will have the opportunity to be more positive; that is, of course, in the circumstance that the commissioner does reject the application. The minister should, in those circumstances, encourage the owners to come up with a workable proposal. If this does not work, the minister should consider terminating the current lease and testing the market for a shopping centre redevelopment. If that test were unsuccessful, the minister could then offer the site for other purposes and the community could receive a reward from any change of use.

Block 3 section 31 could be included in this approach. I think that the point, the thrust, of Ms Tucker's motion is that we do have a continuing and, at this stage, frustrating delay in the consideration of the future of the Latham shops. That matter is yet to be resolved, it is still to be considered and determined by the commissioner, and, subject to the outcomes of that consideration, there is a range of steps that, as I have just indicated, the minister could and, in my view, should take. In advance of that, we have the government offering for sale for residential use a block of land immediately adjacent to the shops, a block of land which is potentially very significant for future uses of the Latham shops

site. So, why do it in this way? Why do it in this backhanded, roundabout, pre-emptive way? That is the very point that Ms Tucker makes in this motion.

If you are actually looking at the possibility of continued use of the Latham shops site for commercial purposes, why would you at this stage pre-empt this difficult, drawn-out and frustrating process that the residents of Latham have had to endure by selling off an immediately adjacent piece of land for residential purposes? Why would you do that when you are yet to determine an appropriate use and a use that is desired, quite clearly, by an overwhelming number of residents of Latham, namely, that the Latham shops site be retained and continued for viable commercial pursuits? You want to pre-empt that process by selling off the land adjacent. As I say, to proceed to the auctioning of block 3 is premature. To proceed now means that the government will be anticipating the commissioner's decision on the shopping site and assuming that there will be residences on the site.

What will happen if the development application is rejected? There is an assumption in all of this that the commissioner will accept the development application, namely, that the Latham shops be replaced by 19 residences and a corner store. What will we have if the government's pre-emptive strike or its anticipation of the commissioner's decision is wrong? We will have a small island of three residences between perhaps a commercial centre at the Latham shops, the preschool, the business in the old service station and a derelict shopping centre. Go and look at that site and imagine the prospects that would come from the auctioning of the site for residential purposes. We would have a derelict shopping centre, the old service station used as a shop and, behind the old service station used as a shop, three new residences. Adjacent to that, on the other side of that, taking up the rest of the space, we would have the preschool. That is what we would end up with: a derelict shopping centre in relation to which decisions have not been made, a service station being used as a shop, three brand new residences sitting in the middle of nothing and a preschool.

Why are we proceeding in this way at this time? In any case, and I think this is fundamental, the residents deserve an opportunity to comment on the site plan and its implications for the use of the area. There is a whole range of issues that the residents do have an interest in: traffic issues, access issues for the preschool, and just their commitment or determination to see the Latham shops site used for its intended purpose, namely, for commercial purposes.

As I indicated, the Labor Party will support Ms Tucker's motion. We believe that this is a pre-emptive, non-consultative and unusual way to proceed. There is simply no need for the government to sell these blocks at this time whilst there is significant work going on through the commissioner and PALM, fostered and facilitated by the residents group still seeking the outcome that the residents of Latham want in relation to the Latham shops site.

**MR RUGENDYKE (3.56):** It is interesting to hear the view of the Labor Party on this motion and on this section of Latham, given that one of my colleagues on the urban services committee, Mr Hird, will be aware that Mr Corbell has yet to present his dissenting report on the committee's thorough investigation of the Latham shops issue. The urban services committee looked at this issue over the last couple of years, and

7 March 2001

I think it is important to make a couple of comments about my own view on this section, which consists of a vacant, circular, 1970s construction—

**Ms Tucker:** Are you talking about block 3?

**MR RUGENDYKE:** Yes.

**Ms Tucker:** Which the government is about to sell, which is up for auction?

**MR RUGENDYKE:** I am talking about section 31, which includes blocks 1, 2 and 3.

**Ms Tucker:** My motion is about the one that the government is going to auction.

**MR RUGENDYKE:** Yes. Mr Speaker, it is a circular construction of the 1970s. In the 1970s it may well have been somewhat viable. The committee heard evidence from experts in the field about the viability of shopping centres. We heard how the butcher who left Latham and, I think, set up in another suburb still owes the owner about \$15,000 in rent. We also heard how the rent of the supermarket, when it was still operating, was reduced from \$52,000 per annum to about \$30,000 per annum, simply so that the owner could keep the supermarket there. As we know, a fire happened. The place is now an eyesore as a result of that.

Mr Speaker, it seems to me that some people here believe that it is a crime for the owner of this lease to be able to make a quid out of his lease, to be able to use this lease to secure his superannuation. Various plans have been shown to the community and to the committee about the redevelopment of this section, blocks 1, 2 and 3. The developer has drawn 10 plans one after the other. He is now up to plan 10. Plan 10 shows 19 residences on the block—I think it is block 1—of the circular building, with a driveway that leads to the block that is the subject of this motion. If there is residential development on this block and the block that is up for sale, the driveway could be continued through and make for a similar construction between blocks 1 and 3.

Mr Speaker, the other aspect to point out is that plan 10 of the developer shows a small—100 square metres—corner store outside the lease of the circular bay. The reason that was done by the developer is that they believe, and I agree with them, that that is the only type of shop that would have the capacity to survive and only if it is under strata title owned by, for example, a mum and dad business offering bread, milk, papers and the basics. We know for a fact from evidence that we received during the committee hearings that people just did not use the supermarket, the butcher and the newsagent. That is why they all left. You have just got to compare the Melba shops with the Latham shops.

**Mr Stanhope:** The butcher at Melba was from Latham.

**MR RUGENDYKE:** Yes, that is right. He went there because he could not survive at Latham. Why? Firstly, the Melba shops are on a good road. Melba has a service station that is viable. It has a takeaway that survives. It is a revitalised little shopping centre. We will not need to worry about Melba in relation to variation 64. But look at poor, sad Latham. It is in the back streets. It is a fair distance from Kippax, but not so far that the people do not drive there to get their groceries. Variation 64 is very important for

Latham and variation 64 says what happens where a shopping centre is not viable. We have evidence that it is not. The butcher is still in debt, the supermarket had its rent reduced by \$20,000 a year, and everybody else has disappeared. The proprietors of the Chinese restaurant did not want to continue, they wanted to retire, so they are not going to set up anywhere else. I am satisfied that this site ought to be redeveloped.

**Ms Tucker:** I am not talking about that site.

**MR RUGENDYKE:** I am.

**Ms Tucker:** You did not listen to my motion.

**MR RUGENDYKE:** You did not listen, Ms Tucker, because when I talked about plan 10, I talked about the driveway that goes through to that block, a perfectly sensible option. There is no reason in my mind why block 3 section 31 should not be sold for residential development; it should be. It is on the Territory Plan to be sold, and I say sell it. Let people put up a hand to buy it and redevelop it in concert with the whole section. Also, let us think about selling the old service station site.

**Mr Corbell:** It is not yours. It is a private lease.

**MR RUGENDYKE:** Why doesn't he build something decent? He is working out of a derelict service station. What a shemozzle!

Mr Speaker, the proposal put by GE Shaw and Associates on behalf of the lessee of block 1 is a very good plan. I am very impressed with it and I say that we should let them get on with it. It has been run through the mill and through the committee process for long enough. The people of Latham, other than about four or five of them who are complaining about this residential development, want to see this eyesore got rid of. They want to see redevelopment to a state where it looks like a decent part of the suburb, along with a 100 square metres corner store.

**MR CORBELL (4.06):** Mr Speaker, I must say that I thought I was participating in a different debate. The reason I say that is that we have heard those opposing this motion today talk about issues which have nothing to do with the motion. Indeed, I am surprised, Mr Speaker, that you have allowed those speeches even to be in order. The reason I say that, Mr Speaker, is that the motion proposed by Ms Tucker says very clearly that the Assembly calls on the government to postpone the proposed auction of block 3 section 31 Latham. It goes on to make a couple of other points and then it says:

...depending on the outcome of the redevelopment proposal...review the development conditions for block 3 section 31...

Mr Speaker, the question that has to be asked rhetorically is: where are the Latham shops located? Are they located on block 3 section 31? If so, the arguments that we have heard from Mr Hird and Mr Rugendyke would be entirely in order. Unfortunately for Mr Hird and Mr Rugendyke, the Latham shops are not located on block 3 section 31, which is the block of land relevant to this motion. So the arguments about what happens with the shops, the levels of rent owed by previous tenants there and the actions of the leaseholder for the shops are all irrelevant. They are irrelevant because block 3 section 31 is

7 March 2001

not where the shops are. I am very surprised that Mr Hird and Mr Rugendyke do not know that, simply because it is in their electorate. Nevertheless, the important point behind this motion is that the proposal by the ACT government to release this parcel of land for development for residential purposes is not the appropriate way to proceed for the release of the land, because it does not promote orderly planning.

I do not think there is any disagreement from any member supporting this motion today that this site should not at some stage be released for sale. Of course it should. But it should be released under a process and in a timeframe that reflect the fact that there has been a decision taken in relation to the adjoining parcels of land; that is, the sale of the land should be dependent upon the resolution of the redevelopment proposal for the Latham local shops. As members know, the Latham local shops redevelopment proposal is the subject of a review by the Commissioner for Land and Planning, because objections have been made to the proposal, and it may be the subject of a hearing by the Administrative Appeals Tribunal. Mr Speaker, it would be a nonsensical proposition to release this land for development without knowing exactly what is to occur on the adjacent site. To release this land for development without knowing what is to occur on the adjacent site would potentially result in an isolated development next to a burnt out shopping centre.

Is that the sort of outcome that our members for Ginninderra want? Is it, Mr Hird? Is it, Mr Rugendyke? Is that the outcome you want? I can see the ad now: "Two-storey townhouse with sweeping views of a burnt out supermarket." That is the risk that is run by this government's proposed land release in relation to the site.

**Mr Hird:** It won't sell, then, and you won't have to worry.

**MR CORBELL:** If it will not sell, Mr Hird, why are you putting it out for sale? Quite clearly, this government just does not understand what is an appropriate process for orderly planning.

Mr Speaker, what this motion says today is this: postpone the sale of that block of land until the issue of the redevelopment of the Latham shops—not this block of land; the Latham shops—is resolved, because there are very keen points of difference within the local community as to what that site should be used for and whether a variation 64 proposal should be allowed to proceed; that is, a proposal which allows for residential redevelopment on this site.

We heard Mr Rugendyke talk about how experts had clarified and confirmed that the shops were no longer viable. The question I have is: who paid the experts? What I can tell you, Mr Speaker, is that the development proponent paid the experts. Is it any surprise that they warranted that the site was not viable for shops when the person paying them to do the work was the person who wanted to redevelop the site for housing? That is not a process that inspires confidence in the planning process from members of the local community. They had every justification for believing that that viability study was not a fair and accurate examination. Mr Rugendyke's argument about the shops site itself is a nonsense purely in that regard, if nothing else.

The government is proposing to release this land for residential use in accordance with the development controls laid out under the local centres land use policy of the Territory Plan. The Territory Plan makes clear that residential redevelopment which involves decreasing the total gross floor area for commercial purposes in a centre by more than 50 per cent may only be approved where it can be substantiated that the local centre is no longer commercially viable. Unfortunately for the residents of Latham, that clause does not apply to this parcel of land because it does not have any retail space on it; in fact, it has nothing on it. If it was already a shop site, the government and the development proponent would have to argue why they believe it was no longer viable for commercial use. The irony is that in the Territory Plan this parcel of land is for commercial land use. It is set aside for retail facilities, a service station, a shop and a range of other things.

I think it was always the intention of this place that residential development be allowed on commercial land use land like this only if the local centre was no longer viable. Unfortunately, the way the draft variation is worded means that, even though this land shows up on the Territory Plan as commercial, the government can sell it as residential. The question I have in relation to this proposal is: why is the government insisting in the lease conditions for block 3 section 31 Latham that the lease purpose can only be for three residential dwellings? Why, when the land use policy says commercial and permits a range of uses, including business agency, financial establishment, indoor entertainment facility, office, restaurant or shop, is the government saying that the only use it will allow for this land is residential? That suggests to me a number of things. The one I would speculate on here is that perhaps it is simply an opportunity to allow the development proponent at the Latham shops to expand their proposal onto this parcel of land.

Mr Speaker, I think there are good reasons for this proposed land release not to proceed until the question of the future of the Latham shops themselves is addressed. That is all this motion proposes and it should be supported.

**MR STEFANIAK** (Minister for Education and Attorney-General) (4.16): Mr Speaker, I have followed the debate here and in the community with interest. It has been a fairly long and tortuous saga. I noted the comments made by the opposition that Mr Hird and Mr Rugendyke were not really addressing the issue of Ms Tucker's motion. I think they were, because these blocks are very much intertwined. Even Ms Tucker has called for the postponement of the proposed auction of block 3 until the development application for block 1 is resolved and, depending on the outcome of the redevelopment proposal, there has been a review of the development conditions for block 3. Anyone who knows the area will know that the three blocks are very much intertwined. I think it was quite appropriate for Mr Hird and Mr Rugendyke to make the comments they made.

Mr Rugendyke mentioned that there had been 10 plans. I am sure he is right there. I have certainly seen a few. The shops have been damaged by fire. I do not believe that that was the case initially. I can recall going to an initial meeting there and there was a desire expressed by some members of the community to have more retail outlets there and there were some questions about whether the landlord was being a bit too difficult there or there were some groups that wanted to go in and could not go in because of the potential redevelopment. That is why it was very important that the urban services committee look at all of it.

7 March 2001

I was very interested in Mr Rugendyke's comment that it is very difficult to get people to go there as businesses have left and the revitalisation of that centre in such a way as to make it a vibrant, commercial local shopping centre is just not on. There might be some people in the community who would still like to see that; but, sadly, that simply is not a viable option. I think the reasons Mr Rugendyke gave were fairly accurate. In my own suburb of Macgregor there are two shops; in fact, we might be down to one now. It used to be a vibrant little shopping centre. It also is not on a main road or close to a main road, unlike the Melba shops. It is in a similar position to Latham. It is a fact that some shopping centres are going to go through that and, try as you might, you cannot force people to run a business that is not going to be viable, so you will need to look at some other option for the site.

Block 3, as Mr Corbell has quite rightly mentioned, will have 3 two-storey residential units, as the lease and development conditions permit, with private open space to frontage, fencing consistent with what is proposed on the adjacent site, car parking and access to the rear. Buildings can be built to the boundaries of block 1. Also, I understand that the lease and development conditions respond to the current proposal for the Latham shops site and echo the development in that DA. One must complement the other, as my colleague the Minister for Urban Services has indicated to me.

This matter has dragged on for a long time. Some people who were very keen indeed to have a viable shopping centre came to see me recently to express their concern about the vandalism that is now occurring in the old shopping centre. The Golden Wok Restaurant is still running, but nothing else. Vandals have been in there and caused damage. There have been allegations that a fair bit of drug use is going on there and deals are being done there. I have alerted my colleague and the police to those matters as a result of constituent concerns. Quite clearly, residents are getting sick of what has become an eyesore and what has become an area for drug deals and a situation where vandalism occurs. There are some real concerns in the community that something needs to be done.

What can be done? I go back to what Mr Rugendyke said and what the committee has done and the majority of the committee found upon looking at this matter. They are keen for the main development of block 1 to go ahead, I understand. There have been 10 plans and there has been a lot of consultation. I have been to a few meetings. I have certainly noted the mood. I know that some people wished for further consultation to happen, further things to occur and further plans to be done. It seems to me that a lot of that has occurred. A committee has looked at it and, quite clearly, something does need to occur there. I concur with the majority of the committee and the comments made by Mr Hird and Mr Rugendyke today.

Accordingly, given the statement of my colleague the Urban Services Minister that these blocks really do need to complement each other, I can see no reason why Ms Tucker's motion should be supported. Quite clearly, the majority of the community would now want something to be done, and something positive. I have seen a few developments around old local shopping centres in Canberra, as we all have. They can be done in a manner sympathetic with the local area and be of great amenity to people. Because I have not looked at this proposal recently, I am sure whether there can be only one shop or there can be a few stores within the development of 19 units.

**Mr Hird:** You can have more.



**MR STEFANIAK:** Mr Hird indicates that there could be more than one. I think that that would allay some of the fears of the community and give someone the opportunity to establish a business and live above the business. My understanding is that there are a number of possibilities with that proposed development. I would think that what is actually allowed and proposed for block 3 is reasonably complementary of that; in fact, it has to complement what is proposed there; so it would seem that the checks and balances are there.

I think we have a situation where most people around Latham now want to see something happen. It has gone on for a very long time. There has been a lot of consultation and a lot of notice has been taken of the views of residents, which I am very glad to see, over several years. I do not think Ms Tucker's motion will assist the situation at all. Further postponing anything to do with this area would just increase some of the problems that we are now seeing with the old shopping centre, which is boarded up, dilapidated and has only one shop operating. I understand from what Mr Rugendyke says that that shop might not be operating for much longer, either. If I understood him correctly, the owners wish to retire, so it may well be that even that shop will not last for much longer.

Something does need to occur. A lot of what has been done to date seems to have taken into account the wishes of the majority of the community. There have been a number of public meetings. Certainly, proposals have been put on the table. Some of the proposals have been amended, others have been thrown out totally, and some have come back. I accept Mr Rugendyke's comment that we are up to the tenth plan for block 1.

**Mr Hird:** There is the committee's report, too, Minister.

**MR STEFANIAK:** We have the committee's report. My colleague the Urban Services Minister says that the sites must complement each other as they are very close by. Accordingly, I agree with my colleagues in not supporting Ms Tucker's motion. I do not think it gets us anywhere.

**MR BERRY (4.24):** This debate has been a foolish one. On one side, we have some people who want to make sure that the living environment in Latham is preserved to the point of the best outcome possible being achieved for the residents of Latham. On the other side, we have some members of this place who just want to develop the area at any cost. They do not seem to care about what might be good for the people in Latham.

Until last year, I had had family members in Latham since the mid-1970s and I was a constant observer of events around that shopping centre over those years. What we have had in recent times is an owner who has decided that there is more money in doing something other than running a shopping centre; it is as simple as that. What this land owner decided to do was to stubbornly resist operating that shopping centre in accordance with its lease requirements while he or she pursued a course which would result in a lease purpose change and a more attractive development proposal for him or her.

7 March 2001

We had a process which examined the viability of the centre. That was criticised by many. I seem to recall Mr Rugendyke criticising at one point the process which looked at the viability of the centre. I am surprised that he has been won over to a different cause. The aim of the owner and developer very clearly has been to make sure that a lease purpose change occurred through this relentless stubbornness about doing anything with the shopping centre and operating it in accordance with the lease purpose clause.

I know that this motion is not about that. It is about adopting a sane approach to preserving the Latham site until the matter of the shopping centre is finally determined. I understand that it is now before the Commissioner for Land and Planning. I cannot for the life of me believe that members of this place would oppose a motion that preserved a piece of land critical or crucial to further development in Latham, other than to play the same game as the developer is playing in respect of the shopping centre; that is, to create circumstances which force or encourage the residential redevelopment which has been proposed in the past, rather than the preservation of some decent shopping facilities for the people of Latham.

The people of Latham have been done in the eye over this issue. They have a shopping centre which, on my experience, would have been occupied by many retailers and other businessmen had the shops been available for rent, but they have been deliberately withheld from rent and maintenance has been withheld from them. I thought I heard somebody say earlier that the person who owned them wanted them redeveloped for their retirement or something like that, but I may have mistaken them. I would like to have enough money to be able to leave a valuable shopping centre like that almost empty for years. I reckon that I would be feeling pretty comfortable if I had that sort of money, knowing full well that by investing some money in the place, spending the insurance money on refurbishing the shop that was burnt out, there would be a return from those premises.

We know that people went to Melba not because they wanted to go to Melba, but because they could not get a space in Latham where, in their view, they could have run viable businesses. To say, on the basis of the much questioned viability inquiry, that the shops are no longer viable is merely to dance to the tune of the owner and developer; it is nothing more than that. Yes, there have been changes to the way the shopping centres, group centres, town centres and so forth operate in the ACT, but that is the nature of business. If you went into business on the basis of what is available at the time, surely you would plan into the future to better understand the commercial outcomes that you might expect, not knowing that one day you are going to be able to do the local community in the eye by pursuing a particular commercial development with your friends on the conservative side of politics in the ACT Legislative Assembly.

I repeat: I think the people of Latham have been done in the eye and are being ground down by the very deliberate attempts to make this site an eyesore, so they will get sick of it and cop anything rather than the eyesore. If members want to rust themselves onto that sort of approach to development in the ACT, let them; but leave me out. That is just a ridiculous approach to take to developing the social infrastructure of suburbs. If this development happens, things will change in Latham.

The practice of refusing to operate a lease in accordance with its lease purpose raises a question about how long someone should be able to get away with it. I suppose the owners at Latham say that they have one shop being operated, so you cannot do anything to them. I just think that it has been pretty much a game that has been played by the owner and developer in this case to try to grind down the community and they have won over this government on the release of a piece of land nearby for residential purposes when their matter has not been settled, which just shows how weak and pathetic this government is when it comes to sensible planning. The government will not be thanked for that, because once it is over it is done for good.

The viability of the Melba shopping centre demonstrates that there are possibilities for the shop owners and so on in Latham. To deny that is to delude oneself. I just think that this has been a tawdry little experience from go to whoa and, on the basis of the government's opposition to Ms Tucker's motion, it looks as though the government has been smitten by this tawdry approach. As I said, I think it shows their shallowness on planning and their absolute belief that the market will determine everything. As I said in an earlier debate, people are sick of the economic rationalist approach, they are sick of all the privatisation and they are sick of all the markets ruling the world approaches which have been taken by governments in the past and continued by people who are still living in the past. We are in 2001. It is about time people started to behave as if we were.

**MR SMYTH** (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (4.33): Mr Deputy Speaker, we have had a lot of rhetoric here today. The first question posed was: why release it for residential development? The answer is: for the same reason that we released land close to the existing shops at Waramanga for residential development and the same reason that we released it close to the Fisher shops. It is because these sites are next to services. Members opposite will come back and say that there will not be any services there. The Standing Committee on Planning and Urban Services said that they think that this has gone on for long enough. Why do they say that? It is because they have listened to the community. There is always criticism about the process that the government just does what the government wants to do. The urban services committee's report said that the prolonged period of uncertainty about the future of the Latham local centre should be resolved as soon as possible. This leads to a resolution.

They have also said in their report that whatever is built there must be adaptable, that there needs to be a minimum amount of retail commercial space, 100 square metres, and that the option should be retained for future commercial use even if the interim uses are residential, so we are talking about adaptable accommodation here, an adaptable building. The lease and development conditions for block 3 section 31 say that any development must be compatible with block 1; so, in terms of any development that takes place on block 3 of section 31, block 1 of section 31 must be determined before that can happen.

Mr Berry, oddly enough, accuses us of living in the past. He asks, "Why would you do this? Why would you go ahead with residential development at this time?" It is because it does make good planning sense, it certainly does. If you have one shop there and you want to grow more shops there, logically, the more people you can put in that general vicinity the more likelihood you will have of success for that one shop, and ultimately more shops. We need to make sure that whatever goes in there does have a future.

7 March 2001

We have had accusations fly about the owners running it down and not making it work well. There are a number of local shopping centres in the ACT that are just no longer viable. There have been several before the committees over the years because retail patterns have changed. It is well and good to demand that the shops be there to service the population, but the shops have to be viable for the small business people to survive. Indeed, Mr Berry is living in dreamland by saying that there should be shops, there just have to be shops, as the people needs shops. Those shops need to survive. You just cannot put small business people into the position where they are in a shopping centre that is not viable. That is the whole process that we have gone through with variation 64.

It is not the government saying that; it is the urban services committee that said that, and we have the report of the committee. The supposed dissenting report is yet to arrive. This report of the Planning and Urban Services Committee was tabled in October 2000 and last week I tabled the government's response to it, but we are yet to hear whether there is any dissent. What one could say is that there was a unanimous report from the committee because there has been no dissenting report. The committee says, "Get on with it. Make sure there is space for at least one shop, make sure that in the future there is the ability to vary that and make sure that there is continued monitoring of what goes on and that there is consultation." Those opposite will say that they have heard only that people do not want such development.

I have heard both sides of that story. I have had correspondence from people saying, "Would you just do something as we are sick of it. We think it is an eyesore and a safety risk." Others have said, "We want something different. We want our local shops back." The reality is, as proven through variation 64 and through the committee, that having shops at that location is not viable.

Mr Stanhope says that the government is pre-empting the outcome. I am not sure that it is pre-empting anything. These blocks have been on the land release program for some time. Certainly, they would have been in the land release program as of May last year when it was released. In all reasonableness, you would have expected the dilemma with the Latham shops to have been resolved before this time. But it is part of the government's policy with blocks near existing local centres or blocks with access to services to include residential development as an option for those that want to live in these areas next to bus routes, preschools, schools or whatever, because that makes the community more viable and that is good planning, contrary to what those opposite would say. Mr Corbell speculated that it was simply to assist the development. The proof of the pudding is in the things that we have done in the past. We have also released blocks next to local shops to support the local shops. We have done that at Fisher, which still functions, and we have done it at Waramanga, which still functions, so it has nothing to do with the sort of assertion that he makes.

Oddly enough, I think I have even heard Mr Corbell say that it is logical to put more residential development and higher density development next to local, group and town centre shops. Here we have a site that some time ago was determined should be residential because of its access to services, which included the possibility of a shop, but preschools, schools, bus routes and other services as well, and it would be viable to have that. If the one shop that goes into the Latham centre is to survive, the minimum of one shop as required by the urban services committee, the greater the population and the

more activity we have near that shop, the better chance it has of surviving. If it survives, clearly other units may be converted to allow additional commercial activity to go on at that spot.

Mr Deputy Speaker, I am told that the matter is with PALM and is in the final stages of assessment and that it will be determining shortly whether it will approve it. Mr Deputy Speaker, I think it is appropriate that we just continue with the program. I think that the development that goes there will assist any commercial activity that goes on in the Latham shops and will be compatible with everything that the government has said to this day. We will oppose the motion.

**MS TUCKER** (4.39), in reply: There are now some contradictions there, because Mr Hird just said passionately that the whole thing had been resolved because the commissioner was going to sort it out.

**Mr Hird:** That is what I was told by Latham residents.

**MS TUCKER:** Mr Hird does not understand the planning processes because, if the commissioner has to make a decision, it is because it is not clear and it can then go to the AAT. If it is going to the AAT, and I understand that there are 60 objections to it, it is far from being resolved.

**Mr Hird:** I did not say that it was going to the AAT.

**MS TUCKER:** No, you certainly did not. You said, Mr Hird, that the whole question had been resolved and it was to go to the commissioner.

**Mr Hird:** I was quoting from a document from a resident.

**MS TUCKER:** What I am explaining to you is that under the planning processes it is not resolved at all and that it will no doubt go to the AAT because there are so many objections. But Mr Smyth just told us that it was only just going to PALM for approval.

**Mr Smyth:** No, to be determined. I did not say approval.

**MS TUCKER:** I am not quite sure; to be determined.

**Mr Smyth:** You need to be more accurate in what you say.

**MS TUCKER:** All right. Mr Smyth has a very different position from Mr Hird on where it is actually up to, but that is fine because the actual question of my motion has not been addressed by Mr Rugendyke, Mr Hird or—

**Mr Smyth:** I take a point of order, Mr Deputy Speaker. I did not say what Ms Tucker purports.

**MR DEPUTY SPEAKER:** Which standing order are you quoting, Mr Smyth? Carry on, Ms Tucker.

7 March 2001

**MS TUCKER:** Thank you. Mr Stefaniak did not address my motion, Mr Rugendyke did not, Mr Hird did not and Mr Smyth did so vaguely, but did not really address it. At the centre of this motion is our concern that a block of land which is going to be processed, sold and developed for residential purposes is very closely connected to the shopping centre blocks whose future has been disputed for a number of years, as we all know.

The Greens would be interested in having a local area plan approach to any development of this site. I find it quite fascinating that the urban services committee, after weighty consideration, has recommended that we just get on with it; it is sick of it and we should just get on with it. I am sorry, that is not a satisfactory response to issues of concern to the community. It has taken a long time and we can go into detail about why that has been the case, but it is hardly a credible response just to say, "We don't like; it doesn't look good. Let's just get on with it."

Basically, that is what was said by Mr Hird and Mr Rugendyke in response to my motion. Basically, they are saying what they said in the urban services committee's report. But, as I said before, my motion is actually talking about block 3, which is up for auction. My motion is asking that this auction be postponed until we know what is going to be happening with the shops site. Mr Smyth started talking about how the land was on the land release program last year, as if that suddenly means that its auction is set in concrete; of course it is not. Certainly, the government has deferred other releases of land.

We are not saying that it should never be sold. We are saying that its sale should be deferred or postponed until we know what is the situation with the shopping area. It is interesting that Mr Smyth and other members said that these two sites are closely connected and that you cannot separate one from the other. That is exactly the point of my motion. Mr Smyth just said that the area has to be compatible. He is supporting my motion, then, because it has to be compatible.

**Mr Smyth:** No, it is in the lease conditions that it has to be compatible.

**MR SMYTH:** Mr Smyth says that that is not what he meant. Mr Smyth is saying, "Let us have this development on the small block. That will determine what happens to the shops." If it has to be compatible—

**Mr Smyth:** No, the small block must be compatible with the big block.

**MS TUCKER:** Oh, the small block has to be compatible with the big block! That is why he will be supporting my motion, because we do not know what is going to be on the big block. That is what we know and that is exactly the point of this motion, so we hope that we will get Mr Smyth's support for this motion. That is the critical point. I am glad that Mr Smyth has got it now; maybe members opposite will change their vote. That is the critical point that was not acknowledge by Mr Hird, by Mr Stefaniak, our Attorney-General, or by Mr Rugendyke.

I do not know where Mr Moore is. I am hoping that he will come in and seek leave to speak on this motion. I am not going to get support for this motion, but Mr Moore is supposed to care about planning. Mr Moore is the hero of strategic planning. We have had so many statements from Mr Moore, wherever he is, about how a strategic approach

is wanted in this place to planning. We have just heard that the sale of this block and what is put on it will determine what will be on the big block. If Mr Moore thinks that that is fine, great; let that be on the record.

Mr Osborne is not into planning. He never says that he is into planning. I will be calling for a division because I think that this issue is important for planning in the ACT. The argument put in the debate today by two of the gentlemen on the urban services committee got to the point of being bizarre in terms of how they did not respond to my motion.

Question put:

That **Ms Tucker's** motion be agreed to.

The Assembly voted—

Ayes 7		Noes 10	
Mr Berry	Ms Tucker	Mrs Burke	Mr Moore
Mr Corbell	Mr Wood	Mr Cornwell	Ms Osborne
Mr Hargreaves		Mr Hird	Mr Rugendyke
Mr Quinlan		Mr Humphries	Mr Smyth
Mr Stanhope		Mr Kaine	Mr Stefaniak

Question so resolved in the negative.

## **International Women's Day—assistance to women in crisis**

**MR STANHOPE** (Leader of the Opposition) (4.50): Mr Deputy Speaker, I move:

That this Assembly notes the significance of International Women's Day and reaffirms its commitment to providing assistance to women in crisis by ensuring that:

- (1) all women escaping domestic violence have priority access to emergency accommodation; and
- (2) existing women's crisis accommodation services are sufficiently resourced to enable them to keep pace with demand.

As members would be aware, tomorrow is International Women's Day. It is a day on which we celebrate the contribution of women to society, to life and to worldwide culture in a diversity of different environments.

Women have succeeded across a whole range of spheres throughout the ages. While we celebrate women's achievements, I believe it is just as important not to lose sight of the special needs of women in our community. Despite significant progress in ensuring equality for women in many areas, there are still women in crisis who are disenfranchised, disempowered and ill equipped to deal with the pressure of everyday life. My motion is designed to ensure that we continue to focus on these women and on the services that support them.

7 March 2001

The experience of Toora Single Wimmin's Shelter, a service providing emergency accommodation for women in crisis in the ACT, provides a valuable insight into the extent of the problems faced by some women in our community. Toora Single Wimmin's Shelter was established in 1982 to provide shelter for homeless women unaccompanied by children. From the outset it was discovered that this client group experienced many complex issues, including domestic and other forms of violence, chemical dependency, sexual abuse, dysfunctional family issues, mental health issues, and, more often than not, a combination of many of these factors. In other words, these are some of the most vulnerable members of our community.

The Toora house provides supported accommodation for homeless women, unaccompanied by children, 16 years and over. It is funded for 10 crisis beds, up to three months, and four medium-term beds, up to six months. It employs 5.5 full-time equivalent workers, including management and admin staff. The Toora house is staffed 24 hours a day due to the nature of the client group, but for evening and overnight shifts there is only enough funding for one worker per shift.

In 1992 the organisation received funding to establish Heira, a crisis accommodation service for women, unaccompanied by children, escaping domestic violence in particular. This service was established in recognition of the particular needs of women escaping domestic violence and the unsuitability of the Toora environment to meet their needs. Heira employs 4.5 full-time equivalent workers, including management and admin support. The service has accessible workers 24 hours a day. Overnights are covered by "on-call" and "back-up" from the Toora overnight worker. Every night between the hours of 8 pm and 9 am one Toora worker is responsible for up to 22 clients.

A 1998 survey of key stakeholders indicated that the provision of accessible 24 hour services was highly valued by them, and the organisation's expertise with women with mental health and other complex issues was highlighted as being of exceptional value to the ACT community. Toora and Heira are currently funded under the supported accommodation assistance program.

Statistics contained within the Toora Single Wimmin's Shelter annual report for 1999-2000 indicate that demand for the services is growing and the problems being faced by clients are becoming more complex. However, real funding of the service has not increased in five years, except for a tiny CPI increase. There is also, of course, in the face of that an increasing and growing demand and the onset of the GST.

According to the Toora client profile contained within the annual report, Toora accommodated 376 women in 1999-2000, an increase from 292 in the previous year. The number of women under 25 years old accessing the service increased by 76 per cent. The return rate for clients almost tripled from 10 per cent to 29 per cent. In addition, the number of women reporting having experienced domestic violence increased from 52 to 73 per cent. It is a quite staggering statistic that 73 per cent of women accessing the service that Toora provides experienced domestic violence.

In addition, an average of 15 women per month—and this is a quite frightening revelation—or one woman every two days, were turned away from the service because resources are so overstretched. We have situation where 15 women per month, one woman every two days, are being turned away from the service either to go home to face



the prospect of more abuse or to desperately seek other assistance or a place to live. I think most Canberrans would quite rightly be shocked to know that this is currently the case.

In interpreting the meaning of these statistics, a number of significant trends were identified. Clearly, there has been a significant increase in the demand for services in the past year. In the 1999-2000 financial year the number of women accommodated increased by close to 30 per cent. Incidentally, I have recently been advised in discussions with the Magistrates Court that last year there was also a 30 per cent increase in matters before the court involving domestic violence and violence perpetrated against women in the home. The coincidence of statistics is quite interesting, in that last year the number of women accommodated by Toora—I am using just this one service as representative of the services provided in Canberra—increased by 30 per cent and in that same period the number of matters involving domestic violence that came before the Magistrates Court also increased by 30 per cent.

The complexity of client need and numbers of women with complex needs are increasing. To illustrate exactly what it means to be a client with complex needs, I will later address a couple of case studies. The number of young women accessing the service has increased significantly. The number of critical incidents on the premises has increased from seven (including one overdose in 1998-1999) to 16 (including four overdoses) in the last year. Critical incidents include things like overdoses, instances of serious violence or mental illness. The increase in critical incidents reflects the increasing number of clients with complex needs. These people are the ones who are often pushed into the too-hard basket by other service providers.

Another significant trend identified in the annual report papers is a marked decrease in the availability of other support services. Narrow targeting of service provision has meant that increasing numbers of women are falling through the gaps. These women end up at Toora, contributing to the increasing demand on that service.

Reduced access to public housing has also had a significant impact on exit points for women in crisis accommodation. A lack of appropriate and safe public housing options for single women is a major concern and is causing undue stress on Toora resources as well as distress for women in crisis who are planning to move onto more permanent accommodation. The loss of over 500 single units and the transfer of stock to community housing not accessible by this client group has severely reduced the availability of accommodation for singles.

Contributing also to the financial pressure that Toora and other service providers face is the fact that SAAP services have not received any increase in funding, apart from CPI, for over five years. The implementation of SAAP IV included some growth moneys, but this money is yet to be distributed by the department. The failure to pass on SAAP growth funds has meant that staff have not received a pay rise for five years.

Another factor has been the failure to finalise issues around the implementation of the SACS award. The organisation's commitment to providing rewarding employment and fair remuneration is under threat as a result of this situation. Increasing demand for services is placing pressure on Toora's capacity to maintain existing levels of service provision in the current funding environment.

7 March 2001

In addition, the increasing number of clients with complex needs has created new occupational health and safety issues for both staff and clients and there is an urgent need for additional staffing to cope with the current client groups. On top of this, of course, organisations such as Toora have over this same period suffered significant increases in workers compensation claims.

So far I have addressed what Toora Single Wimmin's Shelter does and the problems it currently faces in delivering services to women in crisis, and I acknowledge that these pressures are not unique to Toora Single Wimmin's Shelter and apply to other service providers in this area in the ACT. In order to highlight what I regard as a definite crisis in relation to our capacity to meet the needs of this particular group of Canberra citizens, I think it is appropriate to refer to the life situation in which some of the clients of Toora with complex needs currently find themselves. Of course, that involves a multiplicity of factors that have contributed to the need for women to access the service—things like incest, rape, drug use and domestic violence are often experienced together, creating an experience of complete lifestyle dysfunction that is somewhat overwhelming.

In that context I will refer to a couple of case examples, using, of course, fictitious names. One of those cases involves a client whom I will call Megan. Megan came to Australia from overseas for an arranged marriage to a man of the same ethnicity who resided in Australia. She spoke no English and knew no-one except her husband. Her husband was a violent man. She was subjected to sexual abuse, domestic violence, being locked in the house and was allowed no money. She was not allowed to seek medical attention or to make telephone calls except to her family overseas, all of which were strictly monitored.

Not surprisingly, she became ill. She was not allowed any medical treatment. She was forced to escape from the house while her husband was at work. She went to a police station but was unable to tell the police what was wrong. An interpreter was contacted and it was through the interpreter that she was referred to Toora Single Wimmin's Shelter. The complex needs and the multiplicity of issues that Megan faced and the support she required included: medical attention; the need to deal with legal matters; a domestic violence order; retrieval of her clothes and her belongings; immigration issues in that she was sponsored by the perpetrator; counselling for sexual assault and domestic violence; education because she could not speak English; the fact that she was financially dependent and she did not have anywhere to live; and, of course, support for her day to day needs.

*At 5.00 pm, in accordance with standing order 34, the debate was interrupted. The motion for the adjournment of the Assembly having been put and negatived, the debate was resumed.*

**MR STANHOPE:** Due to the length of time required to resolve these issues—the immigration, legal and housing issues—and because there were no other suitable options, Megan's stay was extended from three months to six months. This case illustrates the need for transitional support to help women moving from crisis accommodation to more permanent living arrangements.

Another example of a client with complex needs is a person whom I will refer to as Karen. Karen immigrated to Australia 40 years ago with her husband. They had three children and they own their home. Karen was subjected to domestic violence and she had grown to accept this as a part of being a woman. Her health deteriorated, of course, and she did not feel well. She went to a doctor and was diagnosed with schizophrenia. Her husband began to abuse her more frequently. He saw Karen as being his “shame” and finally he and his children did not want to have anything to do with her.

She was referred to Toora Single Wimmin’s Shelter by the local hospital where she had been admitted on a number of occasions. She stayed at Toora for a short period and decided to return to her husband. Karen accessed Toora six times over a period of two years, each time returning home. On her last visit it appeared that her mental health had deteriorated remarkably. Toora supported Karen with housing applications. However, she was unsuccessful in pursuing this. As an older woman with a mental illness, accessing new accommodation with no ongoing support was too frightening. Karen has been as yet unable to leave her family and her violent partner due to the lack of mental health support and the lack of support once she is accommodated on her own. Her situation illustrates the need for a long-term outreach support service for women with mental health issues. Toora has been campaigning for funding to establish such a service to help women such as Karen obtain independent living.

I will, in conclusion, refer to one other case study—I think these are quite revealing—to illustrate to this place the range of problems women within our community face. I refer to a client of Toora whom I will call Stacey. She typifies the experience of younger women accessing Toora—a classic case of a client with complex needs. Stacey is 17 years old. She was referred to Toora from a youth refuge. Stacey left home at 14. Her father had been sexually abusing her for years. She had been living on the streets, temporarily with friends, occasionally squatting and sometimes in youth refuges. She has been using different drugs since she was 11; she started using heroin two years ago; she has often attempted suicide; and she is in trouble with the police.

Toora was the only option for Stacey at this point in time. She had been banned from other services for being violent to other clients, using drugs on the premises, damaging property et cetera. Workers at Toora clarified with Stacey the conditions of her stay, and together the support plan they developed for her involved seeing a GP for a suspected pregnancy and follow-up hep C, counselling sessions with the Rape Crisis Centre, follow-up referral to alcohol and drug counsellors, follow-up referral to legal aid, referral to social workers at Centrelink, accommodation options and other support.

In the following week, Stacey made attempts to deal with some of these issues. One night she returned to the refuge and “dropped” unconscious. An ambulance was called. Stacey had overdosed but was revived. Support was offered to assist her moving into a detoxification program. However, there were no beds available. Two days later she left Toora to stay with friends.

A few weeks later Stacey returned to Toora. She had no money or anywhere else to stay. Again, support was offered to her to assist her to go to detox. (*Extension of time granted.*) Once a bed was available, Stacey entered and finished the program. She returned to Toora and started going to 12 step support groups daily. Three weeks later

7 March 2001

she started using heroin again. This was followed by another overdose, after which she left Toora to stay with a friend.

I understand that Stacey returned to Toora. She had been bashed and most of her belongings had been stolen. She accessed detox again, then returned to Toora to await readmission to a rehabilitation centre. Two weeks after her return to Toora she entered rehabilitation where she stayed for three months. Toora recognises that chemical dependency is a chronic relapsing condition and that often intervention support occurs over a period of time with possible multiple visits to the service. Stacey has not returned to the service since treatment. She has had contact with a range of supports, which may be useful to her in the future. Stacey is a good example of what it means to be a “complex needs” client. Needless to say, pressure on staff has increased significantly as a result of the increasing number of clients with “complex needs”.

I have raised this issue and these case studies because of what I would expect to be the life experience of most of us—that most of us in this place cannot honestly relate on a personal level to the kind of degradation that these women have experienced and the support that they need. We would not want to. It is not part of the life experience of most of us, but it is important that we understand these things.

This sort of description of clients accessing services in Canberra illustrates the need to understand, address and acknowledge the plight of some of our neighbours, fellow citizens and residents. We will be judged by the way we as a community meet the needs of people that are on the fringe, that are disadvantaged, and that have a range of complex needs, which it seems we do not meet as well as we should. On the eve of International Women’s Day it is appropriate that we consider and reflect on this motion and the needs of these women.

**MR MOORE** (Minister for Health, Housing and Community Services) (5.08): The government takes pleasure in supporting the motion noting the significance of International Women’s Day, and considers it quite appropriate for the Legislative Assembly to reaffirm its commitment to women in crisis.

Tomorrow the Chief Minister will make a ministerial statement in the Assembly during which he will speak at length in acknowledgment of International Women’s Day. Last week I indicated to members at the government business meeting what was planned so that they could prepare speeches to make tomorrow. I am a little surprised that Mr Stanhope did not take the opportunity to make his speech then, but it is fine that he has done so today.

I certainly do not want to pre-empt the statement that will be made by the Chief Minister tomorrow. Suffice it to say that he will be confirming this government’s commitment to improving the status of women in the ACT and reporting on the government’s progress to date in developing and implementing policies and programs in partnership with women in the community. The Chief Minister will also be presenting ACT women’s awards in public recognition of women’s contributions to the ACT community. There will be an acknowledgment of their achievements in the context of this international celebration.

Mr Deputy Speaker, in response to the issues raised today by Mr Stanhope concerning accommodation issues for women escaping domestic violence, I would first like to draw your attention to the government's women's action plan. This plan contains specific actions about just those concerns. The plan includes actions that address issues of improved access to affordable and safe accommodation for women with or without children, those requiring safety from violence in public housing, and reviewing levels of support for women leaving violent situations at home. The government is committed to addressing these issues, which are articulated in government policy.

Part (1) of the motion refers to emergency accommodation for women. I would like to inform the Assembly that over the last few years the government has introduced reforms to public housing to allocate assistance to those most in need in our community. A principal element of these reforms has been change to allocation policies in order to write clearer guidelines on priority access to public housing. I have to say that one of the frustrations for me is that this policy has been resisted by Labor and the Greens in the Assembly.

Under the government's new allocation criteria, women escaping domestic violence will fall into the new priority one category, directed to applicants in urgent need of housing. The new priority one category includes applicants who are homeless or at imminent risk of becoming homeless, as well as other people in extreme housing crises, including applicants at risk of domestic violence. The new priority allocation system, which is also sometimes known as a segmented waiting list, has been operative since 2 January 2001. I am very pleased to say that, together with other government reforms, this was recently endorsed by this Assembly.

Mr Deputy Speaker, in relation to part (2) of the motion, the government is committed to ensuring that community services are both adequately resourced and appropriately targeted to deliver effective services. The government is actively pursuing ways to ensure that this happens in a sustainable manner in the delivery of our human services.

Crisis accommodation services for women, including those escaping domestic violence, are funded in the ACT under the Commonwealth/ACT supported accommodation assistance program, which we usually refer to as SAAP. The Department of Education and Community Services is undertaking a number of strategies to more effectively target and resource services funded under SAAP, and a range of other funding programs managed by the department. These strategies include projects relating to costing of services, needs analysis and quality standards.

The Department of Education and Community Services is currently developing a methodology to determine a range of standard price formulas for application across community services purchased by the department. The aims of the project include the achievement of better value from government funding for the community to provide a framework to fund services in accordance with the cost of service delivery, and to purchase services using a consistent formula so that like services are purchased at similar purchasing prices.

The project will also take into account the costs associated with delivery of quality services and differences in the complexity of client needs. This costings approach will relate the cost of services to the clients' needs, recognising that the needs of all clients

7 March 2001

are not the same and that the needs of individual clients also change over time. I have to say the anecdotal evidence that was provided by Mr Stanhope illustrated clearly these particular issues.

The Department of Education and Community Services shortly will commence a needs analysis in relation to services provided under the SAAP for homeless people in the ACT. The profile of homeless people and their needs has changed over time. The project will assess how well the mix and types of current services match the current needs of homeless people.

The findings of this project will inform future service purchasing decisions in relation to changes to existing services, as well as the introduction of any new services under the SAAP program. The project's findings will also assist in ensuring that in the future there is a balance of SAAP services available to continue to meet current clients' needs as well as improving service effectiveness where that is necessary.

The department, in conjunction with the Department of Health, Housing and Community Care, is taking the lead agency role in developing pilot generic service standards for the delivery of human services in the ACT. The standards will be used as a quality improvement tool by all our agencies. The development of these standards reflects a commitment by government and the community to providing high-quality service in order to ensure the best possible outcomes for the clients.

Mr Deputy Speaker, the ACT government has significant initiatives currently under way to ensure that continued effective services reach the ACT community, including women in crisis. The government has a dynamic approach to these critical and important services for women. Service purchasing arrangements operate through an open dialogue between the service providers and the funding bodies in relation to changing needs as they occur.

The strategies I have outlined demonstrate that the government is actively working to implement responsible, responsive funding arrangements that will continue to meet the accommodation needs of those women and their children who are escaping domestic violence. Mr Deputy Speaker, if members feel that that is not enough then, of course, they have the draft budget process. Mr Stanhope spoke very vigorously about needs and concerns, specifically in respect of Toora. I suggest that a recommendation for extra funding in that area from a committee of which he or one of his colleagues is a member may be one positive way to deal with that.

Mr Deputy Speaker, I have spoken about the revised allocation policies for public housing and the fact that we are focusing on those in greatest need because I have the support of the Assembly to be able to do that. Today is an excellent illustration of why I needed to be able to take that kind of approach instead of the ideological approach that has been taken, particularly by Ms Tucker.

The Department of Health, Housing and Community Care is also undertaking an analysis on housing needs in the ACT, to build upon the work undertaken by NATSEM for the task group on poverty. In addition, all jurisdictions are committed to providing improved data and performance monitoring frameworks under the Commonwealth/State Housing Agreement. The Commonwealth/State Housing Agreement also recognises the need to

improve linkages between housing programs and other ACT and Commonwealth programs. We have a bilateral agreement to ensure that that happens.

Already, for example, ACT Housing has entered into a number of memoranda of understanding with support services—for example, with the mental health service. Of course, using one of the examples that Mr Stanhope cited for us, it seems clear that often these are not just issues of drug and alcohol but of a complex question of drug and alcohol, mental health, and a range of other issues that combine to make the task of dealing with them particularly difficult.

We are looking at a boarding house study. Government subsidised, community run, medium to long-term boarding house accommodation is one of several housing solutions for people on low incomes. Hopefully that will have the effect of leading to somewhat earlier intervention in order to deal with young people who do not fit within the examples given by Mr Stanhope.

A study which is to be completed in March 2001 is examining target populations who might benefit from boarding house accommodation. It may well be that one of the nominated target groups is older women in particular escaping family breakdown. We are also looking at flexible use of crisis accommodation program funds, which are developed under the Commonwealth/State Housing Agreement to meet emerging needs.

The applicant services centre, which is operated by the ACT, also provides entry into public housing. We are looking to see if we should expand its role as a common entry point into all government housing, including community housing and other government programs.

Another new proposal, which has already been included in the draft budget, is short-term crisis accommodation, sometimes referred to as a doss house. This accommodation is also there for people who are at risk of being homeless for a range of reasons or who are intoxicated. The proposal will enable intoxicated people to sober up safely as an alternative to being placed in police custody, and provide individuals at risk of homelessness with overnight accommodation and a brief intervention to access other health and social services.

Mr Deputy Speaker, I have to say that, of course, one could not be anything but moved by the anecdotes that Mr Stanhope used in order to illustrate the fantastic work that people here in the ACT do. I would like to use this opportunity to thank those—and I see a representative from Toora here—who put a huge amount of effort into looking after women in particular in crisis. It is not just those who run our community services in this area. There are also volunteers. There is a huge number of people who make a valiant effort to case manage people with extraordinarily complex problems and to ensure that they have an effective service. The government supports those efforts and will continue to do so. I have just illustrated a range of ways in which the government does this. We will continue, as is clear from the draft budget, to try to expand those services. I would encourage members to look at those services and, of course, the government will look with great care at any recommendations that they might have flowing from the draft budget.

7 March 2001

**MRS BURKE** (5.20): Mr Deputy Speaker, it is clear to me that the government is committed to women's issues. There is a need to continually emphasise the fact that the achievements and participation of women are vital in making our community a better place for all of us. We can actively see the government's commitment to improving the status of women through policy development and the provision of services that meet the diverse needs of all women in the ACT.

It was such a commitment of this government that resulted in the development of the first ACT women's action plan, a plan that is intended to make a real difference to access, equity and representation for women in the ACT. The government is committed to their goal of equal representation of women on boards and committees. To this end, a great initiative has been the production of a leaflet, *Women in the ACT—come on board*, which is currently being sent to households in the ACT.

I would certainly agree with Mr Moore that there has been an excellent response to this initiative, with many women now believing in themselves and their abilities to nominate for positions on boards. As one of two female members in this place, I reaffirm the importance of addressing women's issues for the good of all women in the ACT.

Mr Deputy Speaker, I am unsure about one thing—the Labor Party's true position on women's issues. In his inaugural speech on 19 March 1998, Mr Stanhope made reference to the departure of two female Labor Party members, leaving the Labor caucus without a woman member. Mr Stanhope went on to say:

... a situation which causes us great concern and which is a matter of great regret to us.

But what are they going to do about it, to coin a well-used phrase? He continued to say that he was confident that at the next election at least half of Labor's team of candidates will be women and we will again have women representing the ALP in this place. That is nice but can Mr Stanhope confirm with me was or was not the ALP secretary, Michael Kerrisk quoted in the *Canberra Times* on 28 July 2000—

**MR DEPUTY SPEAKER:** Mrs Burke, would you look at the motion and make sure you are speaking to it, please.

**MRS BURKE:** I believe I am, Mr Deputy Speaker. Was it Mr Kerrisk who was quoted as saying that "his priority was to re-elect the six Labor men currently in the Assembly"? Mr Kerrisk denied the quote, although he did go on to say that party members should not be surprised if the six men were re-elected.

Then late last year, I think on the ABC, Mr Kerrisk was quoted as saying:

If we don't elect more MLAs then women have very little or no chance of getting into the Assembly.

Is this a new form of affirmative action? And then, Mr Deputy Speaker, Mr Kerrisk went on further to say—



**MR DEPUTY SPEAKER:** Mrs Burke, the motion talks about crisis accommodation for women.

**Mr Moore:** Mr Deputy Speaker, on a point of order: the motion reads:

That this Assembly notes the significance of International Women's Day—

even that part of the motion gives Mrs Burke room to move—

and reaffirms its commitment to providing assistance to women in crisis ...

What Mrs Burke is doing is illustrating very clearly that this Assembly is going to give that commitment, and supporting women in here will, of course, give better opportunity for that.

**MR DEPUTY SPEAKER:** I would ask Mrs Burke to move through this fairly quickly if she could.

**Mr Kaine:** On that point of order, Mr Deputy Speaker: I support your objection because this motion is about women escaping domestic violence and existing women's crisis accommodation services. I do not see that what is happening within the Labor Party in terms of representation in this place has anything to do with that subject whatsoever.

**Mr Moore:** On the point of order, Mr Deputy Speaker—

**MR DEPUTY SPEAKER:** Look, I think we will leave it to Mrs Burke to edit what she has in front of her and get on with the subject matter.

**MRS BURKE:** Thank you, Mr Deputy Speaker. Mr Kerrisk then went on to say:

Incumbency is worth a hell of a lot to a candidate, that is just a fact of life.

Doesn't this contradict the Leader of the Opposition; doesn't this prove that the Labor Party does not listen to women?

For a leader of a party to say that at the next election at least half of Labor's team of candidates will be women and that they will again have women representing the ALP in this place and then for the secretary of the same party to say it would be difficult for any of its female candidates to be elected unless it can lift its overall vote, seems to drastically fly in the face of, and contradict and negate, everything the Leader of the Opposition says on the matter. That is the relevancy.

This brings me back to my first statement: what is the Labor Party's true and genuine—given that they like the use of this word—

**MR DEPUTY SPEAKER:** Mrs Burke, I think you are pushing it rather hard. I think we all acknowledge that—

**MRS BURKE:** Is it the position in regard to women's issues?

7 March 2001

**MR DEPUTY SPEAKER:** Would you like to do some editing there, Mrs Burke?

**Mr Quinlan:** Duck around a bit.

**MRS BURKE:** That is browbeating me.

**MR DEPUTY SPEAKER:** Carry on Mrs Burke. But I think if this theme continues it might have to come to an end.

**MRS BURKE:** Mr Deputy Speaker, let me remind the Assembly that Labor's position was made clear at the lead-up to the 1998 election.

Under Mr Berry's leadership, the ACT Labor Party refused to allow its women candidates to have direct access to funding from *Emily's List*. Joan Kirner, former premier of Victoria, was especially scathing of the ACT Labor Party—

**Mr Corbell:** On a point of order, Mr Deputy Speaker: I think you have shown considerable tolerance in the interpretation of the relevance rule. But to simply use this very important debate about support for women facing domestic violence as an opportunity to score political points reflects not only on Mrs Burke's lack of experience in judging the gravity of this motion but also, more importantly, on the ruling that you have effectively already made. I would ask you to instruct Mrs Burke to abide by the rules of debate in relation to the requirements for relevance or ask her to no longer speak in this debate.

**Mr Moore:** On the point of order, Mr Deputy Speaker: I understand Mr Corbell's embarrassment but the motion begins with the words "That this Assembly notes the significance of International Women's Day and"—it has the word "and"—"reaffirms". It deal with accommodation, and I have dealt with that in a particularly open and very thorough way. But the motion does say that "this Assembly notes the significance of International Women's Day". It is entirely appropriate for Mrs Burke to use the significance of International Women's Day to expose hypocrisy on the part of the Labor Party.

**Ms Tucker:** Mr Deputy Speaker, can I speak to that point of order?

**MR DEPUTY SPEAKER:** Ms Tucker, I will hear your contribution to the discussion on the point of order.

**Ms Tucker:** I think the issue here is that there is some similarity. I had a discussion with the Clerk about this this morning because I was going to broaden this motion, so I have had a chance to think about it. Basically how I see it is not how Mr Moore sees it. For example, you could have a motion relating to the ACT land act which calls on the Assembly to specifically address particular issues which are listed as dot points. If we were to accept what Mrs Burke is doing in this debate, she would be able to pick up anything in the land act when debating that motion. I think that basically would not be in order. I think that this is not—

**MR DEPUTY SPEAKER:** I take your argument. Mr Moore, I cannot accept your argument. I would wish that you would advise the Assembly and Mrs Burke to get back to the subject. Mrs Burke, you will have to get back to the subject or I will ask you to sit down.

**MRS BURKE:** I so take that advice, Mr Deputy Speaker.

**Mr Moore:** I still think you are wrong, but she is going to move on. You do not word a motion this way if you do not want that sort of—

**MRS BURKE:** That is right. Mr Deputy Speaker, Labor still will not give women a fair go. That is my assertion here in terms—

**MR DEPUTY SPEAKER:** Okay. Let us move on from that point, thank you.

**MRS BURKE:** Mr Deputy Speaker, women make up over half of the ACT's population. My concern is that, given we are talking about International Women's Day and women in crisis, Labor will not give women a fair go. So does the ALP really care about women's issues and do they really support International Women's Day?

**MR DEPUTY SPEAKER:** Order! I am asking you to move on from that point, please.

**MRS BURKE:** I have finished, thank you.

**MR CORBELL (5.29):** Mr Deputy Speaker, this is a very important motion. Unlike members opposite, the Labor Party has chosen to move this motion today because we believe it is important to note the significance of the international day of women and it is important to reaffirm our commitment to providing assistance to women in crisis.

This motion has been moved not out of any attempt to score political points. It has not been moved out of any attempt to show up deficiencies on one side or another. I have to say, Mr Deputy Speaker, that I think it is crass in the extreme to use a debate about domestic violence and the importance of providing support for women who suffer domestic violence to simply score points against one's political opponents, which is what Mrs Burke did this afternoon. Really, that is crass, ill judged and reflects the inexperience Mrs Burke has in this place.

International Women's Day is an occasion on which we should reflect on the issues that women still face in the community. I should note that it is unfortunate that members on this side of the Assembly place do not have a woman member amongst our numbers. I am very confident that that is something which will be addressed at the next election. But the purpose of this motion is to note the significance of the day and to talk about women who are facing a crisis, particularly in relation to domestic violence.

I had the opportunity to meet, a little while ago, some of the women who run the Toora Single Wimmin's Shelter. I cannot begin to imagine the sorts of circumstances they are faced with on a daily basis when it comes to supporting women who are escaping from domestic violence. But I can appreciate the dedication they bring to that work and I can also appreciate the importance of supporting that work in an adequate way.

7 March 2001

I recall a meeting I had with the representatives of Toora. They raised with me the issue of a review of domestic support for domestic violence services and shelter services such as theirs and the outcomes of that. Unfortunately I cannot recall the specifics but I do know that it is an issue that they were hoping would have been addressed by now. I am not sure whether it has been addressed. But if it has not been, I think it is important that the ACT government respond to the review that I understood was being undertaken in relation to the provision of domestic violence services in the ACT.

Mr Deputy Speaker, some of the figures relating to the number of women who access such a service are worth reflecting on. In 1999-2000, the Toora Wimmin's Shelter accommodated 376 women—an increase of close to 50 per cent on the previous year; up from 292 women in the previous financial year. The average length of stay was 8½ days; the number of women under the age of 25 utilising the service had increased by 76 per cent; and the number of women reporting having experienced domestic violence had increased from 52 per cent to 73 per cent.

In many respects, that sends us a mixed message. It sends a message that perhaps there has been an increase in the incidence of domestic violence, and that is an issue of concern. But perhaps more accurately it indicates a greater willingness to report domestic violence. I think the figures on domestic violence have often been greatly understated because of the unwillingness of victims of domestic violence to report incidents in some sort of formal way. Those figures indicate, albeit in a counter intuitive way, that perhaps there is a greater level of acceptance and willingness to report these incidents.

Mr Deputy Speaker, the motion that Mr Stanhope has moved today raises an important point. There is a genuine desire to reaffirm the importance of the day and a need to address the inequities that are still faced by women in our society. It is incumbent on all members in this place, regardless of whether they are men or women, to be aware of the issues that affect over 50 per cent of our population and ensure that we remain focussed on improving services to that very significant majority of our population. Thank you, Mr Deputy Speaker.

**MS TUCKER (5.36):** I am pleased to join the debate on the motion moved by Mr Stanhope. I agree that it is a very serious motion. I think it is useful for us to reflect in this place on the need to ensure that crisis services are appropriately resourced. This is an important issue. Mr Stanhope and, to some degree, Mr Corbell, have spoken about what is happening and given us statistics, and we know that there is a problem. Mr Moore told us that he believes his government is addressing some of the crisis issues for women in our community. Mrs Burke also at one point addressed the issues. She talked about the women's action plan.

I need to pick up on something that Mr Moore said. He seems concerned that because we are not supporting the government's so-called reforms to public housing, which include further segmentation of the waiting lists, we are somehow disadvantaging women fleeing domestic violence. Mr Moore might be interested to know that women fleeing domestic violence were given priority anyway. He may also be interested to know that the sector generally—this includes people working in the field of crisis support for women—is not supportive of his government's so-called reforms to public housing.

Let us have a look at the action plan. I must say that I was glad when we did see an action plan produced by this government. I think it is an improvement on the situation that has applied over the last few years under, interestingly enough, a female Chief Minister. Over the first few years that I was in this place the response from Mrs Carnell on women was certainly very disappointing. But while this action plan has some good basic commitments, I am afraid that is all they are. There was no time frame or implementation plan.

There is a commitment to give reports to government and possibly to the Assembly—I do not recall whether they were going to come to us—on how the initiatives were going to be progressed. I am assuming that tomorrow Mr Humphries is going to make announcements which will give us some indication of which of the various commitments that are listed in the action plan the government is progressing. I look forward to hearing the detail of that because it is obviously critical information for members of this Assembly.

Other members have already covered the need for the crisis support. I would like to make my remarks a little bit broader—I think I am in order doing this because I can argue clearly that I am linking my remarks to the issue of women in crisis. I want to look at the structural causes of women being in crisis and what we can do to address those issues. Documentation shows that any conference that looks at women's issues comes up with the same basic requirements if you are to have an impact on the situation of women around the world.

We have to acknowledge that women in Australia and all other countries are in a socially weak position compared to men. If we want to address those issues, we have to look at the structural causes of that weak social position. The only way you can look at the structural causes and the barriers to equality for women is to have information. The Women's Electoral Lobby has summarised this well in pointing out that the integration of gender accountability into government requires commitment, the central location of women's policy units, possession of relevant technical expertise, and an adequate consultation framework with women in the community. This includes a linking of women's information services to the policy coordination function to provide feedback on women's concerns.

For the government to be proactive in women's policy, a whole-of-government women's policy framework is required within which responsibilities can be allocated and performance indicators established. Where that gender accountability is in place, key issues come up—and this is definitely related to why women are so disadvantaged and vulnerable that they end up going to a place like Toora.

Employment is a fundamental issue in gender equality. It has a profound impact on the position of women in the society. Women are overrepresented in work areas where conditions are poor and wages are low, and are underrepresented in management and decision-making positions.

Of course, I could refer to the global position but I think if I did I might be pushing the tolerance of the chair a bit much. But you can still argue that the way in which the Australian government and this local government have responded to liberalisation of

7 March 2001

trade is definitely related to what is happening to women not only in developing countries but in this country.

There is a discussion now going on globally about an agreement on trade and services. The service industry is made up mostly of women and it is, of course, one of the industries which have low paid workers. We have had the huge debate in this place about the SACS award. Of course, women carry a very disproportionate load of poverty, not only in developing countries but also in this country. Poverty is, of course, extremely relevant to women in crisis and women being forced to go to crisis accommodation. We know that poverty is a result of federal government policies on welfare. It is a result of the employment situation that we have in this country.

Mr Humphries has to say he condemns the federal government's approach to employment if he is serious about trying to address inequality for women in our community. Mr Humphries has to do that to have any credibility. He cannot sit here and say, "But we are the ACT and what the Liberals in the federal sphere do has nothing to do with us." You just cannot get away with that. You have to say that you condemn it, because you know that is impacting on poverty, and you have to say that you care about poverty.

We know that women are more likely to be in casual and part-time work, so they are going to have a much harder time as older citizens. We heard today from Mr Stanhope—or maybe it was Mr Moore—that we are seeing the problem of more older women needing crisis accommodation. That is interesting; that is something that we need to be looking at. I think you will find that the structural causes of that are definitely related to deregulation of labour and what is happening to the ability of women in the workforce to receive benefits and to get superannuation, long service leave and so on. Women are more likely to be casual or part time.

I think the general issues of how women can access support in this city have been covered. There are real issues relating to how we are supporting women who are disadvantaged because they do not have English as a first language or are not educated, and so on. Then there is the whole question of where education fits in the paradigm. It fits very clearly. The society that wants to see equality also has to make sure that education is always free and accessible to all people regardless of their circumstances. A lot of the women who are struggling in the Australian community do not have an education. Those women who have come from other countries especially need to be much better supported in learning to speak English and also, of course, being trained for employment opportunities so that they are not so vulnerable. The only thing they can do when they are living in an intolerable situation is finally, in absolute desperation, go to a women's refuge. If women in these circumstances are lucky, there is an exit option, although under the current government in the ACT those exit options are getting harder to find unless you are particularly in crisis.

Then, of course, you have a revolving door because, with the segmentation of the waiting list, you are going to get a focus on a couple of groups who are most at need. What has been shown to happen right across Australia is that other people who are struggling for financial reasons are not going to be able to access housing. This means that you are creating a poverty trap for those people because they are going to be in the private sector, they are not going to cope and they are going to have real trouble dealing with a situation

that is not safe. Until they reach a crisis point, they literally do not have the capacity to know that they can go to another situation. (*Extension of time granted.*) So, hopefully, when it gets to the crisis point there will be help in Canberra. We are hearing that there will be help and we are hearing that Mr Moore is committed to it. But we have to look at the broad structural causes when we are talking about preventing a crisis.

I would like to address quickly one other issue. I notice that Mr Moore talked about moving crisis accommodation funds related to SAAP services to more general use. I have not heard that before. I think there will be concern about that in the sector because it will mean a diminishing of the funding for the SAAP services, and I do not know that we should be taking money away from that sector.

**MR WOOD** (5.47): Mr Speaker, I want to focus on one point in particular, and I will do so in a positive way because I think the debate generally has been non-partisan. I think there was the possibility of a slowdown with the change of ministers from Minister Stefaniak to Minister Moore. I think we are back on track now.

Mr Stefaniak came to one of the committee hearings of the Health and Community Care Committee and announced that there was upwards of \$1½ million to help meet the SACS award. In fact, as I recall it, he made the statement before the inevitable questions were asked. I think perhaps that information was not conveyed when the changeover took place and I am pleased to see that Mr Moore is now back on track with that. I note that in response to a question in this place a couple of weeks ago, Mr Moore indicated that that funding will be allocated. As I recall, he said that there would be some assessment of where the needs were. I just want to make the point that I think we know where the needs are.

This funding has been much delayed, for whatever reason, and I am not sure whether we need any further delay in assessing where it needs to go. I think there has been clear agreement around the chamber in the debate today that we know where the funding needs to go. I just make the plea that I would not want to see the allocation of that money slowed down any more than is absolutely necessary. I think it should be out there next week with the providers—it should have been with them last week, or the week before last. But certainly, it should be with them as soon as possible.

We have complete agreement that there is a very significant problem in this area. There are heavy demands and much need. Let us see that the resources that are there sitting and waiting are allocated immediately.

**MR STANHOPE** (Leader of the Opposition) (5.49), in reply: Just to conclude, Mr Speaker: I will not reiterate what has been said. I think it has been a particularly useful debate. I think it has been quite appropriate on this occasion to highlight the issues in the context of International Women's Day and the length of the road yet to be travelled in assuring equality and the provision of appropriate services for women.

I think the contributions from members have been generally good and I appreciate that. I appreciate the fact that members have taken the opportunity to focus on this area and in particular on the level of domestic violence within the community and the fact that there is, quite obviously, a significant area of unmet need in the ACT in relation to the provision and resourcing of services designed to assist women in crisis. I think it is an

7 March 2001

issue that we need to continue to focus on. I do not think it is an issue that, after this debate today, we can afford to walk away from.

I think it is a matter of the greatest gravity that we should learn from just one of the service providers in this area that they have been forced into the heartbreaking circumstance of turning away from their doors, once every second day, a woman who is seeking to escape violence; that there are women who live in constant fear of violence, that there are women who are constantly beaten, and that we do not have a service able to meet their needs or to protect them from the violence and abuse that they are suffering in their daily lives.

In the case studies that I referred to I sought to give some understanding of the tortured lives of some people in our community—that some of our neighbours, perhaps some of our friends, some people we know, live quite tortured, desperate, lonely and awful lives. It behoves us as legislators to ensure that we redress that need and that gap in services that obviously exist here in the ACT.

Question resolved in the affirmative.

### **Motor vehicle fuel prices**

#### **Proposed reference to Independent Competition and Regulatory Commission**

**MR RUGENDYKE** (5.52): I seek leave to amend my motion on the notice paper by inserting the words “including petroleum, diesel and gas” after the words “motor vehicle fuel” in line 3.

Leave granted.

**MR RUGENDYKE**: I move:

That the Legislative Assembly recommends that the Government issue to the Independent Competition and Regulatory Commission a reference to investigate and advise the Assembly on matters relating to motor vehicle fuel, including petroleum, diesel and gas prices in the ACT. The reference should require the Independent Competition and Regulatory Commission to have regard to the following in its advice:

- (1) whether an efficient retail price for petroleum is being delivered in the ACT;
- (2) whether there is a higher average cost of fuel in the ACT compared to other capital cities and neighbour Queanbeyan;
- (3) whether there is efficient competition in the ACT distribution and retail sectors in the ACT;
- (4) whether the fluctuation of ACT fuel prices, particularly prior to public service pay days and peak holiday periods, is indicative of a failure in the retail market that disadvantages consumers;
- (5) the efficacy of the *Petroleum Products Pricing Amendment Act 2000* passed in Western Australia and whether similar reforms would provide a net benefit to the community as a whole in the ACT;



- (6) whether there are tied arrangements between retailers and distributors in the ACT fuel market that have the effect of restricting competition;
- (7) any other related matter.

I am seeking support from the Assembly for the ICRC to examine a range of motor vehicle fuel issues, headed by petrol price monitoring reforms introduced this year in Western Australia that require petrol prices to be fixed for a 24-hour period and posted daily on the Internet.

Other terms that I would like the ICRC to provide advice on include whether the best possible retail price for petrol is being delivered to Canberra consumers; whether higher average costs of fuel exist in the ACT compared to other capital cities and our neighbour Queanbeyan; whether genuine competition prevails in the distribution and retail sectors of the market; whether fluctuation in fuel prices, particularly prior to public service paydays and peak holiday periods, reflects a market that disadvantages consumers; and whether there are tied arrangements between retailers and distributors that restrict competition.

The ICRC is the ideal forum to assess whether similar reforms to the Western Australian model would provide community benefit to the ACT. Members are aware that the ICRC has been set up to keep a check on pricing issues, and the type of reference I propose today is certainly consistent with, and within, the charter outlined in the legislation.

Figures published by informed sources show that monthly averages for unleaded petrol during December and January were up to 2.5c per litre more expensive in Canberra than in Queanbeyan. The monthly high in the ACT for January was 102.6c a litre compared with 93.9c in Queanbeyan. Canberra motorists are entitled to ask why, but the petrol industry refuses to provide satisfactory answers.

We hear excuses about transport costs, but these do not wash when you can get cheaper petrol down the road in Queanbeyan. Another excuse put to me in recent discussions with the petroleum industry was the old chestnut of higher costs for petrol station sites in the ACT, but the industry cannot put a figure on how many cents extra per litre should be factored into ACT prices to support this claim. Is it 1c? Is it 2c? No-one knows.

It is time to hand the matter over to the ICRC to get to the bottom of the problem. If we should be paying the extra, the Canberra public is entitled to know why exactly, how much and for what purpose. For some reason the ACT is considered a soft touch, and the petrol industry charges as it pleases, but Canberrans have had enough of putting up with price rises on public service pay weeks and long weekends.

A range of inquiries into petrol have been conducted over the years. The last inquiry by an Assembly select committee into petrol prices reported in 1997. A select committee was established in 1996 to inquire into and report on the means of reducing petrol prices in the ACT. Much has transpired in the last four or five years to warrant the ICRC commissioner, Mr Paul Baxter, applying his highly respected economic expertise to the issue. I contend that my terms of reference are more focused and specific than those for the select committee in 1996. Other issues have arisen that require review—for example,

7 March 2001

the influx of multisite franchising and whether the mix of petrol station owners has resulted in improved or complacent competition.

The key changes, without doubt, are the developments in Western Australia. The Western Australian government, to their credit, have made an attempt to have an impact on petrol prices from a state level, and to date it has been successful. I have been keeping a close eye on what has been happening in Perth, and the comparisons are interesting. The best daily prices in Perth immediately dropped by about 8c per litre when the pricing reforms commenced on 2 January this year. The best price in Perth has stayed below 90c per litre during the past two months, while in Canberra we have paid consistently in the 90s and sometimes closer to \$1 a litre. This week the best Perth price is about 87c, while Canberra motorists are paying upwards of 92c. There has been a genuine attempt to stimulate competition in Western Australia and, it appears, with good effect.

I believe it is important that this Assembly do what it can to explore the West Australian model further, and the ICRC is the forum to obtain advice and guidance on whether similar reforms can return a benefit to the ACT. We have a valuable tool in the ICRC which can assist us in this area. I urge members to support this important reference.

**MR KAINE (5.59):** I support Mr Rugendyke's motion. I will be interested to see how effective our Independent Competition and Regulatory Commissioner is in inquiring into this matter. In the last 10 years I have been a member of two different committees of this place that have inquired into this question, and we have never really got to the bottom of what determines the final price at the petrol pump in Canberra.

The whole issue is very complex. There are, I presume, local factors that affect the price that is charged at the petrol pump, but my understanding, after having gone through a couple of inquiries, is that those factors are quite minimal in their impact on the final price that is paid at the pump.

Mr Rugendyke says that it is often said that one of the big factors in the price here is the freight cost. You can go to places in New South Wales and elsewhere that are a lot further away from Sydney than Canberra, yet the price is lower.

**Mr Rugendyke:** Wee Jasper is one.

**MR KAINE:** Exactly. The assertion, which I think comes from the petroleum industry, that freight is a significant element is largely, in my view, a furphy. It is quite irrelevant.

One of the factors always argued is the petrol franchise tax that until recently was levied by the states and territories independently, and that varied. In fact, Queensland did not have one. Now the Commonwealth has taken over the collection of those franchise taxes on behalf of the states and territories, which will be reimbursed. Now we have the ludicrous situation of the Premier of New South Wales saying that the only authority that is levying petrol taxes in Australia is the Commonwealth. He conveniently ignores the fact that the Commonwealth is levying a state franchise tax and reimbursing it. When the GST came along, some adjustments were made in the taxation regime. That was one that the states agreed not to continue levying as long as the Commonwealth included it in the GST arrangement.

So it is a very murky story, as I have said. The one constant seems to be the price at which fuel is released at the refinery gate—I think they call it the gate price—of the limited number of refineries that exist in Australia. There are all sorts of petrol brands. You can get Shell, Ampol, British Petroleum, Gull and the like. But most of the fuel that comes through the retail outlets you see that have all those signs on them comes out of a couple of refineries. You would have to assume that the gate price at which the fuel comes out of those refineries in the tankers would be a major determinant in arriving at a retail price at the pump. There seems to be an enormous difference, however, between the gate price and the price that you are charged at the pump.

All I am saying is that it is a very complex situation. It is very difficult to determine what factors lead to the petrol pump price at any retail outlet. It is quite astonishing the range of names that appear on gas stations around Australia. It would indicate that we are buying differentiated products. In fact, service stations mostly sell it to within one-tenth of a cent per litre of the same price, and if at one service station the price goes up or down by two-tenths of a cent per litre, everybody else's price fluctuates by exactly the same amount, by and large. There are occasions when one brand will be the leader and will up or down their price a little bit and it takes the others a little while to catch up.

It is a very complex and very murky situation. My recollection is that the ACCC did a study into this not all that long ago and their findings were inconclusive. I have not read the report. I only know what was said in the media. But they did not seem to be able to get to the bottom of the differentiated prices that we all pay as we travel around, even within Canberra, let alone when we leave Canberra and go across the border, particularly if we go all the way from here to Queensland. So it is murky.

I would be delighted if the ICRC could come to some firm conclusions about what factors impact on prices at the pump. I would be more than delighted if they were able to determine that the majority of those factors were within the power of the ACT government to control. I very much doubt that either of those outcomes will eventuate, but I would certainly like to see some shredding out, in an understandable fashion, of what those factors are and how the oil companies arrive at their pricing policies. I wish the ICRC well in their investigations. I hope they can do better than prior inquiries into this matter.

**MR STEFANIAK** (Minister for Education and Attorney-General) (6.05): The government will also be supporting Mr Rugendyke's motion. Mr Kaine hit on a few very good points. I share his cynicism, but I think another inquiry is probably worth a go. Accordingly, it is a very supportable motion.

I would urge some caution and point out a few factors. The initiatives this government has taken to introduce competition into the marketplace by the introduction of independent operators has clearly resulted in more competitive retail petrol marketing in the ACT than would have been the case otherwise. The continued involvement of independents in the ACT has maintained price competition, albeit at a higher price per litre over the recent past with the increases in the price of crude oil. That is a very big factor.

7 March 2001

My colleague Mr Humphries successfully argued for a national investigation into petrol prices by the ACCC. That investigation was undertaken from January to August of 1999. It revealed that rampant profiteering has not occurred, and in fact prices in Australia have not increased at the same rate as the international refined petrol price. We could see that when we saw astronomical increases in the price per barrel in recent times. Whilst there were significant increases in Australia of 8c, 9c and 10c a litre, there were the huge increases in the price of crude oil. The price of crude oil doubled, or more than double in certain instances.

Figures on the retail price of unleaded fuel in the ACT compared to metropolitan Sydney over the month of January this year indicate that the average price differential between Canberra and Sydney is around 5.6c per litre. The average price in Sydney in January was 87.5c for unleaded; here it was 93.1c.

The ACT government, however, can do only so much in relation to the price of fuel, as the pricing problems for us largely result from a lack of competition at the wholesale and refinery level right across Australia. Any action that can be taken to address the problems at this level are outside the ambit of our government and would be beyond the reach of the ICRC.

I note that Mr Rugendyke's motion asks the inquiry to assess what is occurring in Western Australia, which has a FuelWatch scheme. My department has discussed that scheme with the Prices Commissioner of Western Australia. The scheme there costs about \$1.5 million per year to operate. While the costs of operating a similar scheme in the ACT most likely would be much less than that, they would be significant and might outweigh the benefits that might flow to consumers.

Anecdotal information about the Western Australian scheme also indicates that there was a price reduction of up to 7c per litre for unleaded fuel over the initial weeks of the scheme. Having regard to the short time the Western Australian scheme has been operating, it is probably too early to say whether it will result in a permanent reduction in the price of fuel. No doubt that is something the ICRC will be looking at.

The reduction, however, did not come without a cost to petrol retailers. The requirement that service stations notify the Prices Commissioner of the next day's petrol prices 24 hours in advance has become somewhat akin to a tender for the sale of fuel for the next business day. Those service stations that do not at least match or get very close to the low price for the day can expect a significant downturn in trade for the day.

This, of course, could result in serious implications for retailers who for whatever reason are unable to be price competitive for that day. It is an industry where any price differentials, no matter how fine, can have a significant impact because of the very small difference between how much the petrol costs the retailer and how much it is sold for at the pump. Of concern also is the fact that the Prices Commissioner believed that market distortions that were already appearing in the first couple of weeks would inevitably result in the use of price fixing powers contained in the West Australian act.

The setting of the maximum retail price for fuel may well be a very retrograde step. It is something that would require constant market monitoring, public notifications and new determinations as the very volatile world price of crude oil impacts on the marketplace.

Any setting of a maximum retail price would have the effect of establishing the de facto retail price of ACT fuel, and that could be a highly anti-competitive move.

Such an approach would also have the effect of deadening the impact of the other competitive elements in our market, particularly the independents and Woolworths Plus, and would undermine this government's policy of successfully attracting price competition into the ACT retail market.

The inquiry proposed by Mr Rugendyke, as Mr Kaine said, would not be the first into the operation of the retail sale of petrol in the ACT. The Assembly established a select committee on that in June 1996, which is what Mr Kaine referred to. That committee's report did not recommend the use of price-setting powers, but it rather recommended the development of measures which gave franchisees and distributors more power in their bargaining relationship with oil companies; the use of existing vacant sites by new retailers; the easing of restrictions on retail space available in service stations; and the investigation of issues concerning multisite franchising. This government has pursued a number of these initiatives, with the result being a more competitive retail fuel market in the ACT.

In putting a few things on the record, I urge some caution. Let us not get overoptimistic, because there are a lot of factors outside our control, and some of the fixes which might seem attractive are in fact somewhat simplistic and have other consequences.

Mr Rugendyke's series of questions are sensible ones. It is appropriate for the Independent Competition and Regulatory Commission to look at these matters. The broad issues in the motion are all relevant. The general power "and any other related matter" in the terms of reference gives the commission the ability to look at other points as well.

Whilst I share with Mr Kaine a degree of scepticism about what is going to come out of the inquiry, it certainly cannot hurt. We have had a few positives from inquiries in the past. All I can say is good luck to you, Mr Rugendyke, and to the ICRC in its investigation. I will be very interested to see the outcome and what, realistically, we may be able to do. I suspect it might not be a hell of a lot, but we may be able to do something that will make the lot of the motorist better.

**MR QUINLAN (6.12):** We will be supporting the motion. For the most part, it smacks of appalling populist pap. Nevertheless, I have to agree with Mr Stefaniak that some good may come of it. It will permit the ICRC to provide independent information on petrol pricing that may be in a form understandable to the general public, which will be a first. It will permit some examination of the Western Australian legislation and, I hope and trust, open discussions on other proposals for the promulgation of up-to-date pricing information and possibly formal tracking of price changes in various outlets.

I note that there has been some media coverage on the Western Australian proposition and a warning of some inherent risks in price that, once posted, cannot change. Not all changes go upwards. Nevertheless, we will be very happy to see some information come forward as to how the public might be kept up to date and might be able to vote with their tyres—I was going to say vote with their feet—and move to the cheapest price in

7 March 2001

town and therefore have some impact upon various outlets and their propensity to shift pricing upwards.

I read in my research that nationally there have been about 40 inquiries into the petroleum industry over the last 50 years. I do not see why we should not have another one. We are aware that John Howard, the desperate and poll-driven Prime Minister we have at the moment, has announced an ACCC inquiry into the feasibility of a cap on the price of petrol or price changes and an inquiry into the structure of fuel taxation in Australia. He has come to the question late, but information may come out of that and complement the information the ICRC can produce.

I look forward to seeing the mouse that roared, our own little ICRC, which has penalty clauses in its legislation. We will be calling up oil companies, and if they do not provide the information, if they do not cooperate, if they do not respect confidentiality, as is provided for in the ICRC act, then they will go straight to the rack and be severely dealt with.

We support this little exercise. We hope that it does not get out of hand but that we spend a reasonable amount of resources to glean as much information as we can and to come up with proposals that are practicable within this small territory.

Mr Kaine spoke about the Select Committee on Petrol Pricing. In the last paragraph of the preface to their September 1997 report they said:

In essence, it has to be recognised that the ACT community and economy is not insulated from the wider Australian economy nor is the petrol market capable of being regulated in isolation from the immediate New South Wales and the national markets.

The mouse may roar, and I look forward to the results of this inquiry.

**MS TUCKER** (6.17): I move the following amendment to Mr Rugendyke's motion:

After paragraph (6) insert the following new paragraph:

“(7) the level of dependence in the ACT community on the use of private motor vehicles for transport, the environmental and social impacts of this dependence, and its impact on local fuel demand and price.”.

There are a number of issues to do with fuel prices that warrant investigation, but unfortunately Mr Rugendyke's motion focuses on a limited set of issues. Mr Rugendyke's motion addresses the nature of the petroleum supply industry in the region and more generally in Australia and whether there is sufficient competition within the market to ensure that consumers are getting the lowest economically efficient prices.

I can support such an inquiry, because I am also aware of unexplained fluctuations in petrol prices, and generally prices for petrol are high in the ACT relative to other regional areas. It is also the case that the number of service stations in the ACT has dropped in recent years, and there appears to be an increasing concentration of control over retail outlets which could be a restriction on competition.

However, this type of inquiry is quite narrow as it does not address the environmental and social implications of our society's dependence on petrol as a transport fuel and the adverse environmental impacts of the use of petroleum products, such as greenhouse gas emissions and air pollution. There has been much national debate recently about increases in petrol prices, and there have been calls for the federal government to ameliorate increases by reducing fuel excise.

For once I agreed with Prime Minister Howard when he originally said that he would not intervene in petrol prices. But it is quite disappointing that he recently caved into populist calls for cheaper petrol by announcing a reduction in fuel excise and the dropping of future indexation of fuel excise. I feel that Mr Rugendyke is also responding to populist calls for cheaper petrol by initiating this inquiry without looking at the issue in its broader context.

While there may be some short-term fluctuations in the price of petrol, I believe there is only one way the price can go, and that is up. I am sure that we would all like many more products and services to be cheaper, but it has to be recognised that in a competitive market prices are set by the balance between the supply of and demand for the particular product or service. On the supply side, the sources of oil are restricted to a few countries in the world, and the major oil-producing countries work together within OPEC to control supply levels to keep prices high.

There is also the long-term issue that we are running out of easily accessible sources of oil around the world, including in Australia. There have not been any finds of major new oilfields for many years, and there are reputable predictions that we will soon be reaching the peak in world oil production. Australia will have to increase its imports of oil to meet local demand, which will put further pressure on our balance of trade. With these restrictions on oil supply, the price of oil will remain high, despite any further attempts by the United States to invade the Middle East to control their oilfields.

On the demand side, oil companies have a virtual monopoly on the supply of transport fuel. There are some alternative fuels available, such as compressed natural gas and methanol, but the markets for these are totally overwhelmed by the petrol market and there is hardly any distribution infrastructure for these fuels. In rail transport there is the use of electricity, but in Australia investment in new rail infrastructure has lagged significantly behind investment in roads.

On a positive note, motor vehicle companies are investigating new fuels for their vehicles, because at least they recognise that petrol is a declining resource. The most promising one at the moment is hydrogen, which will be used to power fuel cells rather than internal combustion engines. However, it will be about a decade before we see production models.

Because of the relative cheapness of petrol in the past and the corporate might of the car industry, we have seen our cities being restructured around the use of the private motor vehicle, with the spread of freeways, arterial roads and low-density suburban sprawl. Canberra is a particular example of this because its main expansion occurred in the 1960s and 1970s, when this style of urban development was at its height. At least other cities have their older public transport networks, such as trains and trams, to provide an alternative transport network, and some cities are investing in new light rail systems, but

7 March 2001

in Canberra the public bus system will continue to struggle to compete with private vehicles unless government intervenes.

Because many people have no real choice but to use cars for transport, this has reinforced the high demand for petrol and turned petrol pricing into a big political issue. It is this issue that this inquiry should primarily address. Unfortunately, governments of all persuasions are failing to take serious action to address this issue in a holistic, environmentally responsible way.

Reducing fuel excise is not the way to address rising fuel prices. It sends all the wrong signals to both petrol producers and consumers. Petrol producers will get the message that they can continue to increase wholesale fuel prices, knowing that the government will step in to lower the impact on consumers by reducing the tax on the price at the pump. Consumers will also get the message that they have no need to be more efficient in their use of petrol, such as by using public transport or by getting more fuel efficient vehicles, because the government will step in and keep the price of petrol artificially low.

I am moving this amendment to Mr Rugendyke's motion so that the terms of reference of the ICRC inquiry include the issue of the level of dependence in the ACT community on the use of private motor vehicles for transport, the environmental and social impacts of this dependence and its impact on local fuel demand and price. Such a reference is quite consistent with the objectives of the ICRC. In section 7 of the ICRC legislation the commission has, as an objective:

to facilitate an appropriate balance between efficiency and environmental and social considerations;

I must admit that I was critical of the ICRC legislation when it was debated in the Assembly, because I thought it had too much of an economic focus, so I will be very interested to see how the commission deals with these considerations in its inquiry.

**MR RUGENDYKE (6.24):** Mr Speaker, I will not be supporting Ms Tucker's amendment. It is my view that what she proposes is an entirely different debate to that of my motion. My motion revolves around petrol pricing, competition, fluctuations and the Western Australian model. The words "any other related matter" in my motion would indicate to the pricing commissioner that he can look at other common myths. I put this amendment in the category of what I refer to occasionally as a broad-brush greenie approach. The amendment is designed to complicate, delay and prolong. For that reason, I will not support it.

**MR QUINLAN (6.25):** We will be supporting Ms Tucker's amendment. It is quite sensible that this review take a balanced approach. The broad appeal of Mr Rugendyke's motion can be enhanced by a responsible approach to environmental considerations. Sooner or later we are going to have to face these issues.



Question put:

That **Ms Tucker's** amendment be agreed to.

Ayes 7

Noes 8

Mr Berry  
Mr Corbell  
Mr Osborne  
Mr Quinlan  
Mr Stanhope

Ms Tucker  
Mr Wood

Mrs Burke  
Mr Cornwell  
Mr Hird  
Mr Kaine  
Mr Moore

Mr Rugendyke  
Mr Smyth  
Mr Stefaniak

Question so resolved in the negative.

Motion agreed to.

## **Adjournment**

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

That the Assembly do now adjourn.

**Assembly adjourned at 6.29 pm**