



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

13 June 2001

Wednesday, 13 June 2001

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

Justice and Community Safety—Standing Committee Alteration to reporting date

MR OSBORNE (10.30): I seek leave to move a motion to alter the reporting date for the Standing Committee on Justice and Community Safety inquiry into the Executive Documents Release Bill 2000.

Leave granted.

MR OSBORNE: I move:

That the resolution of the Assembly of 9 March 2000 (as amended on 29 March 2001) which referred the Executive Documents Release Bill 2000 to the Standing Committee on Justice and Community Safety for inquiry and report be amended by omitting in paragraph (1) the words “by 13 June 2001” and substituting in lieu thereof the words “by 19 June 2001”.

Mr Speaker, the committee received the government’s submission only a short time ago, and it has caused this delay. We would like to have had the report done today, but the biggest and most important submission, that from the government, was delivered to us only a short time ago. We will have the report ready for next Tuesday.

Question resolved in the affirmative.

Estimates 2001-2002—Select Committee Report

MR QUINLAN (10.42): I ask for leave to present the report of the Select Committee on Estimates 2001-2002.

Leave granted.

MR QUINLAN: I present, pursuant to order, the following report:

Estimates 2001-20002—Select Committee—Report entitled Budget 2001-2002, dated June 2001, including a dissenting report, together with a copy of the minutes of proceedings.

I move:

That the report be noted.

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Given the little bit of publicity received this morning, I would like to begin at the end and to address the dissenting report. A few things need to be said in relation to the dissenting report. I point out to the house that the Select Committee on Estimates was made up of six members of this Assembly: two from government; one Independent, Mr Rugendyke; Ms Kerrie Tucker from the Greens; Mr Hargreaves; and me. I do not think Mr Rugendyke would object if I said he was at least even-handed in his approach to the government and to the opposition.

During deliberations on the report that has been presented, the numbers were there on the committee for government participants—I use the word advisedly—to have contributed as much as they wished to the report. They could have vetoed a considerable amount of the report and they could have included qualifications in anything that was said in the report.

I have been down this road before, going back to my first year in this place when I chaired a select committee on superannuation liability. In trying to put together a report, I was getting no cooperation from a government member. At the 11th hour, after the draft report had been circulated, that government member produced a 10-page erudite critique of the report and labelled it a dissenting report. I am assured that that report was written by the government member—

Mr Hird: And his staff.

MR QUINLAN: And his staff, on a Saturday afternoon. I did at the time congratulate Mr Hird—he is the government member I am referring to—on the very rare insights into economic phenomena that were shown in that attachment. They were insights and understandings which were not evident during either the hearings or the deliberations of that committee.

With that experience, and experience since of the occasional dissenting report, behind me, I made quite sure that I advised members of the committee that they should prepare and submit any contribution they wished to make. I have in front of me, Mr Speaker, a hard copy of an email from the secretary of the committee, Ms Maureen Weeks, to Mrs Jacqui Burke, a government member on the committee. This was sent out on my instructions. This was the second email sent out. It reads:

Dear Members,

Although the estimates hearings are far from completion there have been a number of hearings with a wide range of issues raised. The Chairman is interested in getting contributions from all committee members on all issues for inclusion in a draft report as soon as practical. If you have any contributions on issues you can provide them to me—I'm happy to come and have a chat or you can email me.

Reply from Mrs Burke:

Noted—thanks Maureen. I will have a think about this.

The dissension says that the chairman openly admitted that the draft document being considered by the committee deliberately reflected his biased view. As well as sending out messages, I said to a meeting of members, “If you want contributions in this report,

please write them and submit them. You know the stuff that I am going to write. I am not here to flatter the government. Please write your contributions.”

Ms Tucker wrote paragraphs and wrote recommendations. Mr Hargreaves wrote paragraphs, wrote amendments and wrote recommendations. Mr Rugendyke and his office had discussions with the secretary. Mr Rugendyke at one stage described some changes and some statements he would like to see in the report, relating particularly to an attitude to surpluses. I wrote them for him in the words that he wanted. He made that contribution. I think Mr Rugendyke’s general attitude was: “I do not like some of the stuff you have written, but the rest of it will do.”

But for two members of the committee the sum total of their contribution was zip, nothing—not a written line, not a recommendation. During the hearing the sum total of their contribution was the occasional shallow dorothy dixer. Then I read in the paper this morning, from Mrs Burke, “I just gave to the end. I tried to work as constructively as I could, but we were just railroaded.”

As I pointed out initially, there was a sufficient balance of numbers on the committee for government members to contribute very significantly to this report. The one basic requirement for that is work. I certainly worked. I took transcripts home on the weekend and at night and read them. I read the budget. I went through it. I prepared questions, as did other members of the committee.

But evidence of the two government members doing any in-depth work did not carry through to the operations of the committee. In fact, I think the situation we have arrived at this morning makes a mockery of the committee process. Not for the first time have we had a process whereby government members have contributed nothing to the deliberations, nothing to the report until it was virtually completed, and then at the 11th hour, out of the blue, has come not only a dissenting report but virtually a critique of the report. That seems to me, Mr Speaker, to be a contempt of the committee process. Mrs Burke, if you want to triumph in this place, you have to first try. As I recall, Mrs Burke is into inspirational speaking.

Having said that, let me return to the report, a report of which I am very proud. The report contains a considerable amount of work on the part of most of the committee members. In case I forget at a later stage, let me congratulate the people in the Assembly secretariat, who did a tremendous job. In fact, most of what is contained in the report and most of what is contained in the draft is a reflection of what arose during the public hearings. If the balance within the report seems to be criticising the government or taking issue with the government, then that is a reflection of what happened in the public hearings. You cannot sit in a public hearing, contribute next to nothing and then say, “Fifty per cent of the report should be flattering to government but I have not written anything.” This is not our proudest day in the operation of committees.

I turn to the report itself. There are a considerable number of recommendations in it. I would like to do justice to a number of them, because they are the functions of people thinking and working. They are not just a case of making politics. Let me refer back to the claim that this is a blatant political document. This is a document that scrutinises the government’s budget. The government’s budget is a blatant political document. That seems to be quite acceptable to those opposite. It is acceptable for the government to put

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the most outrageous of spin, misinformation and total bias in the budget, but heaven forbid that the document that scrutinises that budget should do the same. Those opposite say, "We are in government. Everybody should be nice."

I refer to recommendation 1. The original recommendation 1 was excluded from this report because members on the other side of the house got their act together for the part-time visit of Mr Hird to one of our deliberative meetings, the half a meeting he attended out of four deliberative meetings. There was a fifth deliberative meeting. The agenda was expressly issued. At the first deliberative meeting I said, "Here is the draft report, folks. Do you have issues to include? Do you have issues you want removed?" Answer from that side of the house: no. Mr Rugendyke had some changes he wanted to make, and I included what he wanted included in the report. From that lot over there, nothing. There was a specific meeting to address just issues, not to edit the report, which we would do later. Contribution: zero. I think I can quote Mr Hird at that stage as saying, "Forget it. I am going to dissent anyway."

Mr Hird: I did.

MR QUINLAN: You did, right. That is confirmation in *Hansard*. Talk about the "bias" of the chairman, when before the deliberative stage Mr Hird virtually said, "I am not participating, because I am going to dissent anyway." A bit of a mockery.

The first recommendation was to have related to the draft budget process. It was one of the most humorous yet frustrating periods in my time in this place when at the penultimate deliberative meeting I tried to work out, from at least a couple of people on the committee, whether they wanted a draft—that is, revenue, expenditure, bottom line—or whether they were happy with the system this year. Answer: "Yes, we want a draft budget. Yes, we are happy with the system this year."

Of course we did not get a draft budget this year. We got a list of initiatives. I did get one answer from an unnamed member who said there was a draft budget; that it was out there. We did not get a budget that said, "This is the total revenue; this is the total expenditure; this is the projected bottom line." We got a list of initiatives that were only a part of the final list of initiatives that were incorporated into the budget when it was brought down. So we got an indication of direction from the government. The government talked about innovation and some pretty high-sounding stuff, as you do in a budget, and then some of the initiatives. Then a whole lot of other initiatives appeared at a later stage.

We had the debate here. We talked about the draft budget. Claims had been made that the community thinks it is a good thing. The community likes the input. I thought, "Fair enough. How about we set up a system that allows the community input, allows the community to appear before committees, allows the government to make a general statement as to what they intend in the budget, and allows the committees to meet with all the stakeholders that want to be heard and put forward recommendations?" (*Extension of time granted.*) Then the government would decide, as it should because it is in power, which of those recommendations it should adopt and which it should not. To some extent, I was saying, "We will take out of the process the restrictive bits various committees have complained about, but we will keep the consultative process, which seems to have gained some support."

That recommendation is not in the report, because we could not get to the stage where we knew whether we had a draft budget or not. I could not get a straight answer from a couple of people as to whether they wanted a draft budget or they did not. As I said, it was most frustrating but humorous.

Let me run through the recommendations as quickly as I can. The first recommendation relates to Mr Rugendyke's very genuine question as to why the government's attitude had changed from the Carnell time and why her attitude to services was different to Mr Humphries' now declared attitude to services. I will leave that recommendation as it is. I think the government should provide that explanation for members. I delude myself that I know a little bit about the accounting process, and I might have an attempt at explaining why, but it is not for me to do so and I would not presume to do so.

Recommendation 2 talks about clarity in reporting. This is not my own politics. I refer members to the Auditor-General's report on the last completed financial year's annual reports, in which he said there needs to be some commentary to go with the bottom line to clarify that bottom line, because accounting nuances can make a considerable difference. From 1995-96 to today, there is a \$110 million or \$120 million difference which is purely attributable to accounting. It has nothing to do with performance, nothing to do with extra money. It is to do with accounting.

Recommendation 3 is that within the array of initiatives the government ensure that there is a minimum absorption of resources by administration. One of the concerns some of the committee members, I think the majority, had was that this whole plethora of initiatives is going to generate more administration than service. We were concerned that the money, once identified and once made available, should get to the pointy end of community services.

If the government is going to claim things to be new initiatives, when really they are just additional funds allocated to something that is already happening, then they should say tell us what the additional funding is. You might see that the government is going to spend \$60,000 on something, but when you ask about it you find that the program already exists and that a bit of extra money is being made available for it. It looks good if you stack up a whole pile of things and call them new initiatives.

One of the disturbing features of the CTEC contract to move to Brindabella Park is that it was signed for 10 years. That is a rather long horizon for an accommodation contract. It virtually commits another three governments to maintaining that lease. We think that is rather long for what the private sector does. We include a recommendation in relation to government contracts and not exposing future taxpayers to escalating costs because the contract is inadequate. You can refer to the Bruce contract being inadequate. You can look at the two car races. Both AVESCO and the NCA seem able to dictate to us that we spend extra money.

There is a recommendation about the centenary of federation monument. We heard that the design concept was the idea of the head of the Chief Minister's Department. We thought that the local artist community might want a crack at it.

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We think that a concerning point in relation to the Impulse Airlines, a point that has been discussed in this place before, should be referred to the Auditor-General. A claim was made that the Victorian government had offered Impulse Airlines \$10 million to locate in Victoria and that if this Assembly did not approve the deal the government put then Impulse would be offered to Victoria. We were told in this place that there had been an offer by Victorians, and that was part of the incentive for us to move quickly and approve the proposal before us. It turns out that Victoria made no offer. Over a reasonable span in the public hearings, when we tried to identify who had made the claim of an offer, we could not. It was like the Bruce Stadium audit report. We could not find out who said it. It was one of those phantoms. Nobody actually said it. It arose. It came up. It is a very serious matter when a claim made in this place has no factual basis and we gloss over it. This must be referred to the Auditor-General, and it must be investigated. The source of that claim must be identified. We must identify whether it was a deliberate mislead or not.

There is a recommendation in relation to the offer of assistance from the peak body ACROD to identify unmet need. There is a recommendation in relation to Bruce Stadium. We were informed that Bruce Stadium is going to have a staff of seven to run it. We think the Public Service Commissioner should have a quick look at that one, and while he is doing that look at the possibility of a single body being responsible for the operation of the several stadia. (*Further extension of time granted.*) You might like to consider a single authority. Maybe that is the plan at Bruce. Maybe the empire has been built at Bruce already, with the seven staff, but I think the committee would like the Public Service Commissioner to have a look at that.

There is a recommendation in relation to the whole-of-government analysis of letting new contracts. The prime example is the Housing contract let to outside firms and taken away from Totalcare. The taxpayer probably loses by that. Even if there has been some monetary gain, the taxpayer will lose because of redundancies and the redundancy payments that follow.

There is a recommendation in relation to affordable housing at Kingston. That needs to be looked at again. We need to develop a social plan. That sounds like an estimates report of about two years ago, if not last year.

Recommendation 15 is about so-called funding increases. I talked about political documents earlier. The minister for health claimed that hospital funding had increased by 10 per cent budget to budget. But we know that the increase between the two years, between what will happen this year and what is intended to happen next year, is about only 4 per cent. If you factor in CPI, that is about a 1 per cent increase in real funding for the hospital from one year to the other. That is if we stay within budget, of course. You may bust budget again, Minister. You may increase it by more, but you will have to break budget to do so.

Mr Moore: You are a wanker, Ted.

MR QUINLAN: I beg your pardon?

Mr Moore: Nothing.

Mr Hargreaves: Mr Speaker, I take a point of order. I ask the minister to withdraw the comment he just made.

MR SPEAKER: I did not hear the comment.

Mr Hargreaves: He should be called upon to repeat it more loudly. It went into the microphone,

Mr Speaker.

MR SPEAKER: If it was out of order, I ask the minister to withdraw.

Mr Moore: Mr Speaker, I do not think anybody heard anything that was out of order.

Mr Hargreaves: I did, Mr Speaker.

MR QUINLAN: It does not matter. If he does not have the courage to say it out loud, I think that is the commentary we need.

Mr Hird: I did not hear anything.

MR QUINLAN: Of course you did not, Harold. You haven't heard anything for months, mate.

Mr Hargreaves: You should withdraw that, Michael.

Mr Moore: Mr Speaker, just to ease Mr Hargreaves' mind, I will withdraw my reference to Mr Hargreaves as a wanker.

Mr Hargreaves: Not me.

Mr QUINLAN: Was it him or me? Who was it?

Mr Moore: "You are a wanker, Ted." I said, "You are a wanker, Ted." They are my exact words.

MR SPEAKER: It has been withdrawn, gentlemen. Please, you are cutting into Mr Quinlan's speaking time on an important matter.

MR QUINLAN: I want to move along now. Quite a number of recommendations come down to the government being a bit more structured in what they do rather than trying to throw the quick dollar around.

There is a recommendation in relation to emergency housing. Recommendation 29 is significant. The government quite clearly set up the free bus scheme as an election issue. They should not have made such a commitment until it was clear that it was supported. Whether it is supported will be known after the election, one presumes. So we do not think a firm commitment should be made until November.

There is a recommendation to refer the taxi industry to an inquiry.

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I think I have probably taken up enough of the Assembly's time on the recommendations. I will just say that in summary I think that the budget appeared quite clearly to be a budget that was designed to soak up every discretionary dollar available for the next four years. It also appeared to be a budget that had little strategy about it other than an election strategy. We have a whole raft of initiatives which do not appear to offer the most effective way of delivering the services.

That is not my assessment. That is the assessment of people who bothered to come to the committee and make submissions, including ACTCOSS. If you know more than ACTCOSS and you know more than ACROD about service delivery, go right ahead. But I think you should at least take a moment to reflect upon their recommendations and their thoughts on how you might structure programs to make sure that the maximum dollar gets to the pointy end, gets to services to the people who really need them. We have had sufficient examination in the territory to know that there still is an unmet need out there.

Mr Speaker, I commend this report to the Assembly. I state categorically that it is no less a political document than the budget it scrutinises. In fact, I would say it is even less of a political document, because some balance from crossbench members was incorporated into it. I repeat my thorough disappointment that government members, who contributed virtually zero through the course of the whole process, now feel that they are in a position, beyond the expiration date, to make some contribution to this debate. I commend the report to the house.

MS TUCKER (11.12): I was hoping that Mrs Burke or Mr Hird would speak.

Mr Humphries: It is not their report. They have a dissenting report.

MS TUCKER: I was under the impression they were on the committee, and I thought from reading the newspaper that we were going to see some kind of statement from them which I would have liked the opportunity to read and respond to. Mrs Burke is waving something around.

MR SPEAKER: That is out of order. Please continue.

MS TUCKER: Mrs Burke says in the newspaper today that she tried to work constructively. I would suggest that it would have been constructive for Mrs Burke and Mr Hird to have given fellow members of the committee an opportunity to understand their arguments. This debate this morning is about the report. I understand the paper Mrs Burke is waving around is related to this report. It would have been useful and constructive to have let members of the committee know what their views were.

Mr Quinlan has already expressed his disappointment that that did not happen during the committee process. It is highly irregular that members of the committee are allowed to see or understand the views of other committee members only after the report has been tabled. I agree with Mr Quinlan that that is really appalling in terms of the committee process and how it is meant to work.

I notice in the media today the following statement about Mrs Burke and Mr Hird:

They complained that the majority of the six-member estimates committee refused to accept their contributions...

I assume that means me and Mr Rugendyke.

Mr Rugendyke: Don't speak on my behalf.

MS TUCKER: Mr Rugendyke is not listening. Mr Rugendyke thinks I am speaking on his behalf. I am not. If Mrs Burke and Mr Hird claim that the majority of the committee did not allow them to have input, I am asking them whether that means you and me, Mr Rugendyke. You do not have to be sensitive. I am not talking about you. I am asking for a clarification from Mrs Burke.

I look forward to hearing from Mrs Burke and Mr Hird. I do not recall, except once or twice, being put in a position where I felt I was being asked by Mrs Burke or Mr Hird to consider their different view. Once or twice I remember arguing for a point that Mrs Burke had raised, and I think it got into the report. I said to Mrs Burke, "It is your right to argue that and I support your right." She is nodding.

I am concerned about what came out in this article. Mrs Burke and Mr Hird might say this is bad journalism—I do not know—but that is not the case at all. They did have every opportunity to put their view, and they did not do that. We are getting it today, apparently, but we still have not had the benefit of seeing it. I am sorry that that is the case.

I would like to deal with some of the recommendations in the report that I think are particularly important. As Mr Quinlan said, there is an important reflection of the community's views in this report. I sincerely hope that the government does look at each recommendation seriously and understand that a lot of thought and work have gone into the report, and not just by the members of this parliament. It might suit their political agenda to bag it for the reason that other politicians are involved, but they need to remember that there is a strong community input that supports most of the recommendations of the estimates report. They need to treat that work with respect.

As Mr Quinlan has already explained, we discussed the process and we were going to make a recommendation about how the community appears to think it is useful to have the opportunity to put their views on what they think should go into a budget and where the need is. We were going to support that community view through a recommendation but, as Mr Quinlan has already explained, there was dissent from three members of the committee, and unfortunately they did not put up an alternative recommendation. There is just a reflection of the discussion between Labor and me on the various merits or the not so good aspects of the process as it has evolved over the last few years.

I agree with Mr Quinlan. How do you define a budget? That is the key question in what a draft budget is. If you agree that a budget is full financial information, then clearly we did not have a draft budget. If you think a budget talks about initiatives and some items of expenditure, we did have a draft budget.

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The definitional question was never really resolved in the committee. Mr Quinlan, Mr Hargreaves and I are of the view that a budget is about full financial information, and other members of the committee are not. What is clear is that we are in agreement that the community does value the opportunity to have input about where they think need is and where expenditure should be. That is something about the process we can agree on.

The first few recommendations are important. They are about clarity and transparency of financial information. An important point came out ACTCOSS' submission: revenue-raising mechanisms need to be looked at. There needs to be a review of that matter in the ACT, because in the ACT there is a heavy emphasis on fees, fines and user charges. These are currently regressive. They need to be overhauled and made more equitable. That is particularly important, one would have thought, for a government that is trying to target disadvantage and has picked up to some degree recommendations of the poverty task force. I think that is a very important issue that needs to be picked up by this government or the next government.

Recommendation 5 is also important. It recommends that the government establish guidelines as to the length of the period for which a government department or agency should enter into a contract that binds the territory. Obviously there have been concerns about the decision to move CTEC to Brindabella Park, particularly in light of the dubious rationale for doing that, particularly in relation to transport availability and the broader question of planning and the provision of employment in the ACT.

I noticed in the Gungahlin newsletter that Gungahlin are going to run candidates in Gungahlin for Gungahlin because they are so disillusioned with what they perceive to be no commitment from anybody in this Assembly and past Assemblies to get employment going in Gungahlin. I can understand that cynicism totally. When you look at this massive development at Brindabella Park, which we covered in the Estimates Committee in some detail, it is no wonder that people are cynical enough to believe that there is no commitment at all in this Assembly to providing employment opportunities which would have social and environmental benefits for the people of Gungahlin and for the whole of the ACT.

We had a slightly amusing little exchange in estimates about the centenary of federation monument. We were interested in how the arts community was going to be involved in the quite significant expenditure to design a concept for the celebration of the centenary of federation. We were quite surprised to see that the chief executive took responsibility for the concept and that there had been no involvement of local artists. We have made a recommendation that it be opened up for the full rich, diverse and amazing talent of the artists of Canberra to come up with a celebration of federation which has artistic meaning as well as historical significance. It was quite extraordinary to members of the committee to see the chief executive happily making the decision himself. Maybe he is an artist, and maybe it is going to be fantastic, but I would have thought it should have gone out to all artists of the ACT community, not just to him—if he is an artist.

There were questions about Impulse and the suggestion that the Victorian government had made an offer. That needs to be sorted out. It was suggested that that could be looked at by the Auditor-General. Once again, the concern was that pressure was put on members of this Assembly because of the rather unhealthy situation of the states and territories bidding against each other to attract business. The potential for that pressure to

undermine proper probity processes is obviously serious for anyone who wants to see proper accountable processes in determining expenditure of public money. That definitely needs to be looked at.

The issues of poverty came up at the community hearings quite a lot. There definitely was a feeling that there should be a more systematic response to the poverty task force and that the government was quite random in the way it picked up recommendations of the task force. It is important for the next government to understand that there has to be a systemic approach to the issues of poverty. While it is good to see anything spent in the area, it is not necessarily the most effective way to spend the funds if it is not done in a thoughtful way.

On the provision of affordable housing within the Kingston foreshore development there was a rather confusing exchange. It was not clear whether structured into the process of development at Kingston foreshore there was a way of ensuring that there will be mixed social housing on the site. For this government, which claims to be committed to social capital and community development, and for any future government it is very important to keep that mix across Canberra. It is one of the good things in Canberra and we do not want to lose it.

In line with that, we also made a recommendation once again about the need to develop a social plan based on analysis of current and future needs and informed by consultation. That has come up from quite a number of other committees that I have been involved with. It still has not happened and it is a problem. We see quite ad hoc decisions being made still. That is a continual frustration to the community sector as well as anyone interested in addressing social need effectively.

Indigenous health came up again, and there are a couple of recommendations on that subject. We seem to be almost not hearing the real situation for indigenous people in this town and in all cities around Australia. In the ACT we are talking about government responses. A committee is looking at this matter still, so there is potential for, if not this government, future governments to take this on in a more serious and more committed way. I understand that there are arguments about funding that are always put, but I believe that this is one of the absolutely fundamental responsibilities.

There is a recommendation regarding child-care services for women undertaking counselling. (*Extension of time granted.*) That is an important recommendation for women. It does matter how much counselling we provide. If you are not taking child care into account in designing those counselling programs, you might as well not bother in some circumstances, because it is not possible for some women to organise child care. They cannot afford it.

This government closed the parent support service in O'Connor, which was unique in Canberra because it provided free child care for women and men attending programs in their little house there. That child care service was absolutely critical in getting particular groups of people to access those support services. It is a real shame and a concern if counselling services do not acknowledge the need to provide child care for parents, male or female.

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As I said, there has been concern about affordable housing. That came up through the poverty task force. It was brought up a lot in estimates by the community sector. We support the poverty task force's recommendation that an affordable housing task force be established. That was a very important recommendation of the poverty task force.

As members are aware, the poverty profile in the ACT is different from that in other places in Australia. Some of the distinguishing characteristics of poverty here are that people in poverty are more likely to be in single-person or single-parent households and they are less likely to be working. Particular issues that contribute to poverty in Canberra are the costs of housing and transport. We support the work of the poverty task force by recommending again that we get serious about looking at housing.

We also recommend that the community linkages in housing program, which is to be commended and looks as though it will be a good service in linking public housing tenants to community service support of various kinds, also apply to the Applicant Service Centre. I suggest that that would be very good long-term preventative policy initiative.

There is also a recommendation about what happens to families with children who are evicted. The committee has recommended that the government examine a means of ensuring the ongoing provision of emergency housing, within the same local area where possible, for tenants with children who face eviction. As we know, a huge disruptive force in any child's life is losing their home. In any human's life there are three major traumatic incidents they can experience: death of someone that they love, divorce and moving house.

If parents, for whatever reason, are not able to maintain a tenancy in a responsible manner, the majority of the committee felt that there was a case to look at the children. It is not appropriate for government to wipe their hands of responsibility for those children, because they are innocent. The long-term costs to society of exposing such children to more trauma are extreme. Why would any community want to see children traumatised further?

We know the cost to society in the long run, apart from having compassion for the children. The issue for society in the long term is that traumatised children are more likely to behave in an antisocial way, more likely to become addicted to drugs and more likely to resort to crime. The Commonwealth government's paper *Pathways to Prevention* a couple of years ago supported the absolute need to ensure that we try to protect children as much as possible.

The argument against that from the minister and others was that it gets to the point where if people do not pay their rent then they have to go; that if you do not take a hard line Housing will be flooded by people who do not pay their rent. I asked for the evidence for that assumption. Government usually tells us that the majority of public housing tenants are very responsible. We need to look carefully at assumptions like that if they are used as rationale for a policy decision such as this. There may well be some argument for that, but you have to balance that against the cost to society and to those children. That is the discussion this recommendation brings up.

We also made a recommendation on sexual health. That related to the need to incorporate education and prevention programs specific to sexual assault as part of sexual health services. We know that sexual assault has two aspects to it. You have the victim and you have the perpetrator. There is a need to support the victim. There is a need to help people observe safe behaviour, but there is also a very critical need to ensure that people are told about their responsibilities not to commit sexual assault.

That was highlighted by the recent rape of a young girl who was intoxicated. There seemed to be a view that those girls should not have been drunk and should not have been where they were, rather than the focus being on the fact that the boys should not have done it. I guess the question is about making sure that in any sexual health work we make clear the responsibility that has to be taken by every single person never to impose themselves on anyone else sexually without full consent.

There is also an important recommendation about out-of-hours GP services for people on low income. (*Further extension of time granted.*) Health consumers gave evidence that they felt there had been an increase in GP services going to accident and emergency, and Mr Moore tabled a graph which was unclear. There was an increase in one category of patients in one of the hospitals since the HealthFirst call centre was introduced. The graph showed an increase at one level of patient in one hospital, but what was really clear and interesting from that graph was the effect of the closure of Florey medical centre. There is obviously an argument for access for people on low income, not only for the hospital accident and emergency load but also because the government has a responsibility for preventative primary health care.

There is a recommendation on free school buses. That was a surprise announcement, not researched at all by government. It was apparently a promise they once made. There has been a lot of debate about it within the education sector. It was a quite poor consultation by government. They claim that they promised it once, so that is the reason, but they have promised since on many occasions, every year, that they will consult with the community on expenditure in the budget. That has been the most frequent recent promise. Clearly there are promises and there are promises. There is obviously concern across the community about that decision.

The recommendations about O'Connor Ridge and the intertown public transport route are also important.

I do not think I will be able to seek leave for a third extension of time, so I will talk to one thing that is a little unclear in the report. There is a recommendation regarding the need for a code of practice for police as a result of changes to the bail laws. There was some confusion. I was not at the committee hearings for that. There seems to be a little bit of confusion and crossover between the government's recent package of increased police powers and the bail laws. That recommendation needs to be explained. Unfortunately, it was not fully explained in the report.

The Law Society was concerned that under the government's new bail laws police could manipulate the system by bringing one charge and then, when the person was on bail, bringing another charge related to the first offence. The legal community expressed concern about that. There is an argument for looking at how police use their powers related to charging under the new bail laws. I think the committee, in its

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recommendation, is referring more to the subsequent announcement by this government of increased police powers. I think it needs to be made quite clear that there is an argument for that in respect of bail and in respect of the increased police powers.

I obviously cannot go through all of the recommendations. I think this a good report. I agree with Mr Quinlan that it reflects a lot of hard work by a few members of the committee. I hope that the government—if not this government, then the next government—will look at these recommendations, because they are important. Some of them have been made many times. It is getting to the point where we need to see some movement, particularly in the social area and in informing public policy in a more thoughtful way than is occurring at the moment under this government.

Some initiatives in the budget are welcome, but the community that works with impoverished people are concerned that it does not get to the heart of the problem. Pat Power, who chaired the poverty task force, said:

Ultimately, what is at stake is a matter of justice in enhancing the dignity of every person, and enabling all to have greater overall control of their own lives and participate more fully in the overall life of the community.

That is what we are talking about. An increasing number of people in the ACT are not able to experience that. It is a very serious issue for government.

MR HARGREAVES (11.32): Mr Speaker, this report of the Select Committee on Estimates 2001-2002 discharges the committee's role to question the basic assumptions and arithmetic conclusions behind the final budget document that the government provided to the Assembly as the resourcing of its programs for the coming year. The committee's role was to examine programs and initiatives on the basis of value for the dollar, and for the greatest part it did just that.

Mr Speaker, I would like to discuss the report on a number of levels. One is the process. Another one is the sorts of things that I gained out of the process, and I am sure there are members here who will recognise a lot of what I have to say. I would also like to talk briefly about the differences between budgets and make a comment or two about the contribution that was made to the process.

Like Mr Quinlan, I would like to pay tribute to the support team that was behind the process. The task was particularly onerous for me in the sense that there was a lot of reading and detail involved in producing the report. Because some of the detail was missing, we had to call for additional papers and that impacted on members of the committee and our staff. So I pay tribute to the support staff of the committee and also to my own staff for the assistance that I received.

Mr Speaker, the page containing the dissension by Mrs Burke and Mr Hird has been placed on the back of the report. In my view, this is the correct place for it. If we want to nod off we can read this piece of work, which I think fairly sums up the contribution of both of those people. The dissension is an abrogation of responsibility. Their dissension, in part, states:

The draft is blatantly political and contains many errors of fact.

Mr Humphries: Hear, hear!

MR HARGREAVES: It then states:

Since the majority of the Committee refused to accept our contributions ...

Mr Speaker, firstly I recognise the interjection “Hear, hear” from Mr Humphries, who I have to say did not contribute too much to it either. In fact, he would not know an element of fact if it jumped up and bit him.

The final construction of this budget was a nice piece of smoke and mirrors, orchestrated by that master magician, Mr Humphries, who absolutely conned his own backbench, which I am very grateful to see has doubled in number. Mr Speaker, we all know—and Mr Humphries knows—what the budget process is. It contains a starting point. It is a bit like an essay, Mr Humphries. It has a beginning, a middle and an end. The only problem is, Mr Humphries, that you forgot to tell your own backbench about the beginning and the end because they keep going into the public arena saying that the draft budget is out there.

It is a bit like a close encounter of the third kind—you know, beware it is out there, it is out there. But guess what, Mr Humphries: it was not out there because it never existed. What you gave under the guise of a draft budget was a shopping list. It was Mr Humphries’ own shopping list, and it had absolutely nothing to do with a budget construction at all. Was there any attempt to reconcile the difference between the so-called draft budget and the final budget? No, Mr Speaker, none whatsoever. What an insult. No wonder we get this piece of drivel on the back of this report, Mr Speaker.

Mr Rugendyke sat on the committee for the whole of its inquiry. To be quite fair and to pay credit where credit is due, I must admit that Mrs Burke participated a lot. As far as I can recall, she attended almost every session. Indeed, Mr Hird attended quite a number of them, and I have to say that too because I do not want to be accused of being biased in favour of Mrs Burke.

Mrs Burke asked a number of questions. However, I was put out by a report in the *Canberra Times* which, in referring to the line of questioning, said that Mrs Burke was justifiably outraged and so on. Mr Speaker, I can remember that quite a number of times she attempted to ask a question and was somewhat thwarted. People recognised that Mrs Burke had not participated before in the process and gave way. They gave her much leeway and paid her the respect that her position did in fact warrant. However, I was a bit upset after reading that newspaper report.

Mr Speaker, I would like to make a brief comment on the actual budget amount. The most significant item that we have talked about for donkey’s ages did not feature in it. There was no contingency in there whatsoever. I am talking about the second biggest building project that we have had since self-government—after the hospital redevelopment scheme, which I understand was bigger than the prison project. I see the Chief Minister sagely shaking his head. I am happy to be corrected and to understand that it is now the biggest construction project the territory will undertake.

Mr Humphries: In real terms I think it is.

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MR HARGREAVES: In real terms, and I am happy to be corrected on that. In that case, the omission of this item would seem to be even greater because there ought to have been some contingency funding in the budget to pay for at least the overlap costing of the prison when it is being constructed. There was nothing in there, Mr Speaker.

Mr Quinlan: It involves planning, John.

MR HARGREAVES: It does, indeed. Mr Quinlan says it involves planning and we know they are not real good at that.

Mr Speaker, I was intrigued by one of the processes. When the committee felt there was something a tad smelly, it called for papers. I have to say that all the papers we called for were not delivered. The CTEC ones were not all delivered, neither indeed were all the papers on the Yellow Cab agreement delivered. There was either a slackness on the part of the people preparing those papers for committee consideration or a contempt of the process, which I suspect was in fact the case.

Mr Speaker, let me pursue that line. After the dreaded disaster at the Canberra Hospital—I am referring to the implosion, not the reconstruction—and after the debacle of Bruce Stadium, which claimed the scalp of the patron saint of the Liberal Party, Mr Humphries got up in this place and said they had learned the lessons of maladministration and introduced changes. Well, Mr Speaker, what happened when we called for papers on some of these issues? What happened on the CTEC issue? What was revealed by the papers in that case? Some really terrific administration!

What about the Yellow Cab issue? We found that there was a very strong smell of anti-competitive behaviour. We ask for a copy of the probity report. What did we see, Mr Speaker? We saw a letter from Yellow Cab's accountants saying, "Oh, the principal is a really nice bloke. He can run a second taxi network." Well, heck, that is a real probity check in my view! I sincerely hope that we can apply those same probity rules when we are on the treasury bench.

Mr Speaker, one of the magic numbers of all time popped up. I remember that the original number for the creation of the prison was \$32 million. I remember it popping up somewhere else, but I cannot quite exactly recall where. And blow me down, it pops up that that is the price of the Gungahlin development extension. Maybe in fact \$32 million is always the government's starting point. Officials had to come to the committee and apologise for misleading information.

What about the tender for the youth at risk program? Mr Speaker, a tender is required to be let on an amount of \$450,000 over two years. But it has not been let. What happened when we asked to see a copy of the legal opinion on which the government is hanging its legal argument? We were told that it was a verbal legal opinion. The whole premise of the argument hinged on a legal opinion which was verbal. I think that says a lot about the quality of administration that this government is the steward of. (*Extension of time granted.*)

It has to be said that there is an enormous difference between a so-called draft budget and the final budget—\$40-odd million just for the supplementary appropriation itself. When the standing committees were given a chance to look at the initiatives, they were told, “You can’t move things outside the bottom line of that department.” Yet, curiously, in the space of a couple of months, up pops millions and millions of dollars, and the government then came up with its Gary Humphries’ shopping list. The shopping list had things on it like a free bus service with \$27 million over four years.

This raises one of the consistent complaints of committee witnesses. They said the consultation process was a sham. They said it was mainly lip service. What consultation do you think went on about the free bus service, Mr Speaker? What consultation do you think there was with the AEU, with the Parents and Citizens Association or the Secondary Principals Association? Zip, Mr Speaker. None. That was a consistent complaint.

If there is a lesson for any government in providing a budget, it is to conduct the consultation process honestly. I do not think that happened on this occasion. The whole budget process in fact was a sham. I cannot agree more with Mr Quinlan’s comment. The only thing is, he puts it a lot better than I can.

Mr Speaker, I have to share with you one of the amazing things that happened in the Estimates Committee hearings. It was reasonably late in the afternoon and one of the members said to me, “It’s getting tedious.” I thought, well it probably is. Then he said to me, “If you didn’t ask these questions of these people”—referring to the public servants and the minister—“we wouldn’t be here so long.” Well, that is true. If we did not ask any questions, we would not be there that long. Indeed, had we asked the same number of questions that Mr Hird asked we would have been in and out in one afternoon. In fact, Mr Speaker, I suggest that if people wanted to find out the quality of work and the contribution made by members they could check the *Hansard* to see how much in-depth questioning actually did occur.

Mr Speaker, I cannot let the opportunity pass to make a comment on the contribution of other members. Ms Tucker made her usual in-depth, sometime lengthy contribution. But she at least went for the throat quite a few times and she did the job that she was placed on the committee to do.

Mr Rugendyke sat on the committee and did what he does at every committee meeting. He sits with a black handkerchief on his head and then says, “Convince me.” At the end of the day, if you convince him, it is on, and if you do not, it is not on. So there was nothing different about that.

I have to pay credit to Mr Hird. His contribution was the same as usual. I suspect that he was the most consistent member of the committee. In fact, he said earlier on, “I have a job to do.” I do not think I am revealing anything untoward here by saying that he does have a job to do, he knows what it is and he does it quite well. He did not contribute to the committee’s work but he is still doing his job well.

Mrs Burke, on the other hand, absolutely staggered me. Mrs Burke seemed to be trying her best to contribute. I felt some sympathy and empathy because she was in fact struggling and was trying to do the best she could. All the way through the hearings

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I thought, “She is going to run foul of the machine fairly shortly.” I reckon, Mr Speaker, that if you are making a choice between incompetence and ignorance on the one hand and conspiracy on the other, go with incompetence and ignorance, do not go with conspiracy—and I could never accuse those opposite of that but it had the smell about it.

At one stage Mrs Burke was at a meeting of the Estimates Committee. She was interested in what was being said, she knew the subject and had done the research. She had obviously done a lot of work overnight. She disappeared out of the room and came back an entirely different person. I can only assume that she had run front on into the Liberal Party machine which has said, “Sorry about that, that is not the game. Harold is the way the game is played. You don’t do it that way.” She has been through a culture shock, and I have a lot of sympathy for her position.

There were some times when I tried my best to get through to Mrs Burke and I just could not do so. An example of this is the construction of any budget. You start at the beginning with a draft budget, you go through the initiatives, you get to the end, and there is your final budget. That is what a budget is. At the last committee hearing I asked Mrs Burke to please tell us what it is that she does not understand about that process. She will recall my saying to her, “Tell us what your view is and we will see what we can do about that.” To turn around and say in the committee’s report and in the press that we did not do that is, in my view, quite incorrect and sets the scene for the extent to which I will be as generous of heart next time around. There is no way in the wide world that I will be, Mr Speaker. She says, “I tried to work as constructively as I could”. I believe she did that but I believe also she ran foul of the machine and the machine told her what she could and could not do, and that was the end of it.

Mr Speaker, if the system is corrupted, it has been corrupted by the two members opposite. I was not surprised by Mr Hird’s attitude but I was disappointed by Mrs Burke’s behaviour. I think it was appalling. I reiterate, Mr Speaker, that an examination of the *Hansard* will show exactly the contribution that was made. Mrs Burke opened up almost all of her questions with, “Oh, can you tell us about this wonderful program or that excellent program.” She did not need to do that. We just ask the straight questions. As I said, an examination of *Hansard* will reveal the contribution of all the members.

Mr Speaker, I commend this report to the Assembly. I think it is the best one I have seen in a long, long time and I am very proud to be associated with it. I think a lot of this comes down to the contribution of members, the editorial work of the chairman, the contribution of the committee secretariat and, in the end, the honest exchange from all bar two members during the committee hearings.

MRS BURKE (11.50): Mr Speaker, I seek leave to table a dissenting report by Jacqui Burke MLA, and Harold Hird MLA, to the report of the Select Committee on Estimates 2001-2002.

Mr Kaine: On a point of order, Mr Speaker: I thought we were debating a committee’s report. Are we now going to debate two committee reports, because the one that I have in front of me contains a dissent from Mrs Burke? Are we now going to debate two committee reports on the budget, and is that in accordance with the standing orders of this place?

MR SPEAKER: One of them is a dissenting report, Mr Kaine, but it is up to the Assembly.

Mr Humphries: It is a dissenting report.

Mr Wood: It should have been part of the major report. That is the pattern.

Mr Kaine: Mr Speaker, are you ruling that the government's select committee on the budget will now report. Not the Assembly's, the government's?

MR SPEAKER: No. There was a dissenting report, I believe.

Mr Quinlan: There is. It is attached.

MRS BURKE: We gave notice that we would be submitting the report, Mr Speaker.

Mr Wood: Come back later.

Mr Quinlan: It is headed "Dissension from the 2001 Estimates Report by Jacqui Burke and Harold Hird".

MRS BURKE: I will have to seek leave to move to suspend standing orders, Mr Speaker.

MR SPEAKER: Order! It is entirely up to the Assembly whether they are prepared to accept this more detailed, I presume, dissent.

Suspension of standing and temporary orders

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (11.51): Mr Speaker, I move:

That so much of standing and temporary orders be suspended as would prevent Mrs Burke and Mr Hird from tabling their dissenting report.

Mr Kaine: Mr Speaker, the dissenting report has already been tabled. It is attached to the back of the select committee's report. I do not know on what grounds they now seek to table another report that did not come under the auspices of the select committee. I think we are introducing a very strange precedent here, Mr Speaker.

Mr Hird: Mr Speaker, on the point of order: the secretary—

MR SPEAKER: There is no point of order at this point, but go on.

Mr Hird: Well, sir, what was Mr Kaine speaking to?

Mr Wood: He was speaking to the motion.

MR SPEAKER: I thought he was speaking to the motion, exactly.

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Mr Hird: Okay. I take your advice and I will also speak to the motion.

MR HUMPHRIES: Well, I have the right to speak to the motion first, Mr Speaker, not Mr Kaine.

MR SPEAKER: The motion is to suspend standing orders. That is what is before the house at the moment.

Mr Hird: Thank you, Mr Speaker. I apologise to the house. We took advice from the secretariat as to the proper procedure to be followed. As you would be aware, Mr Speaker, a deadline was placed by this place on the date by which the select committee was to report, and that date was last Friday.

As Chairman Quinlan has indicated, there was a deliberative meeting on Friday to make certain arrangements in respect of his document as chair of the committee. The document had to be completed by that afternoon. So that the Quinlan Select Committee on Estimates would not be in breach of standing orders, we were asked by the secretariat to append the attachment, which we did.

In that attachment we indicated that at a later time in this place we would deliver our report, which my colleague Mrs Burke is attempting to do now. So, in accordance with standing orders, this house has to give us the right, as members of the committee, to table our dissenting report. I trust that assists Mr Kaine in his concern about the procedures concerning this matter.

Mr Kaine: You are out of order, Harold. You are out of order totally.

Mr Berry: Mr Speaker, this is a most extraordinary move by members of the Liberal Party. Mr Speaker, can I draw your attention to the dissenting report.

Mr Humphries: Mr Speaker, I rise on the point of order. Mr Speaker, I have moved the motion and it is usual courtesy for the mover of a motion to speak to the motion before other members are allowed to speak to it.

Mr Berry: Well, you sat down.

Mr Humphries: No, I did not sit down. Mr Speaker, I was standing when Mr Kaine was given the floor, apparently on the assumption that he was raising—

Mr Wood: You had your chance.

Mr Berry: On a point of order, Mr Speaker: the minister is now closing the debate because in moving the motion he has spoken to it. By rising to speak now he is closing the debate. Mr Speaker, this is extraordinary.

Mr Humphries: Mr Speaker, on Mr Berry's point: I did not speak to my motion at all other than to move it.

MR SPEAKER: No, you did not.

Mr Berry: Mr Speaker, on a point of order: it is accepted practice that, once you have moved a motion, if you say no more you have in fact spoken to the motion. Mr Humphries chose not to say any more. Mr Hird and Mr Kaine then rose and spoke to the motion. Mr Humphries is closing the debate.

Mr Humphries: If I may speak to that point, Mr Speaker. I rose to move a motion on the floor of this place. Then Mr Kaine rose in his place.

Mr Wood: That is when you should have complained.

Mr Quinlan: Yes, when he was on his feet.

MR SPEAKER: Order!

Mr Wood: You missed the boat.

MR SPEAKER: Order!

Mr Humphries: Mr Speaker, I rose to move a motion to suspend standing orders in this place. Before I was able to say anything on your invitation to speak to this motion, Mr Kaine rose in his place.

MR SPEAKER: That is correct.

Mr Humphries: I assumed that Mr Kaine was taking a point of order. Then Mr Hird rose.

MR SPEAKER: That is quite correct.

Mr Humphries: He expressed his comments as being on the point of order. So there were two speakers on what I thought was a point of order. I was waiting patiently to be called by the Speaker to speak to my motion.

Mr Hargreaves: As is your habit.

Mr Berry: Mr Humphries has been in this place too long to plead ignorance of the standing orders.

MR SPEAKER: Just a moment please. If there is any fault in this matter it is the fault of the chair for not recognising Mr Humphries when he moved the motion. Instead of calling Mr Kaine and then Mr Hird, I should have called Mr Humphries.

Mr Berry: Well Mr Humphries is a big boy. He could have raised the point earlier.

MR SPEAKER: He is taking the point now and I am upholding it.

Mr Berry: Upholding what?

MR SPEAKER: I am upholding it.

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Mr Berry: That he has not spoken? We know that.

MR SPEAKER: That he has a right to speak to his suspension motion. If it is anybody's fault, it is the chair's fault, that's all.

Mr Berry: I think he will have to get leave at this point. Just seek leave, Gary and we will give it to you.

Mr Humphries: Mr Speaker, I am sorry but I do not believe I need to seek leave to speak to my own motion.

Mr Berry: Yes you do.

Mr Humphries: It is my entitlement under standing orders.

MR SPEAKER: I do not want to argue this point. I am prepared to allow Mr Humphries to speak. Proceed.

Mr Wood: With leave.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (11.55): Thank you, Mr Speaker. I do not need leave. I am entitled to speak without leave.

Mr Wood: We give you leave.

MR SPEAKER: Order please! I will not have argument. We have a lot of work to do today.

Mr Berry: Well, stay awake lads.

MR SPEAKER: Indeed.

MR HUMPHRIES: Mr Speaker, I have moved this motion to suspend standing orders because I believe it is important for the Assembly to have in front of it the views of all members of the Estimates Committee. I understand from members of the Liberal Party who were serving on that committee that a meeting of the Estimates Committee was held on the Friday, the last day on which the report was due to be delivered, and that an extremely short period of time was provided for Mr Hird and Mrs Burke to be able to produce a dissenting report to this estimates report.

As a result, a very short report indeed was produced, and members can see that at the end of the document which has been tabled today. However, I am told that it was perfectly plain to all the members of the Estimates Committee that a more substantive dissenting comment would be made by the members of the Estimates Committee who did not agree with the majority view.

Mr Hargreaves: At the last minute.

MR HUMPHRIES: In respect of that interjection by Mr Hargreaves, it was blatantly apparent to me, as a witness before the committee, that there were dissenting views, even at that stage of that process; and if members of the majority did not concede that a dissenting report might become available, they were naive indeed. Insufficient time was provided to provide a dissenting report. Mr Speaker, it is the entitlement of a member of an Assembly committee to be able to incorporate such a dissenting report.

Mr Hird and Mrs Burke have come to this place today and have asked for the right to have their document tabled in this place. It is rare indeed under any circumstances for this Assembly to deny a member the right to table a document in this place.

Mr Berry: Well we have not seen it yet.

MR HUMPHRIES: You do not generally see a document before it is tabled, Mr Berry, in case you had not noticed. As a rule, people do not see documents until they are tabled.

Mr Berry: I will get to speak in a moment, perhaps.

MR HUMPHRIES: Well, take that chance but please let me speak during the time allocated to me, Mr Berry. The fact is, Mr Speaker, that there is a dissenting report to this estimates report and it should be on the table. The members have said that they were not given time to do that. Mr Speaker, members will have ample opportunity to debate this dissenting report as they will the substantive majority report which has been presented in this place today by Mr Quinlan.

I have to say, Mr Speaker, that the approach that has been taken today to prevent other views from coming forward on the Estimates Committee is typical of what is taking place with our committee system at the present time. We have seen a subjugation of the openness of our committee system occur systematically over the last few years with the result that the value of our committee system is declining precipitantly.

Mr Wood: Have a look at yourself.

MR HUMPHRIES: Mr Wood, in case you had not noticed, in the last six years we have not had the majority on any of the committees in this place. If you have a look at the quality of the reports which are coming forward, you will see that.

Mr Wood: You are never at fault, are you?

Mr Hargreaves: You are still trying to undermine it.

MR HUMPHRIES: Mr Speaker, if I am permitted to do so later today, despite the efforts of those who loudly interject to prevent other views from being put in this place, I will make some very serious comments about the quality of committee reports we have received in this place over the last six years.

The fact that members opposite are unwilling to see a report produced as a result of evidence heard by two other members of the Estimates Committee speaks volumes about those who will vote against this document being tabled today in this place. Mr Speaker, it is the entitlement of the Assembly to see all documents, even if they were produced by

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somebody quite inappropriately in other circumstances. It would be inappropriate for the Assembly not to receive a document which a member wishes to table. Mr Hird and Mrs Burke have supplied me with a copy of their report, which they now hope to table in this place today.

Mr Quinlan: Is that a breach of privilege?

MR HUMPHRIES: No, it is not.

Mr Quinlan: I am a member of the committee. I have not seen it.

MR HUMPHRIES: Because you would not allow it to be produced before.

Mr Quinlan: It has not been tabled in this place.

MR HUMPHRIES: If you had not refused leave, you would have seen it by now, Mr Quinlan.

MR BERRY (12.02): Mr Speaker, I was raising questions when I was rudely sat down earlier. I see that Mr Humphries is waving around a copy of the report, which he plainly applauds. It seems to me, Mr Speaker, that what we are talking about here is the government's report. This is already the government's response to the report. So we can just about work out what is going to be said when we get down to debating this issue in conjunction with the budget.

Mr Speaker, this is an extraordinary effort by these two members. They sat right through the committee debates. These members could have circulated a copy of their dissenting report at any point before the committee's report was tabled in the Assembly. They could have contacted the chairman of the committee and sought his agreement to that sort of approach so that all members in this place could debate what they say in this so-called report in conjunction with what has been said by the majority of the committee in the main body of the report.

Mr Speaker, the problem is that these two members underestimated what they needed to do. In the first place, they have attached their formal dissenting report to the report. Secondly, they have said that they want to have their own separate report—not their own separate dissenting report but their own separate report. They are not entitled to have their own separate report because the Assembly did not authorise some members to have a separate report. Members are authorised under the standing orders to have a dissenting report and attach it to the report. These people are trying to rort the system.

I want to go back to a couple of comments that Mr Humphries made about the quality of Assembly committee reports over the last five or six years. Co-incidentally, that is the period during which this mob have been in government and that is the period during which these committees have been attempting to hold this government accountable. Try as we might, we still could not stop the Bruce Stadium. Try as we might, we still could not stop what the government did down at the hospital implosion. Try as we might, we could not stop the Futsal slab and we could not stop the Hall/Kinlyside affair and all of those sorts of things. But we are now being criticised because of the quality of some of the scrutiny that we have put on this government. I think the government is worrying that

it has got a few scars and a bit of skin off here and there because of the quality of scrutiny. So it wants to criticise the process rather than the quality.

Mr Humphries, you have got the scars and you are going to carry that baggage to the next election. Good old bomber Gary is going to carry that all the way—

Mr Humphries: You have got a few of your own, Wayne, as I recall.

MR BERRY: It was your idea, wasn't it, to bomb the Canberra Hospital. It was your idea—bomb the Canberra Hospital.

Mr Speaker, to be fair, all members who might want to make a contribution to the debate should now be entitled to go back and start again and speak to the alternative report which these members are seeking to introduce. I do not think their report should be introduced at this stage. I think these members have missed the boat.

MR STEFANIAK (Minister for Education and Attorney-General) (12.05): Mr Speaker, I will be brief. I am quite amazed by this debate. The purpose of appendix 6 is quite obvious. The last paragraph is quite clear. It states:

The draft is blatantly political and contains many errors of fact. Since the majority of the Committee refused to accept our contributions, the Committee Chair has left us no option but to dissent totally from the report. In light of this refusal we will submit our own report direct to the Assembly.

They foreshadowed exactly what they are going to do, Mr Speaker, and any attempt to stop them would be an attempt to subvert democracy. I think it is ridiculous.

MR SPEAKER: The time allowed for the debate has expired.

Question put:

That **Mr Humphries'** motion be agreed to.

The Assembly voted—

Ayes 8

Noes 9

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

Question so resolved in the negative.

MRS BURKE (12.10): Can I speak, Mr Speaker?

MR SPEAKER: You may speak, yes.

Mr Hargreaves: To what?

MR SPEAKER: Order! They are particularly fractious today. I do not know why.

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Mr Humphries: A pretty disgraceful episode, don't you think, in the history of the Assembly.

Mr Hargreaves: Don't be silly.

Mr Quinlan: It would have been disgraceful if it had been tabled three days after the—

Mr Hargreaves: I will tell you what was disgraceful. The hospital was disgraceful.

MR SPEAKER: Order, please! Members, I presume that everybody would like to be part of the debate here today. If so, I would suggest that all of you behave yourselves.

MRS BURKE: Thank you, Mr Speaker. That report is not going to be tabled but I will speak to it anyway. Mr Speaker, as this was my first experience of the Estimates Committee process, I saw it as an opportunity to gain a clearer understanding of the role of the budget—how it is structured and why; what the budget constraints are and how they impinge on the government's capacity to deliver high-quality services to the community; and what problems the budget addresses and how it will overcome those problems. I thought that the Estimates Committee would examine these fundamental questions, but it did not.

Mr Speaker, I was looking forward to making a valuable and intelligent contribution. I wanted to know how the principles and initiatives of the budget would affect the community. I was looking forward to hearing some robust questioning from the other members of the committee, who have been in the Assembly considerably longer than I. I must say that I expected to learn from the more experienced members how to use the Estimates Committee forum effectively to improve policy-making.

To say that my attempts to make a contribution were railroaded would be an understatement. In their defence, Ms Tucker and Mr Rugendyke, as they pointed out, tried to assist me on a couple of occasions but without success and I am grateful for their efforts.

It was my understanding that the Estimates Committee would conduct the hearings in an objective and apolitical manner, with the good of the whole of the community foremost in mind. Not so—particularly given that the chair of the committee openly stated that the report content would contain his personal bias. I can only say that I was embarrassed, appalled, saddened and frustrated that so much time was taken to simply bag what some saw as not being in line with their particular prejudice or view of the world as they would like to see it. How could anyone have reasonable input with such bias openly demonstrated?

Mr Speaker, I determined to take a collegiate approach, but was frustrated at every attempt. As Mr Hargreaves has pointed out, my intention was to fully enter into the debate. There was no attempt on the part of some to be informed by the facts beyond the obsession with scoring cheap political points. I do not believe that is what the people of Canberra need, want or deserve.

Mr Speaker, my first Estimates Committee demonstrated to me nothing more than a blatant attempt by some committee members to deride and discredit the government at every opportunity. I was ashamed to have been a member of this committee. I was furthermore disappointed that, having tried to have input up until the 11th hour, I was clearly unable to present my extensive comments contained in my dissenting report. The churlish innuendoes and snide remarks flying back and forth across the hearings room did little to enhance the credibility of politicians, which in turn did little for the scrutiny and accountability process of public servants.

Let us look at the public service for a moment. We in Canberra should be very proud that we have one of the best public services in Australia. Our public servants are, by majority, a very committed, hard-working group of professionals who certainly deserve more than the often discourteous treatment they receive from some committee members. Who said that common manners and decency should not apply in politics? Would those members responsible for this unedifying spectacle behave like that anywhere else? What were they trying to prove? How can we expect to make legislation to change anything, Mr Speaker, if first we do not determine to change our own attitudes and behaviours? Which brings me to ask this question: is it hardly surprising that this type of behaviour gives rise to a feeling within the Canberra community that a parliament and all of its trappings are not appropriate for the ACT and that maybe we should revert to a more council-style operation?

It is now very obvious to me that many members in this Assembly have become entrenched in pushing their narrow political agendas. Worse still, I must make the obvious observation that they have lost touch with the real world. They are not putting the people of Canberra first.

Mr Speaker, I found the majority of time spent on this committee farcical and a complete and utter waste of precious time—not only my time, but everyone else's. I object most strongly and register my total dissatisfaction. Some opposition members strolled into the hearings, vented their spleen under parliamentary privilege and then returned to the safe confines of their offices to thrash out the next negative, unconstructive media release. Indeed, it became very obvious and clear to me later that in some cases they have media releases at the ready before their brief appearance at estimates. Those statements, of course, were never changed by new information provided by officials or explanations of the facts. What a farce!

Those who attended the hearings with ulterior motives and set agendas should hang their heads in shame at their lack of control and general embarrassing behaviour. The community at large has simply had enough of the crass and childish, self-interested behaviour of politicians who are only concerned about the next election. Politicians—all of us—should be on notice to lift our act or face a new generation of informed voters who will not suffer this type of behaviour. How, in heaven's name, will we ever attract new and good people into the world of politics with this type of unseemly behaviour?

Of course, I expect that those who perpetrated this highly inappropriate behaviour will deny it and that many will jump to their own defence, claiming that I am naive and simplistic and do not understand how it all works. Well, if this is how it all works, I refuse to comply by compromising my integrity. Maybe, in the past, new members to

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the Assembly have gone into politics with the belief that they just have to accept that this is the way it is. Does this make it right? I do not think so.

I believe—as do people like me—that I have to speak out to ensure that we preserve what has been a tried and tested means of governance for hundreds of years. We all need to understand why conventions and standards of conduct are important. But we have recently seen those standards slip badly in this committee process. It is only if we have the intestinal fortitude and the boldness to speak up for what we believe in that the best of what we have can be preserved and change for the better can occur.

I am often told that politics is a game. All I can say is that I did not enter politics to play games, boys. I am here because I have the courage of my convictions to stand up for justice and equity within our system of governance for the good of the whole community. I will not be pushed aside easily. I urge all of us in this place to quietly contemplate our true reasons for entering this very rewarding profession, to quote Ms Tucker. We must demonstrate to the Canberra community that we truly and sincerely have their interests at heart and not, as it would appear at this moment, our own self-serving agenda. Politicians in this country are in great danger of fast losing their credibility.

Finally, Mr Speaker, there is much ability and potential within our Assembly. It is high time that this was realised, and it can be if every member personally resolves to make it so.

MR KAINE (12.18): Mr Speaker, I must say that sitting on the crossbenches gives one a totally different perspective of debates about budgets, estimates committees and the like. I did not participate in the Estimates Committee this year and I did that quite deliberately. I think I have served my time on estimates committees over the last 12 years.

Mr Quinlan: Please come back.

MR KAINE: So I had a year off this year and I will be back next year. From what I have observed, Mr Speaker, there has been nothing exceptional about this year's budget process or Estimates Committee process when you consider that this is an election year. Mrs Burke got all upset because people made the issue political. Well, the whole budget process has been a political process this year. The Treasurer's budget this year is clearly aimed at the upcoming election.

There were one or two things about the budget that I did not particularly like, and we can discuss them later this week. But, by and large, the budget was what you would expect it to be, coming from a government just short of an election. The same thing can be said about the Estimates Committee process. I suppose it is true to say that if governments can be political with their budgets, then oppositions and other members of the Assembly can be just as political in their critique.

So, as I say, I have not seen anything exceptional in the budget process or the Estimates Committee process, given that this is an election year. The only exception to this, Mr Speaker, is the blatant attempt by the government to abrogate and set aside the standing orders of this Assembly by trying to deliver this morning its own report on the

Estimates Committee. The standing orders of the Assembly are quite specific. Standing order 251—I will read it, in case some of the members of the Assembly have failed to do so—states:

If any member dissents from part or all of the draft report under consideration, that member may present a dissenting report which shall be added to the report agreed by the committee.

In other words, it is not open to members to come in here after the select committee report has been tabled and then attempt to table their own version of the report because it suits the government to do so. I thought Mr Humphries' attempt to justify that on the grounds that anybody is allowed to table any document at any time was a first-rate case of dissembling and misrepresentation. What he and his two backbenchers were attempting to do was subvert the standing orders of this place.

Mr Speaker, I asked you for a ruling the minute Mr Humphries got to his feet, and you declined to make it. You should have ruled against them, right then and there, under standing order 251, and I make no apology for saying that I think you failed in your duty when you did that and allowed the debate to take place. That could have led to those backbench members tabling a separate, government written, select committee report on the estimates, contrary to the standing orders of the place.

If that is to be the standard under which this government is going to continue to operate, Mr Speaker, I think we have got a poor future ahead of us. I think it is going too far when the Chief Minister himself cannot abide by and tries to subvert the standing orders of this place

I have said that I might debate a couple of issues in the budget when they come up later. I take no particular exception to the processes of the Estimates Committee. What we have seen is to be expected in an election year. But I think it is quite odd for people to get their knickers in a knot in the way the two members of the backbench have done this time. It is, to say the least, bizarre for the Chief Minister to support them in that.

I hope in future years we will deal with the budget and the Estimates Committee's reports in accordance with the standing orders of this place, and not attempt to subvert them to somebody's particular advantage.

MR HIRD (12.23): Mr Speaker, I am a member of the Select Committee on Estimates 2001-2002. I listened to the gobbledegook from Mr Kaine about dissenting reports. Let me put this matter to rest. If he analysed standing order 251, he would know that the secretariat's advice last Friday was in accordance with the way in which that standing order is worded.

Mr Speaker, I have been associated with this place since 1974. The Advisory Council and then the two Legislative Assemblies with which I was associated had a committee system. That system was very fair—I notice that Mr Kaine has now left the chamber—and it was very rare for a dissenting report to be put forward. In those early days Advisory Council committees relied upon their ability to get on with the job so that they could advise the respective federal ministers of their obligations to the citizens of this

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territory. This was notwithstanding the fact that at certain times a political slant would be taken on a particular item.

It is interesting to note the membership of the Select Committee on Estimates 1994-95, whose report was tabled in this place when this government was then in opposition. The membership was: chairperson, Helen Szuty; deputy chairperson, Gary Humphries, and members Wayne Berry, Kate Carnell, Greg Cornwell, Tony De Domenico; Annette Ellis, Ellnor Grassby, Trevor Kaine, Michael Moore and Lou Westende. That report contained 37 recommendations. If you look at *Hansard* you will find that each of those members put their own political slant on their understanding of the estimates process, but there was not—and I repeat that there was not—a dissenting report.

It saddens me to see that the committee system, which I believe is the backbone of this institution, has been weakened.

Mr Quinlan: Don't go too far, Harold. Come on, you're in this, mate.

MR HIRD: If it gets too hot in the kitchen, Ted, get out of it. We should ensure that Mr Quinlan never ever again chairs a committee of this place. He has made an absolute mockery of the committee process. He made it clear to members of the committee that he was not interested in the evidence; that he was not interested in opinions that were not in line with his; that he was out to use this as an exercise in political thuggery; and that he intended to impose his own bias on the final report—and he also gave me a cold to boot.

As a result, the whole Assembly stands condemned. Who will ever trust a committee report again, Mr Speaker? This man wants to be Chief Minister, and the deals are being done and the knives are being sharpened. I do not think even his closest ally would support him after this abysmal performance. My colleague Jacqui Burke and I have obviously dissented from his report. As I said earlier when we attempted to table the report, we intended to follow this course.

Mr Quinlan: You said “two weeks ago”.

MR HIRD: Well, if you doubt that, Mr Quinlan, you should ask our colleague, Mr Rugendyke. I indicated right at the beginning after you had tabled the report that the report was biased. As I have just pointed out, you said that it was slanted in your direction. Ask Mr Rugendyke.

Jacqui Burke and I have dissented from the report in the knowledge that the committee chairman—you, Mr Quinlan—openly admitted that the draft document put forward for consideration and deliberation reflected his own bias. The report is greatly political and contains many errors of fact and numerous examples of misunderstanding of the budgetary process. There was absolutely no choice left to us but to dissent.

Mr Speaker, any proper evaluation of the Humphries government's 2001-2002 budget would have to start with the fact that this government inherited an operating loss of \$344 million. You may well ask why this loss has disappeared. It has gone because of the prudent management of this side of the house. As a result, we can step forward with some opportunities to do some good for our community.

But this is a prime example of the chairman's admitted bias. The elimination of these debts did not even get a guernsey in his report. He did not say a thing. Not surprisingly, a lot of other announcements in the budget did not rate a mention or were the subject of attempts at political vandalism. One that immediately comes to mind is the repeated attack on the free school bus initiative, which we promised in 1995 and which we are going to deliver. Since we made that promise, that lot over there have kept reminding us, either at question time or by interjection, "When are you going to give us the free buses?" Members on the other side of the chamber were told that we would do it when we had the money. Well, we have the money and we are going to produce it and bring it forward.

But, oh no, they listened to their mates in the union and they do not want it. But guess what: the average punter out there can see the benefit. Recently I heard that there has been a slight backdown, a slide back, a step back on this matter.

Did we hear the opposition say anything good about the government's assistance in respect of the recent GMC400?

Mr Hargreaves: You didn't say anything about that.

MR HIRD: Mr Speaker, my mother has always taught me that it was impolite to gloat. The crowds spent their dollars in Canberra during the weekend's activities and jobs were created. This was what we call a huge benefit. If members opposite doubt that, they should ask the tourist industry and the hospitality industry how much money was spent in the ACT and what jobs flowed from those dollars.

Where are the congratulations in the report for the Chief Minister and Treasurer's announcement that the government's planning has enabled it to return an exceptional and carefully targeted dividend to our community? The nit picking in this report, all in an effort to give Labor some financial management credibility, beggars belief. What this does is demonstrate clearly that the opposition would not have a clue what to do if they were once again given control of the treasury bench. We would be bankrupt again. When questioned by the media during the last election campaign, the leader of that side, the opposition, said that he was going out to borrow a billion dollars. That gives you an indication of what they would do.

Mr Stefaniak: Was it Khemlani?

MR HIRD: I am not saying who it was because he is not a bad fellow. It is only in this place that he starts to give me the irrits.

The budget delivered the support to make these innovations and programs happen. The budget commits \$11 million in 2001-2002 to establish Canberra Connect. Also, look at the funding that we have provided for training at the CIT and the IT centre of excellence to help develop the export capacity and capabilities of ACT firms and to establish a Canberra technology park. This government has had the initiative to assist local companies and companies within the region. And what do we hear? Nothing. We hear silence from those on the other side of the chamber.

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Where is the praise for the commitment to reduce early childhood class sizes? Nowhere. I do not expect cheers from over there for any support for non-government schools, but support for better educational outcomes and a common program of literacy and numeracy assessments at each of these schools will be beneficial. (*Extension of time granted.*)

I thank members. By the way, I notice that some members have had three or four extensions. Indigenous health services are also supported. The youth connection family support program is provided with funding and will direct its services at the most at risk families in the territory. Mr Speaker, the programs go on and on. Programs under the innovation, addressing poverty and early intervention policies of the government will make the ACT an even better place for all of us to live.

There is one other item from the budget that I must admit I raised. However, this matter did not get a mention in the Quinlan report or select committee's report.

Mr Quinlan: You raised a matter? No you didn't.

MR HIRD: Listen, son, you will hear—

MR SPEAKER: Order please! Can we get on with this, please.

MR HIRD: Members will be aware that I am very concerned about how New South Wales has been using ACT medical services. Our medical services support another 300,000 people. Over a number of years we have been trying to get New South Wales to come to the party and make a contribution of some significance. I asked that question, Mr Quinlan, and you heard me do so. I am pleased to say that Dr Gregory and her staff—and the minister for health, Mr Moore, has been a driving force—have gained \$17.1 million. This is money in the bank. That is not a bad effort. But is this mentioned in this report? No, it is not. The report should say, "We congratulate the minister for health." I do and this side of the house does. I think he has done a superb job. As he has said, he was given a poisoned chalice. But at least he has achieved quite a considerable amount during his term as minister.

Debate interrupted in accordance with standing order 74 and the resumption of the debate made an order of the day for a later hour.

Sitting suspended from 12.36 to 2.30 pm

Questions without notice Canberra Hospital—funding

MR STANHOPE: My question is to the Minister for Health, Housing and Community Services. Budget papers show that some increased funding and a significant improvement in efficiency at the Canberra Hospital will result in an additional 1,500 to 2,000 separations this year—an increase, I understand, of roughly 7 per cent. Given this increase, can the minister explain why the government has chosen to ignore the rate of increase in elective surgery when funding the hospital for 2001-02? Will he confirm that

the government has budgeted in 2001-02 for a rate of increase of only 800 to 1,000 separations?

MR MOORE: When we do our budget, we look at cost-weighted separations rather than straight separations, and that complicates issues. I think it is worth reminding members that in what has been budgeted this year there has been a 10.7 per cent increase, in the order of \$20 million, on what was budgeted last year. One of the reasons we were able to gain that increase in funding for the hospital was the very good negotiations done by my department, particularly the head of my department, Dr Penny Gregory, with New South Wales with regard to cross-border funds. That gave us extra money which we have been able to inject into the hospital over the last year to try to meet some of the concerns.

Unfortunately, Mr Stanhope, the issue is much more complex than asking whether we are doing this number of separations. It is important to understand that there are pressures on the hospital, but we are also making significant achievements, particularly in the area that I know is of great concern—waiting lists and waiting times. I have emphasised again and again in this place that waiting times are the critical factor. If you look back over the last six months, you will see significant improvements in categories 1 and 2. It is quite some time since we have had any long waits or people who ought to have been dealt with in category 1 not being dealt with. In category 2 there has been a significant improvement. Of course, we are also beginning to see the impact on category 3 patients.

When I came into this place, I was concerned to make sure that we were able to deal with people in a timely fashion. That is the goal I am trying to ensure is carried through, and that is where we have been effective.

MR STANHOPE: I ask a supplementary question. I note that the minister for health suggests that there has been a 10.7 per cent increase from last year's budget to this year's budget. Does he concede that in fact the increase in funding from the anticipated end-of-year result to this budget is 1½ per cent? In light of that, how does the minister propose to avoid next year the same sorts of pressures that are evident on services at Canberra Hospital this year—nurses on stress leave, patients waiting overnight on trolleys, elective surgery being put off until spring—if he will not adequately fund increased demand?

MR MOORE: There is a series of questions there that I will try to run through. I would like to deal with Emergency first. There is no doubt that there has been particular stress on Emergency. Part of the reason for that is the blocks in beds across the hospital. Instead of those being shared across the hospital system, they were held in Emergency, clearly causing significant stress to Emergency staff. I regret that I publicly said that it was a form of wildcat strike. I was wrong. I do not say that lightly or easily. These nurses were under significant pressure.

This is not just a matter of money, as indeed was the case only two or three years ago when there was constant pressure, as you may recall—

Mr Berry: Why do we have to put up with your apologies for your mistakes?

MR MOORE: Mr Speaker, it is very difficult when Mr Berry is interrupting. This is the Mr Berry who blew out the waiting list and was still trying to recover from it—

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MR SPEAKER: I do not want interruptions, and I do not want churlish interruptions either.

MR MOORE: You may recall that we had significant problems like this in the intensive care unit two or three years ago. The issues then were not just financial issues. They were also management issues and a range of others. The management of the Canberra Hospital have taken a range of measures, working with the department, to make sure that we move the pressure from beds at the Canberra Hospital. They include such things as ensuring that nursing home patients in our hospital can find beds. The last time I checked there were 19 people who fitted into that category. Being able to clear 19 beds would resolve the problem we have in front of us. It is not just about money. It is also about management.

I know it is convenience accounting for Mr Quinlan to say that we are likely to have an outcome of so-and-so and that that is what we should be comparing to. But in fact we do not have that outcome yet. We have a predicted outcome. Mr Quinlan talks about those figures, and they are in the estimates report. In fact, the reality is that since last year's budget, when you take into account this year's budget, we have put in something in the order of \$20 million. This is not a small amount of money. This is a huge amount of money. On what was budgeted last year, and has now been repeated, there is an increase of 10.7 per cent—in the order of \$20 million—budget to budget. That is the critical issue.

If we just work to end-of-year outcome and then look at how we are going to do it, that is an invitation to the hospital to blow its budget. While it happened under Labor, it has not happened under my management, because we brought it back under control when it was trying to go that way. We now have the management systems in place. This is a good opportunity for me to thank Mr Ted Rayment, the financial manager at the hospital, who has done a tremendous amount of work; Mr Gordon Lee Koo, who has been absolutely brilliant and prepared to do that job; and all board members, particularly the chair and deputy chair, Mr Peter McPhillips and Mr Trevor Boucher, who have worked absolutely tirelessly to make sure that the financial systems at the hospital are right—always within the context of my directive that patient care comes first. That is what we are working towards. That is what we will continue to work for.

Budget operating position

MRS BURKE: My question is to the Treasurer, Mr Humphries. It relates to the improvements in the government's operating position between the 1995-96 and the 1996-97 year of approximately \$170 million. I am sure the Treasurer is aware of concerns raised by Mr Quinlan that such an improvement was not "humanly possible". There are a couple of points here. Can the Treasurer assure the Assembly that such an improvement did occur, and does he have independent proof? Is the Treasurer aware of other years when the territory's operating position improved as significantly as it did in 1996-97?

MR HUMPHRIES: I thank Mrs Burke for that question, a very good question. I did hear Mr Quinlan on ABC radio on 2 May saying he would resign if the government could prove the claim that we had made that we inherited an operating loss of

\$344 million. I would love to know what the resignation means—whether it is resignation from the Assembly, resignation from the frontbench of the Labor Party, resignation as deputy leader of the Labor Party—

Mr Quinlan: All of the above.

MR HUMPHRIES: All of the above! Thank you very much. He was particularly sceptical of a claim that the operating position of the government had improved by \$170 million in one year. He said on that date:

By their own budget, they say they turned \$170 million of that in one year, the first year. That is not humanly possible. That figure beggars belief.

Mr Quinlan: No, your second year.

MR HUMPHRIES: I am quoting your words. You said it, Mr Quinlan. You repeated the claims on 3 May, when you brought the Auditor-General into the picture, by saying:

Mr Moore interjected earlier about the \$344 million. There is a consistency here at least. The accounting treatments used back then are different from the accounting treatments used today and you get quite exaggerated differences between then and today as a direct function of that; but do not let the truth get in the way of a good line ... I will tell you this much, Mr Moore: the Auditor-General will be appearing before the Estimates Committee to discuss this topic in detail.

Mr Moore, I am sure, was trembling in his boots by that point. The Auditor-General did indeed appear before the Estimates Committee in the last few weeks. Listening to what the Auditor had to say and listening to what Mr Quinlan had to say in the Assembly in the preceding weeks, I expect that Mr Quinlan is a somewhat disappointed man. Let me quote what Mr Parkinson, the Auditor-General, had to say in defending the decision he made to verify the figure of \$344 million for 1995-96. Talking about the reason there was an improvement between 1995-96 and 1996-97 of \$170 million, a figure which he defended in the Estimates Committee, he had this to say:

The biggest reason for the improvement in the operating result between 1995-96 and 1996-97 was revenue. Expenditure stayed much the same, but there was a very big jump in revenue. As part of our 1996-97 audits, we looked for reasons why that revenue had increased. To my recollection, we were able to find sensible reasons for those increases. There were big increases in things like stamp duties and payroll tax because that was a very good year.

Mr Quinlan says that an improvement of \$170 million was not humanly possible. The Auditor-General says that it was quite possible and, indeed, actually occurred. He came up with reasons why it had occurred—because of improvements in revenue.

Mr Quinlan: \$91 million worth of extraordinary item.

MR HUMPHRIES: Mr Speaker, I can understand why Mr Quinlan would want to interject and change the subject. But he was seeking a little bit of a kick along from the Auditor-General and he did not get that.

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I think it also worth noting that there is another piece of relevant information here. Mrs Burke asked me about whether there was a year where that level of improvement had been exceeded. Indeed there is, Mr Speaker. In 1999-2000 the operating position of the government improved from an operating loss—and, of course, Mr Quinlan finds some reason to have a conversation with Mr Stanhope—of \$161.6 million to a surplus of \$81.3 million. That is an improvement over the space of a single year of not \$170 million but \$242.9 million.

Mr Stanhope: Who wrote this?

MR HUMPHRIES: Actually, the Auditor-General wrote most of it, come to think of it. He wrote those figures. He verified those figures in his audits. So, to answer your question, Mr Stanhope, he wrote those figures.

The question is: why did Mr Quinlan say in 2000 that an improvement of \$242 million beggars belief? Why? Because he knew it was true. If he knew that we could make \$242 million in a single year, he certainly must have know that we could make \$170 million. I look forward to Mr Quinlan indicating his apology for having doubted the government on this question.

Budget

MR QUINLAN: Mr Speaker, my question is to the Chief Minister and Treasurer. Since the presentation of the budget a couple of events have taken place. First, it has emerged that the government intends to press on with the establishment of a local prison; and the second is, of course, the HIH collapse—HIH, CIA, remember your mates—and the need to put aside \$30 million because the money in the workers compensation fund was quite inadequate to cover the losses that we now know have transpired. How do these two events impact upon the future bottom line, particularly the cash bottom line, in your forward estimates, given that there does not appear—and please correct me if I am wrong—to be any accounting in the budget for the overlapping expense of housing prisoners in New South Wales while we construct a prison in the ACT and, of course, the collapse of HIH? Given that the budget was perilously tight in its treatment of cash, how do these events affect the bottom line?

MR HUMPHRIES: I thank Mr Quinlan for that question. Let me start by saying first of all that I reject the assertion that the HIH corporation was somehow the government's mate. I do not know anybody in HIH—I do not think I want to know anybody in HIH by the sound of their behaviour in the last little while.

Mr Quinlan: Rodney Adler was a good mate of your government, mate.

MR HUMPHRIES: I am not aware that any member of the government has any relationship with HIH either. Mr Speaker, I have never met Mr Adler. I do not think anyone in my government has had any relationship with HIH.

MR SPEAKER: Is that the harmonica player?

MR HUMPHRIES: It could be, Mr Speaker. But then again, as Mr Quinlan himself said a little while ago, do not let the truth get in way of a good line. So I understand what he is saying.

Mr Quinlan raised two issues about the government's budget for, I assume, 2001-02 and our capacity to maintain the bottom line that we predicted of about \$12.6 million over that period. First of all, let me say that the HIH contribution of \$30.7 million is, on my advice, adequate to cover the losses which are likely to be sustained by the workers compensation insurance fund. The fund was set up to make sure that if an insurer went belly up there would be funds available to meet claims made against that insurer so that workers were not left without proper compensation. That fund was set up in 1980.

In 1985, I think it was, contributions to the fund were discontinued because money was building up and there were no calls on it. As would be Murphy's law, in 2001 the fund is needed but, not having been supplemented for over 15 years, we are left in the position of not having enough money in the fund. There is \$9 million in the fund at present and I am advised that about \$40 million is required. I am further advised that a contribution of \$30 million to the fund at this stage would be sufficient for the fund, with interest and so on over a period of time, to be able to meet the cost of claims which are expected to come through the door in respect of HIH policies.

Of course, I cannot be absolutely certain about the capacity of the fund to meet that amount. No-one can because we do not know what the claims are going to be, how much they are going to amount to and whether they might change over the next little period of time. But my advice at this stage is that it appears that with the contribution of \$30 million plus the feeding of the fund by a levy on employers of 3 per cent on the policies that they write from 2002-03, there ought to be moneys in the fund to be able to meet those claims.

Also, approximately \$0.7 million is being put aside for people who have home owner warranties covered previously by HIH. Claims in this area are, again, hard to predict because those warranties extend for some five years into the future and it is quite possible that we will not know for five years from now whether those funds will be called upon. However, my advice is that that is sufficient for the time being.

The bottom line will not be affected because the funds are being provided this year as a contribution to that fund from this year's surplus. This will be adequate to ensure both that the fund receives the full \$30 million and that the surplus that the government has predicted will not, at this stage we believe, be gone beneath.

As far as the prison is concerned, the government has indicated that it will, if it needs to, borrow to be able to build the prison. At the moment the cash position is very strong and the government will be exploring ways to pay interest if we borrow money to build the prison without having to affect the bottom line. That is, the cash position at the present time is a possible source of funds to ensure that the interest payments on the amounts borrowed, which of course will not be the full \$110 million in the first year, might be met. That is being considered.

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So I am hopeful that the cost to the bottom line will not be significant. If there is an impact on the bottom line I believe that it will still be containable within what would be a comfortable or reasonable budget surplus. But that matter is still being explored by the government and when a decision has been made some further way down the track we will be able to advise the Assembly of that position.

I repeat that I do not see that the HIH position or the decision to build a prison in the ACT—a decision which I understand is supported by the Labor opposition—are likely to result in a significant deterioration of the bottom line which has been predicated for future years. Of course, I see in the majority estimates report tabled today—which, of course, is an incomplete document—that the opposition believes we have a \$30 million loss in reality, not a surplus at all. So presumably they will let us know at some point how they are going to produce a surplus rather than a pretend surplus as they allege we have got. As far as I am concerned, with the figures that I have put forward, which will be verified in due course by the Auditor-General, I believe that the surplus that we have projected will be sustainable.

MR QUINLAN: Actually, the question was really about the long-term cash position. Does not this situation point up the degree of risk in this spend-at-all-costs budget that you have set up? I know that you have previously taken refuge in saying, “Oh, look at the investments growing,” so I just let you know that the investments projected for 30 June 1995 were about \$1.9 billion and the employee liabilities for that point in time will be \$2.2 billion. So, in a budget this tightly tuned, are we going to effectively finance any further shortfalls that we have virtually out of holiday pay and long service leave of government employees?

MR HUMPHRIES: No. I have been through that several times already with Mr Quinlan, and we went through this, I think, in the Estimates Committee. The treatment we are using in this matter is, I believe, sustainable and supportable. We do not see the cash position as having significantly deteriorated as a result of this arrangement. As I said, as far as the prison is concerned, we are yet to make a decision on the exact way in which we will proceed but, on the basis of what we project at the present time, that is not likely to be the case.

I repeat: assets and investments of the ACT at the end of the projection period for this budget are well over \$1½ billion, and I think there is no need for anyone to fear the capacity of the territory to meet its obligations in those circumstances.

Yes, employee liabilities would be a potential problem if every employee were to be wiped out by a tidal wave or some virulent disease that took out all of our public servants at the one time. But, of course, we know that is not the case, and making provision for our public servants is what this government has been all about over the last few years. We have put more money into superannuation, for example, than any previous government because we want to make sure that our employees are properly cared for, and we have the runs on the board to demonstrate that we have the capacity to do just that.

Prime Television

MS TUCKER: My question is directed to the Minister for Business, Tourism and the Arts. I note that under the business incentive scheme in 1999-2000 the government has offered a payroll tax waiver of up to \$1.25 million to Prime Television. There was a note on the interim report stating that the agreement as at 31 December last year was still under negotiation. Could the minister advise the Assembly of the status of the agreement with Prime Television, the rate at which the payroll tax exemption can be claimed and the effect that this recent loss of a valuable news service and associated employment will have on the level of support the ACT government is giving Prime Television?

MR SMYTH: There are two issues here, and the issues, although linked, are separate. The government ACTBIS grant to Prime was to help its establishment of digital TV machinery, and it was decided that that would be located here in the ACT. That is what the grant to Prime was given in relation to. Now, the issue of whether or not the newsroom is linked to that is, I think, a separate question. Prime has actually opened its digital facility—and the Chief Minister was at the opening recently—at its premises at Watson, thereby honouring its ACTBIS grant.

As to the details of job creation and the take-up of the waiver, I will have to get an update for Ms Tucker. But it is quite clear that, where we have gone out and made the deal with Prime, it has honoured the arrangement; it has set up its digital TV facilities at its studio at Watson.

MS TUCKER: I ask a supplementary question. Will the minister table in the Assembly today all documents relating to that agreement?

MR SMYTH: Mr Speaker, I do not think I am in a position to table any of the documents because I have none of those documents in my possession. But, as I said, I would be very happy to find out where we are in progressing our agreement with Prime as to what it has met in regard to the waiver.

Lyneham tennis centre

MR CORBELL: My question is addressed to the Chief Minister. In a media release issued on 28 May this year you imposed a seven-day deadline on the developer of the Lyneham tennis centre project, Pacific Academy Sports Trust, to settle all outstanding financial claims with contractors employed to construct stage 1 of the project. That deadline expired—depending on whom you listen to—either on midnight of Monday, 4 June or Wednesday, 6 June, without any action being taken, contrary to your public statements. Mr Smyth extended the deadline to Friday, 8 June.

It was reported in the *Canberra Times* on Saturday, 11 June that Mr Smyth had commented that there was now no need to revoke the development approval, despite the developer still not settling all outstanding financial claims with the contractors. Why did the government not take action after the first deadline was not met by Pacific Academy Sports Trust, and why bother setting deadlines if you are not going to enforce them?

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MR SMYTH: Mr Speaker, I might answer that, given that it falls in my portfolio. When that commitment was given, it was given on the understanding that the information that was necessary for those payments to be made was available. Between the trust and Tennis ACT there was then some need for coordination and the finalisation of documents and the provision of those documents to the academy so that they could make those payments. Unfortunately, my understanding is that Tennis ACT was not in a position to do that as speedily as they thought they could.

However, there has been some activity on that front. A lot of good work has been done by a number of the creditors and with the assistance of the MBA to make sure that those documents are available. They have now been made available. I understand Mr Hanna met with Mr Dawes over the weekend and that the handing over of the cheques has commenced.

So, in that regard, the government's objective in making sure that this very valuable facility went ahead—and, indeed, I note that it was supported by the Leader of the Opposition—has been achieved. What we will get is employment and another valuable asset for the sporting public of the ACT. That can now go ahead and at the same time the government has secured for the creditors the commencement of payment of their debts.

MR CORBELL: I ask a supplementary question. Did the government receive written agreement from Mr Hanna that he was prepared to agree to your request that all outstanding creditors be paid? If so, will the minister table it? If you did not receive such written agreement, how could you even impose this condition in the first place?

MR SMYTH: There are a number of conditions, some in the DA in regard to the actual physical construction and the effect of the construction on the surrounding area, and in his covering letter to Tennis ACT Mr Humphries made it clear that this was conditional upon the payment of outstanding debts.

Now, what have we been able to achieve? The money has started to flow to those creditors, and I am grateful for the assistance of a large number of people who have worked very hard in gathering the information and making it available so that this could occur. The other thing that we have achieved, of course, is that a very valuable development for the ACT is allowed to go ahead, and I note, although it does not seem to be with the support of Mr Corbell, it is certainly with the support of Mr Stanhope, who thought that it was a very valuable facility for the ACT.

Firstly, in terms of short-term construction jobs, there will be a number of jobs in this development, which is tens of millions of dollars. And, in the longer term, we have been given a valuable facility for our sporting public and we also get other jobs and facilities that it will provide. The government has achieved both the objectives that it set out to achieve—

Mr Corbell: Mr Speaker, I raise a point of order. The supplementary question was quite explicit. It had two parts. The minister has answered the second part; he has not answered the first part. I would ask you, Mr Speaker, to direct the minister to be succinct in his answer. The part of the supplementary question that the minister has not yet answered is: did the government—

MR SPEAKER: No, sorry; there is no point of order. You have asked your question. Resume your seat.

Mr Corbell: Are you going to take my point of order, Mr Speaker?

Mr Humphries: Mr Speaker, I rise on a point of order.

Mr Corbell: You do not have the call, Chief Minister. Sit down.

MR SPEAKER: Order! You have asked your question.

Mr Corbell: I am elaborating on my point of order, Mr Speaker. Are you going to allow me to do so?

MR SPEAKER: I am not going to allow you to repeat your supplementary question.

Mr Corbell: I simply want to know: did the government receive a written agreement from Mr Hanna that he would pay those debts?

MR SPEAKER: You are now repeating it.

Mr Humphries: Mr Speaker, that was an abuse of standing orders. Mr Smyth had not completed his answer before Mr Corbell rose and wanted some other part of the answer. Secondly, the opposition's use of points of order to repeat questions in question time is out of order.

MR SPEAKER: It is out of order. Correct. I call Mr Kaine.

Mr Corbell: Is that the end of the answer, is it?

Mr Hird: On a point of order, Mr Speaker: I have had enough of this. I would like to say that under standing order 39—and I rise on standing order 72—you ought to call these people to order, sir, or deal with them under 202.

MR SPEAKER: I am calling Mr Kaine, who I think has a question.

Mr Berry: Mr Speaker, I want to draw your attention to the fact that the minister had not completed his answer and was rising to his feet when you ignored him—and I would like to see if the minister is at least going to make an attempt to answer the question.

MR SPEAKER: There is no point of order, Mr Berry.

MR SMYTH: Mr Speaker, I have a little bit more to say.

MR SPEAKER: Very well, I shall indulge you. Go on.

MR SMYTH: It is a pity that Mr Corbell interrupts when, by his own admission, I was answering the second part of his question first. As to the first part, no, we do not have a written assurance from the proponent, but then neither do we need it. The Chief

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Minister has made it quite clear, both in his meeting and in the letter to ACT Tennis, what was required.

Federation Line Incorporated

MR KAINE: My question is to the Chief Minister. The other day I received a very interesting letter from the Federation Line Incorporated about a proposal to build a tourist line in Canberra. I guess I was not the only member to receive it; I am sure that everybody else did. On the face of it, it looks like an interesting proposal. I do not know whether it is, because that was the first piece of information I had seen about it, although I am told in here that we have all been briefed. But that is not within the purview of the Chief Minister.

The thing that attracted my attention was that in the fourth paragraph the letter refers to social benefit and cost, financial modelling and business plan studies and says, “Thanks to the assistance of the Chief Minister’s Department, ActewAGL, Canberra Tourism and Events Corporation and PALM, these studies are under way and will be completed in a few weeks.”

Chief Minister, I am interested to know the extent to which those government agencies are assisting this private sector organisation and how much public money has been spent so far on providing assistance to this organisation for its social benefit and cost, financial modelling and business plan studies.

MR SMYTH: Mr Speaker, perhaps I should take that one. Members might be aware that in the lead-up to the federation celebrations there was a call for submissions on spending federation funds. One of the submissions put forward by the ACT government—by the then Chief Minister, Kate Carnell—was for a federation tram extending from the War Memorial along Limestone Avenue, down Ainslie Avenue, through Civic and ultimately across to the National Museum site. Unfortunately, it did not receive funding.

One of the dilemmas for the new museum is that, as we predicted, there is a lack of car parking space. I think we have all experienced that. The museum is making use of shuttle services, which are working very well, but there is a need for a long-term solution; hence, the resurrection, as it were, of the federation tram. I would have to get details of each of the amounts that Mr Kaine has asked for, but would be pleased to do so.

MR KAINE: I have a supplementary question, Mr Speaker. While you are taking that question on notice, Minister, will you also discover from which part of the ACT budget this money is being provided, because I cannot recollect any reference to this project in either last year’s budget or the one for the upcoming year? I would like to know not only how much is being spent but also where the money is coming from.

MR SMYTH: I will certainly take that question on notice for the member as well. Within each of the departments there is room for studies and, as it becomes apparent through the year that we need to do studies either to further a project or to halt a project, they are funded. I will find out for the member the details that he has asked for.

Lyneham tennis centre

MR HARGREAVES: My question is to the Minister for Urban Services. Are you aware that contractors involved in the preparation of the initial preliminary assessment for the redevelopment of the Lyneham tennis centre are also outstanding creditors of Pacific Academy Sports Trust? These contractors are currently engaged in legal action against the company to recover outstanding moneys. Minister, why did the government not know about these additional creditors, if it did not know about them, when the development application was called in?

MR SMYTH: The Chief Minister made it quite clear in his letter to the proponents that all moneys will be paid. That includes the creditors that Mr Hargreaves brings to our attention.

MR HARGREAVES: I have a supplementary question. Minister, given that you have called in the issue, what steps will you take to ensure that those additional creditors are paid?

MR SMYTH: I am happy to outline all the work that is being done by a number of people to make sure that this happens. A large number of people, including the Leader of the Opposition, are very supportive of the tennis centre project, and that is good. I think that, in it, we can see a number of benefits for the ACT. But, as the Chief Minister has said in his letter to the president of Tennis ACT, all outstanding moneys must be paid. That is a condition of the approval.

For instance, on behalf of MBA members, Mr Dawes, their chief executive, has been working very hard to push their case and make sure that all the information required has been forwarded to Tennis ACT and the proponents. A number of other bodies have done the same. Tennis ACT has made sure that the information and details required from its records also have been made available. It took some time to get that information together, but it has now been collated.

If there are still any unknown creditors out there, I would be interested in meeting with them. My understanding is that a large number of them have come forward and added their names to the list. As the Chief Minister has said, all outstanding creditors must be paid in full.

State final demand statistics

MR HIRD: My question is to the Chief Minister and Treasurer, Mr Humphries.

Mr Stanhope: You nearly forgot.

MR HIRD: Jon, while you are around, I will not forget.

MR SPEAKER: Order! Just get on with it.

MR HIRD: Can the Chief Minister and Treasurer advise the parliament on whether the government has—

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Mr Stanhope: How is that rugged campaign against you going?

MR SPEAKER: Order, please, Mr Stanhope!

MR HIRD: Can the Treasurer and Chief Minister, Mr Humphries, advise the parliament—

Mr Stanhope: You are done. They have got your measure this time, mate.

MR SPEAKER: I warn you, Mr Stanhope.

MR HIRD: Can the Chief Minister and Treasurer advise the parliament on whether the government has received the statistics for state final demand? If so, how do the figures for the ACT compare with those for the national final demand and what factors are contributing to the results?

MR HUMPHRIES: I thank Mr Hird for that question. Indeed, the figures compare very well. State final demand grew in the March quarter by 3.3 per cent in seasonally adjusted terms. The March year average is 4.8 per cent. State final demand for the ACT, therefore, is well above the national average figure of 2.3 per cent which was also released last week by the federal Treasurer. The state final demand is above South Australia, Queensland, Victoria and New South Wales. It is well above the seasonally adjusted figure for the December quarter, when state final demand declined by 4.2 per cent, and is ahead of the forecast for state final demand in the budget, which is particularly significant given the assertion that has been made that the forecasts in the budget were overly optimistic. In fact, as it turns out, in this case the budget is too conservative.

There were a number of factors contributing to that. Government consumption figures have turned around. There was an increase of 7 per cent in the March quarter in that respect. That is significant because, if that is what, I believe, caused the decline in the last quarter and it was quite anomalous, it is quite appropriate that it be a reason for the return, the springback, in this quarter. Household consumption has increased by 2.8 per cent and, most significantly perhaps, private dwelling investment in the ACT recovered well in March 2001, recording a 45.5 per cent increase in the quarter after a decline of approximately 30 per cent in the December quarter. I look at those figures and say that the housing sector is looking pretty strong; there is not too much to worry about.

Mr Berry: I missed that bit. How many more are unemployed?

MR HUMPHRIES: There are fewer unemployed than there were when you were in office, Mr Berry; that is all you need to know. There are fewer unemployed than there were when you were in office; a lot fewer, in fact.

The figures again show that the ACT economy is performing very well. I have to say that they put paid to the suggestion by Mr Quinlan that the government will not achieve its growth targets for the coming financial year. I think it is most unlikely indeed that he will be proven to be true. Indeed, I think the fact that he is wrong about that is supported by the view taken by his leader, Mr Stanhope, who said in the *Canberra Times* of 27 May, "It is certainly true that the ACT has outperformed the nation." Indeed it has.

Totalcare

MR BERRY: My question is to the Chief Minister and it arises out of some evidence which was given to the Estimates Committee inquiry in public forum about the restrictions that Totalcare places on itself when it is tendering for public works. For example, Totalcare was unable to tender for a multi-million job on the Monaro Highway because it was more than the \$3 million limit that Totalcare places on itself. Mrs Burke might not have been there at the time, but if she had been she would have noticed that we had broken through the chocolate coating on the government's budget at this point. This \$3 million limit, which is self-imposed, prevented it from tendering for this multi-million dollar road upgrade and somebody else got the job.

My question is in relation to Totalcare and its tendering arrangements in relation to the Canberra Airport runway upgrade. Did Totalcare, through its joint venture company, Williamsdale Operations, tender for the Canberra Airport runway upgrade? If not, why not?

MR HUMPHRIES: Mr Speaker, I do not know. I will take that question on notice.

MR BERRY: While he is doing that and talking to Totalcare, will the Chief Minister, the shareholder, issue instructions to Totalcare to remove those artificial barriers to its tendering and profitability which prevent it from properly competing in the marketplace and protecting Totalcare jobs?

MR HUMPHRIES: Mr Speaker, what sorts of shareholders would Mr Smyth and I be if we were to go and tell Totalcare how to do its business in a field of its own expertise?

Mr Berry: As shareholders who own it on behalf of the territory.

MR HUMPHRIES: Yes, I know we do, but we do not go and say to it, "You should put a bit of tar on the road now, put the bit of asphalt on top of that and then roll it three times before you go back and do the next bit of the road." That is not our area of expertise and shareholders should not interfere in that. Totalcare has decided to set itself limits on what it does effectively and well and to work within those limits, Mr Speaker. The government has not told Totalcare, "Don't bid at certain limits or don't bid for certain things." That is a matter for Totalcare to determine, and in this case—

Mr Berry: You did not mind telling them they should have no less than 50 per cent of the quarry. You did not mind telling them that.

MR HUMPHRIES: Listen to the answer to the answer, Mr Berry. The fact is that Totalcare makes these decisions off its own bat, based on what it sees as commercial reality. It does not tender for certain work because it does not believe it has the capacity to compete effectively in that area; not because the government says, "Don't touch certain sorts of work," as if we would do that for the sake of gratuitously hogtying Totalcare in its day-to-day operations. We want Totalcare to succeed. We believe it has the capacity to do very well.

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We have invested in Totalcare in things like the Williamsdale quarry and the incinerator, for that very reason—because it has the capacity to do extremely well in those fields. However, we are not going to tell them they should chase work for which they do not have the expertise and which may cause them to make serious losses, because if they did make losses, Mr Speaker, you can guess who would be to blame for that fact.

Lanyon shopping centre

MR OSBORNE: My question is to the Minister for Urban Services. Minister, can you confirm that some land around the Lanyon shopping centre is currently in the process of being reclassified from community use to retail? If so, why is this happening, and what specific advice has been provided to support such a change? It is block 6 section 227 at Conder.

MR SMYTH: Mr Speaker, I am not aware of that occurring. I will take the question on notice and find out for the member.

Belconnen pool

MR RUGENDYKE: My question is to Mr Stefaniak, the sports minister. Minister, on 27 April this year you wrote to me in response to questions I raised about the Belconnen pool project. As we know, the Kippax pool closed last week and that certainly highlighted the need for a pool in Belconnen, as promised in the last two elections. In that letter in April you advised me:

The tender process is currently under way for the development, finance and operation of the facility. Tenders closed on 15 March 2001 and detailed proposals are currently being assessed. I expect that an announcement of the preferred proponent is expected to be made by June 2001.

Now that it is almost halfway through the month, could you please advise the Assembly when the preferred tenderer will be announced?

MR STEFANIAK: I thank the member for the question, Mr Speaker. On Tuesday I was asking Mr Wheeler from my department basically that very question that you just asked me. Whilst I have absolutely no idea who has tendered, the current state of play, as he advised me, should be available in the next two weeks. The committee is writing up its report. It goes to a steering committee and once that gets the tick the successful tenderer can be announced. He has advised me that he expects that to take about another two weeks. So that time frame is still very much on line, Mr Rugendyke, it now being 13 June.

You mentioned the Kippax pool. I was very saddened to see that. I go to the gym there. Whilst I do not use the pool, about 200 people do. I hope that whatever needs to be done there is done by either the lessee or the owner of the premises so that those valuable facilities can be reopened and utilised, especially by the people of West Belconnen.

MR RUGENDYKE: Thank you, minister. I have a supplementary question. Have there been any developments which have caused any changes to the tender process or the direction that the government is headed with the construction of the pool?

MR STEFANIAK: None that I have been advised of, Mr Rugendyke. It seems to have been progressing as it should. The time frames I have indicated seem to be on line with what Mr Wheeler told me on Tuesday.

COOOL houses

MR WOOD: My question is to Mr Moore, the minister for health and community care. Minister, as you well know, the COOOL houses, that is Canberra's own options of living houses, were constructed for younger people with disabilities caused by conditions such as multiple sclerosis. People were living in inappropriate circumstances, generally in nursing homes for the elderly. This inappropriate housing has often caused an even quicker decline in their health. Minister, I understand that at present there are at least two vacancies in COOOL houses, one at Macquarie and one at Fisher. As I am aware of at least one person who would be much more appropriately housed in a COOOL house than in the present nursing home, would your department facilitate that transfer, and could you advise me of how this would be done?

MR MOORE: I thank Mr Wood for the question. I think one of the problems we have had with the COOOL houses, with the wisdom of hindsight, is that when they were originally established quite a number of people from nursing homes who required nursing home care wound up in the COOOL houses and required within the COOOL houses that sort of 24 hours a day management and care. They were, in my view, inappropriately placed in the COOOL houses. Whilst you may make a judgment that a person who was previously in a COOOL house is of approximately the same sort of condition as somebody who would now like to go into a COOOL house, it is my judgment and the judgment of Community Care and the department that a number of people who have been proposed for COOOL houses are in fact cared for far better in a nursing home.

That having been said, Mr Speaker, I think it is also worth pointing out that we are currently in a process of renegotiation on how to deal with support services for residents of the Macquarie and Fisher houses. Since the department is undertaking a comprehensive planning process with residents of Macquarie and a tender process for support service for residents of Fisher, it is problematic to fill vacancies at this time. I think it is imperative that current processes are finalised to focus on the issues at hand, and specifically the outcomes for the current residents. Those two factors are being taken into account at the moment.

MR WOOD: I ask a supplementary question. Mr Moore might agree to send me all the information he can about those processes I was asking about, the processes of review he mentioned. Minister, I am not sure about this, so I am asking you. I thought there was an agreement between the ACT and the Commonwealth that in exchange for capital funds for building those, or some support for building them, the ACT would accept people from nursing homes into the COOOL houses. Would you refresh my memory on that? Would you make it clear that you are not simply trying to avoid the cost, presently carried by the Commonwealth, for people in nursing homes, which might be picked up if these people go into the COOOL homes?

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MR MOORE: Of course I will take costs into account in making all my decisions. Because we are using money for some people with disabilities who could be taken care of by the Commonwealth, I do not have that money for other people with disabilities. In a practical way of dealing with my portfolio responsibilities, I would have to take those into account, keeping in mind as well, as I mentioned earlier in an answer to Mr Stanhope, that we have in our hospital costing us a huge amount of money—about \$600 or \$700 a day—19 people who are eligible to go into nursing homes, but places are not available for them. I think I can answer your question, Mr Wood, by pushing my time limit—I will speak as quickly as I can; I will not be too long—to speak about the process.

ACT Community Care gave the department three months notice that it wished to withdraw from the current arrangements for the houses. The department replied subsequently seeking ACT Community Care's commitment to continue current arrangements until alternative arrangements have been put in place. The department met with residents, their carers and advocates on 30 April 2001 to discuss future directions and to consult regarding a process for the way forward. The department has commenced a transparent planning process, working in collaboration with residents, carers, guardians and advocates to find better solutions to the issues that have arisen over the past two years.

The process will be oversighted by a steering committee chaired by Mr Daniel Stubbs, the director of ACTCOSS, and includes the following members: Belconnen Community Services, Ms Felicity White; Community Options, Mr Brian Corley; Community Connections, Ms Brenda Field; Department of Health, Housing and Community Care, Ms Glenys Beauchamp; Mr Ian Trehwella; and, as resident representatives, Mr Malcolm Cameron and Ms June Goode. The department will contract with a non-government disability agency, Community Connections, to support the steering committee and facilitate a process of working through the options with each of the residents. I think that the process is an appropriate process.

Mr Wood: I was thinking more of the process for someone wanting to go into those places.

MR MOORE: Okay. That is the appropriate process for working it out; but at the moment, while we are sorting it out, there is no process for somebody to go in. We are not accepting other people into the COOOL houses at the moment and will not look at it until that process is completed and we understand the most effective way of dealing with these issues.

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

Canberra Hospital

MR MOORE: Mr Speaker, on 1 May 2001, Mr Stanhope asked me a question along slightly similar lines to the one he asked today, namely:

Can the minister confirm that the Canberra Hospital has exceeded its contract with the government to provide health care services? Can he confirm that the hospital has provided more services than it was contracted, and paid, to provide? If so, what is the amount involved, and what steps have been taken to fund it.

Mr Speaker, the answer that I had prepared at the time is that the Canberra Hospital, at the end of March 2001, was overproviding cost-weighted inpatient separations against contracted amounts by approximately 3 per cent. This reflected growth in both the medical and the emergency surgery areas of the hospital. One of the main areas of growth in the medical area is cancer services. The department has agreed to provide an additional \$460,000 to help fund the extra demand in that area.

The department and the Canberra Hospital have met to discuss the likely full year outcome of both the medical and emergency surgery services provided and the revenue available. The hospital realises its responsibilities to live within budget, as government funding is limited. There are options available to control costs and help manage demand, including greater use of the hospital in the home program and appropriate discharge policies, and the Canberra Hospital is examining them to ensure that it is making best use of available resources. Also, I mentioned nursing homes earlier.

In the 2000-01 contract, the Canberra Hospital was provided with a revenue target and it was agreed that the revenue raised beyond that could be kept by the hospital, but expenditure of the additional revenue must be agreed with the department. The department has asked that any additional revenue be directed to funding overprovision of inpatient services. The Canberra Hospital is currently estimating that it will exceed its revenue, though the extent to which is not clear. It has been agreed by the department and Canberra Hospital to keep a watching brief on the throughput and the revenue in the coming weeks. The Canberra Hospital is also estimating the additional surgical work that it will be doing in the final quarter of this year.

If the hospital and the department agree that there is a need for additional funding for this financial year, the department does have access to funds from the critical and urgent treatment scheme—CUTS—funding. Funding will not be from cross-border sources, as I mistakenly indicated in the Assembly in my response of 1 May, because it is focused on surgery. The increased funding from cross-border sources has been allocated for equipment, computer systems, performance incentives in the acute sector, increased Comcare premiums and disability services. CUTS funds were provided by the Commonwealth specifically to allow the ACT to address waiting list issues for elective surgery. It would be appropriate for additional funding to be provided for elective surgery this year through that fund, if deemed necessary.

Court order to return child to family

MR MOORE: Mr Speaker, on 1 May 2000, Mr Rugendyke asked the Attorney-General a question in relation to an item in the *Canberra Times* on 1 May 2000 about the assault of a three-year-old girl within four days of her being ordered to be returned to her family by the ACT Supreme Court. The Attorney-General took the question on notice. The question happens to fall within my portfolio of responsibility and I have an answer to it.

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My answer is that, on 7 August 2000, Justice Crispin of the Supreme Court ordered that the three children in this matter be returned to their mother's care. Justice Crispin's order and reasons for judgment constitute a 34-page document. In summary, Justice Crispin stated:

... this was a case in which the orders made on 20 July 2000 had been ineffective, had reflected a substantially confused approach by all parties to the proceedings, had been unsupported by findings as to the requisite grounds or by proceedings, had been unsupported by findings as to the requisite grounds or by evidence capable of establishing such grounds, indeed, and in the face of unchallenged evidence as to the absence of such grounds and had been based in part upon misconception of relevant facts.

That draws our attention to legal language, actually. Justice Crispin adjourned the matter overnight to enable discussion among the parties and then ordered by consent that all three children be subject to supervision by the chief executive for a period of three months. Following a visit by Family Services on 11 August 2000, emergency action was taken to remove the young girl from the family. Actions on this matter are continuing in the courts.

Impounded vehicle

MR SMYTH: Mr Quinlan asked about police procedures in regard to stolen vehicles and the recovery of stolen property and I offered to gain additional information. The information is that, while police endeavour to collect all recovered stolen property, it is not uncommon for them to request assistance from members of the community in conveying such items to the nearest police station. Such requests are usually made when personnel are unable to attend within a reasonable period due to commitments arising from other incidents, as was the case in the circumstances to which Mr Quinlan referred.

The issue in relation to the management of recovered stolen motor vehicles is one not of being even-handed, but of securing high-value capital assets for which the taxpayer subsequently becomes financially liable if it is damaged. Clearly, the police are unable to spend protracted periods of time at the scene of recovered stolen motor vehicles due to the wide range of other commitments which are likely to arise in the course of a shift.

Papers

Mr Speaker presented the following papers:

Legislative Assembly (Broadcasting of Proceedings) Act, pursuant to section 8—Authority to broadcast proceedings concerning:

The public hearing of the Standing Committee on Education, Community Services and Recreation on 10 May 2001 in relation to its inquiry into adolescents and young adults at risk of not achieving satisfactory education and training outcomes, dated 7 May 2001.

The public hearings of the Select Committee on Estimates 2001-2002 on 8, 11, 14, 17, 18, 21, 22, 23, 24 and 25 May 2001, dated 8, 11 and 16 May 2001.

The public hearing of the Standing Committee on Health and Community Care on 7 May 2001 in relation to its inquiry into elder abuse in the ACT, dated 4 May 2001.

The public hearings of the Standing Committee on Planning and Urban Services on 11 May 2001 in relation to its inquiries into the Draft Management Plan for

Canberra's Lakes and Ponds and Draft Variation to the Territory Plan No 155—Review of Part A—General Principles and Policies, dated 8 May 2001.

The public hearing of the Standing Committee on Planning and Urban Services on 11 and 18 May 2001 in relation to its inquiry into Draft Variation to the Territory Plan No 155, dated 8 and 16 May 2001.

Study trip—Report by Mr Berry MLA—Education and Training Conference—Sydney, NSW, 27 and 28 July 2000.

Financial Management Act, pursuant to section 25A—Legislative Assembly for the Australian Capital Territory Secretariat – Performance report for the March quarter 2000-2001.

Finance and Public Administration—Standing Committee Report No 9—government response

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (3.33): Mr Speaker, on behalf of the Chief Minister and for the information of members, I present the following paper:

Finance and Public Administration—Standing Committee (incorporating the Public Accounts Committee)—Finance Committee Report No 9—Report on Chief Minister's Department Annual and Financial Reports 1999-2000, Department of Treasury and Infrastructure Annual and Financial Reports 1999-2000 and Legislative Assembly Secretariat Annual and Financial Reports 1999-2000 (*presented 13 February 2001*)—Government response, dated June 2001.

I move:

That the Assembly takes note of the paper.

Mr Speaker, I have not approached the opposition about it as it is a document of the Chief Minister, but I seek leave to have his tabling speech incorporated in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker, I have presented the Government Response to Report No.9 of the Standing Committee on Finance and Public Administration on the 1999-2000 Annual and Financial Reports for the Chief Minister's Department, Department of Treasury and Infrastructure, and the Legislative Assembly Secretariat.

The Committee made twenty-three recommendations encompassing a number of issues including management of Government Business Enterprises and Territory Owned Corporations, the relationship between ACT Information Services and InTACT, review of the *Financial Management Act 1996*, business development related issues, and land development and land release issues.

The Government has supported the majority of the recommendations made in the Committee's Report.

13 June 2001

Overall, the Government considers that the report is disappointing, relying largely on throw-away comments which reflect the prejudice of individual committee members and lacking much, if any, substantive analysis of issues.

Of the Committee's 23 recommendations, the Government agrees with 10, agrees in principle with a further two recommendations, while only noting eight recommendations and disagreeing with the remaining three recommendations.

One of the noted recommendations—recommendation 8 illustrates the limitation in the approach adopted by the Committee.

That recommendation states that the Government should ensure that ACTEW continues to provide performance information following the establishment of the ACTEW/AGL joint venture, irrespective of whether there is a legislative requirement to do so.

The Committee seems to have neglected the fact that the *ACTEW/AGL Partnership Facilitation Act 2000* already has maintained and reinforced ACTEW's pre-existing corporate governance arrangements.

What then is the point of the Committee's recommendation other than to reinforce the well-known cynicism of the Committee's chair about this vitally important joint venture?

Mr Speaker, I would like to refer briefly to two Committee recommendations which the Government has not agreed.

In Recommendation 2 the Committee is critical of the use of consultants and contractors and suggests that there is a developing culture of outsourcing matters which are considered to be too difficult or controversial.

That conclusion is incorrect.

As set out in the Government's response to this recommendation, there are clear public criteria for the use of consultants. The key guiding principle is value for money.

In some instances it is not possible or affordable to have specialist skills within the Government sector. The best approach is to acquire such skills only when necessary for particular tasks. For more significant activities it is prudent to obtain additional independent advice to confirm in-house findings.

The objective is to achieve quality outcomes, not sustain arbitrary levels of government employment.

The other recommendation which the Government does not support is number 23. That recommendation calls for the public disclosure of the private business interests of members of Government Boards.

This recommendation is both unnecessary and unacceptably intrusive. Members of boards are already required to make such disclosures as part of the operations of these boards and the conflict of interest provisions of the Corporations Law also apply.

Thus the necessary safeguards clearly are in place. To accept the recommendation would be to put in place a considerable disincentive to membership of any such Boards—an outcome which would deprive the ACT community of a great deal of valuable assistance.

Mr Speaker, I commend the Government Response to the Assembly but in doing so I remind Members that they really must exercise their responsibility for demanding a higher standard of reports from Standing and Select Committees.

Question resolved in the affirmative.

Report No 10—government response

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (3.34): Mr Speaker, on behalf of the Chief Minister and for the information of members, I present the following paper:

Finance and Public Administration—Standing Committee (incorporating the Public Accounts Committee)—Finance Committee Report No 10—2001-02 draft budget initiatives and capital works program for the Chief Minister's Department, Department of Treasury and related agencies (*presented 29 March 2001*)—Government response, dated June 2001.

I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

Mr Speaker, I present the Government Response to Report No.10 of the Standing Committee on Finance and Public Administration on the 2001-02 Draft Budget Initiatives and Capital Works Program for the Chief Minister's Department, the Department of Treasury, and related agencies.

The Committee made eight recommendations with one recommendation comprising three parts.

The recommendations encompass a number of issues including the Draft Budget process, responding to needs of Indigenous Australians and those facing poverty, and the use of the anticipated budget surplus and additional funding from the Commonwealth Grants Commission.

The Government has supported the majority of the recommendations made in the Committee's Report.

Of the ten recommendations, six are agreed or agreed in part, two are not agreed, and two are noted.

13 June 2001

The Government has noted as not relevant the first recommendation of the Committee's report. The Government is of the view that it has more than adequately met the requirements of the Assembly's resolution of 15 February 2001. We provided information to the Committee about the Draft Budget Initiatives and Capital Works Program.

Mr Speaker, Recommendation 7 seeking to use the \$10 million budget surplus to address future liabilities has been agreed by Government. The Committee should note that a number of contributions, including the ACTEW equalisation payment, have already contributed to addressing these liabilities.

One part of Recommendation seeks the Government's agreement to conduct an inquiry and investigation of equity issues in relation to the generation of revenue from taxes and fees. The Government does not agree with this recommendation as an inquiry is already taking place.

Mr Speaker, I thank the Standing Committee for its Report and I commend the Government Response to the Assembly.

Question resolved in the affirmative.

Framework for a multicultural Australian Capital Territory 2001-2005 Paper

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (3.35): Mr Speaker, on behalf of the Chief Minister and for the information of members, I present the following paper:

Framework for a Multicultural Australian Capital Territory 2001-2005, dated May 2001.

I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

I am pleased to table today the Framework for a Multicultural Australian Capital Territory 2001-2005.

The ACT Government recognises that the ACT is, and will remain, a culturally diverse society and affirms multiculturalism as the best way to manage this cultural diversity.

Canberra is a multicultural city. Some 22 per cent of the ACT population was born overseas, coming from 156 different countries. ACT residents speak about 100 different languages, with 14 per cent of Canberrans speaking a language other than English at home.

The basis of the concept of 'multiculturalism' in the ACT is to support a cohesive, just and productive community where all Canberrans reap the benefit of the city's culturally diverse community.

Multiculturalism is a strategy for all Canberrans. It embraces the right of all Canberrans to express and share their cultural heritage within the Territory's legal and social frameworks and to contribute to, and participate in, all levels of public life without prejudice or discrimination.

The concept of 'multiculturalism' also imposes obligations on all Canberrans based on the Australian democratic principles of civic duty, cultural respect, social equity and productive diversity.

The benefits of multiculturalism can only be realised if the community, business and government work together and are willing to respond to the aspirations and needs of all groups that make up our community.

We will get out of this framework only what we, collectively, put in.

Of course, this Government's commitment to multiculturalism is not new. In recent years we have worked cooperatively with the community to create programs that encourage Canberrans from multicultural backgrounds to participate fully in the social, economic and cultural life of the ACT and to maintain and express their cultural heritage.

Some significant achievements in multicultural affairs include:

establishing the ACT Office of Multicultural and Community Affairs and the ACT Human Rights Office;

assisting long term unemployed migrants with a work experience program;

establishment and support of the ACT Chief Minister's Multicultural Consultative Council;

setting up anti-racism contact officer network and anti-racism guidelines in schools to improve young people's awareness of multicultural issues; and

Creating and funding the National Multicultural Festival as an opportunity to celebrate our cultural diversity.

And I am sure that Assembly members will be aware that the ACT Budget just presented incorporates a doubling of the funds available to the community through the ACT Multicultural Grants Program.

The Grants Program exemplifies the Government's commitment to building social cohesion.

Over the past three years, we have provided \$150,000 to community groups for projects which contribute to community development and cultural harmony.

13 June 2001

The *Framework for a Multicultural Australian Capital Territory 2001-2005* that I am tabling today is another significant example of the Government's commitment to multiculturalism. It is a practical, whole-of-government approach to multicultural affairs in the ACT, and was developed as a result of extensive public consultation.

The Government wishes to record its appreciation to all of those who have contributed their views and suggestions.

I want to emphasise that this Framework is part of a coordinated strategy.

The *Framework for a Multicultural Australian Capital Territory 2001-2005* has been developed in the context of the Government Plan 1998-2001 and is consistent with the Government's Social Capital agenda.

Links between people and groups in the community build social capital. A significant number of Canberrans belong to the 160 multicultural community groups, including ethnic clubs, schools, churches, cultural and social networks that make up the multicultural landscape of the ACT.

These community groups work in partnership with the government, community and business sectors to strengthen Canberra's social capital. The cultural diversity of the ACT population is significant in building the social capital of Canberra.

Within this overall structure, the *Framework for a Multicultural Australian Capital Territory 2001-2005* is one of a series of strategic plans focusing on the needs and aspirations of particular groups within the community, including

The ACT Women's Action Plan 2000-2001, March 2000;

Towards a Society for All Ages: Forward Plan for Older People in the ACT 2000-2003, June 2000; and

ACT Young People's Framework 2001-2003, April 2001;

together with the ACT Aboriginal and Torres Strait Islander Whole of Government Strategic Framework which is currently under development:

In addition, An Equity and Diversity Framework for the ACT Public Service has been developed to prevent discrimination within the ACT Public Service and to promote an inclusive workplace environment.

The vision for a multicultural ACT expressed in the Framework for a Multicultural Australian Capital Territory 2001-2005 is:

To strengthen partnerships among government, business and community sectors so that cultural and linguistic diversity continues to be embraced, valued and utilised in the ACT.

This vision is underpinned by three goals:

embracing cultural and linguistic diversity is about ensuring that all Canberrans enjoy equitable access to services and programs;

valuing cultural and linguistic diversity is about ensuring that all Canberrans enjoy equal rights, responsibilities and opportunities to participate in, contribute to and benefit from all aspects of life in the ACT; and

utilising cultural and linguistic diversity is about ensuring that all Canberrans have opportunities to contribute their skills and talents for the social, economic and cultural development of the community.

The Framework for a Multicultural Australian Capital Territory 2001-2005 sets out the ACT Government's guiding principles against each of the three goals, together with specific actions to be undertaken during 2001-2002.

At the end of each financial year, government agencies will report on the achievement of these actions in their departmental annual reports and develop a listing of actions to be undertaken in the following year.

The Framework also requires the ACT Office of Multicultural and Community Affairs in my Department to submit an annual report to me as Minister for Community Affairs on key highlights and emerging issues in the management of multicultural affairs in the ACT.

This report will be based on information gathered by the Office in consultation with ACT Government agencies and community organisations. Rather than duplicating the information contained in agency annual reports concerning their achievements in implementing the Framework, the focus of this report will be on broad strategy, future directions and whole-of-government implementation.

The community and business sectors will play an important role in the review of the implementation of the Framework by providing feedback during consultation.

Key business and community groups in the ACT have been supportive about the notion of the Framework's implementation being a shared responsibility among the government, community and business sectors.

I am proud of the Government's record in promoting multiculturalism, and I believe that this Framework will enhance and focus our activities even further.

I commend the Framework for a Multicultural Australian Capital Territory 2001-2005 to the Assembly.

Question resolved in the affirmative.

ACT Poverty Task Group Final report—government response

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (3.37): Mr Speaker, on behalf of the Chief Minister and for the information of members, I present the following paper:

Sharing the Benefits: Final Report of the ACT Poverty Task Group—ACT Government response, dated April 2001.

13 June 2001

I move:

That the Assembly takes note of the paper.

Mr Speaker, on behalf of the government, I am very pleased to table today the government's response to *Sharing the benefits: Final report of the ACT Poverty Task Group*, outlining recommendations for responding to poverty in the ACT. The poverty project was a joint initiative of the ACT government and the ACT Council of Social Service. The ACT Poverty Task Group was formed to undertake the project and was made up of representatives of the government, business and community sectors and was chaired by Bishop Pat Power. The report was presented to the government in December 2000 by the ACT Poverty Task Group and was preceded by two years of work by the task group involving considerable research. The government would like to thank Bishop Power and the task group for the work on this project. We welcome the report.

This government supports all the recommendations made by the task group. The research conducted on behalf of the group has shown that approximately one in 12 Canberrans are affected by poverty. Mr Speaker, currently the government provides a wide range of programs to assist people affected by poverty, including community health programs, a range of concessions and emergency housing assistance. However, the government notes that further attention is needed for this critical community issue. The government's response contains a number of new initiatives that will also help address the needs of those people.

These initiatives include Canberra Institute of Technology scholarships for disadvantaged students, extra funding towards providing public transport concessions to low income earners who are not already eligible, community support for residents at multiunit public housing developments, seeking solutions through the task force on how to bridge the digital divide, home-based outreach services for young people with special needs, funding to reduce the dental service waiting list, research that would include a demographic profile of young people and Aboriginal and Torres Strait Islanders as well as multicultural communities, and researching the level of unmet need. This will look at service planning and provision in close consultation with stakeholders.

Mr Speaker, the government is committed to addressing the task group's recommendations in a considered and collaborative manner. The government will work in partnership with the community sector to address the issues raised in the task group's report. To this end, we will establish a joint government/community reference group to inform and oversight the implementation of the government's response. Ongoing research, monitoring and reporting on issues relating to poverty, based on the findings of the task group's research, will provide important information for the planning, evaluation and implementation of government policies, programs and services well into the future.

Once again, on behalf of the government and the Chief Minister, I thank the task group for its work on this project. It has formed the basis of some very important initiatives that the government will implement to assist those in poverty in our community.

Question resolved in the affirmative.

Papers

Mr Smyth, on behalf of **Mr Humphries**, presented the following papers:

Financial Management Act—

Pursuant to section 15, instrument directing a reallocation of funds and a statement of reasons for the reallocation, dated 4 June 2001.

Pursuant to section 17, instrument varying appropriation related to Commonwealth funding and a statement of reasons, dated 4 June 2001.

Mr Humphries presented the following paper:

Financial Management Act, pursuant to section 26—Consolidated Financial Management Report for the month and financial year to date ending 30 April 2001.

Planning and Urban Services—Standing Committee Report No 68—government response

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (3.40): Mr Speaker, for the information of members, I present the following paper:

Planning and Urban Services—Standing Committee—Report No 68—The 2001-02 draft budget initiatives and the 2001-02 draft capital works program for the Department of Urban Services (*presented 29 March 2001*)—Government response.

I move:

That the Assembly takes note of the paper.

I seek leave to incorporate my tabling statement in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker, I present for the information of Members the Government's Response to the 2002-02 Draft Budget Initiatives and the 2001-02 Draft Capital Works Program for the Department of Urban Services.

Mr Speaker in January and February 2001 the Standing Committee on Planning and Urban Services conducted public hearings on the Draft 2001-02 Budget.

I welcome the examination of the Draft 2001-02 Budget as it provided an opportunity to examine current issues facing the department.

In March the Committee issued Report No 68 which contained 7 recommendations.

Mr Speaker, I appreciate the efforts of the Committee members in providing the report which will assist Government in improving the quality of budget information being provided.

13 June 2001

Mr Speaker, I commend the Government Response to the Assembly.

Question resolved in the affirmative.

Paper

Mr Smyth presented the following paper:

Review of the Water Resources Act 1998.

Independent Competition and Regulatory Commission—taxi fares Paper

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (3.41): Mr Speaker, for the information of members, I present the following paper:

Independent Competition and Regulatory Commission—Taxi fares—Final report for 1 July 2001 to 30 June 2003.

I move:

That the Assembly takes note of the paper.

I seek leave to have my tabling statement incorporated in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker, I present the Independent Competition and Regulatory Commission's report 'Taxi Fares for 1 July 2001 - 30 June 2003, pursuant to the *Independent Competition and Regulatory Commission Act 1997*.

This report is the second review of taxi fares conducted by the Commission and I thank the Senior Commissioner, Mr Paul Baxter, for his report.

The Terms of Reference to the Commission required investigation into:

- the methodology for determining prices, and to recommend maximum taxi fares for a two year period from 1 July 2001; and
- matters referred to in Section 20 of the *Independent Competition and Regulatory Commission Act 1997* including standards of quality, reliability and safety; the need for greater efficiency and the principles of ecological sustainable development.

Mr Speaker, I welcome the Commissioner's Direction on taxi fares.

In summary, the Commission recommended that:

- the average maximum taxi fare be increased by 5.5 % from 1 July 2001; and

- that the existing fare structure be maintained. The Commission will consider closely the relativities between flagfall and distance rates for day and night hirings during the next taxi fare review.

Since 1989 the setting of taxi fares in the ACT has been based on a 'taxi cost' index. The Commission has recognised that this index has deficiencies in reflecting actual taxi industry costs and has constructed a new costing and pricing model that encompasses a more realistic treatment of labour costs.

The Commission has also recognised the possible changes to the industry structure flowing from the introduction of network competition and considers it more appropriate to provide only a one-year determination for fare increases. The Commission has determined that it will monitor the effects of the changes over the next 12 months so as to be in a better position to issue a medium term direction to take effect from 1 July 2002.

The Commission's inquiry and report ensure that the Government is setting the taxi fares through an open and transparent process. This accountability flows from the very nature of the Commission's inquiry process that ensured that a large cross section of the community could express their views about taxi services. The Commission released an Issues Paper in December 2000 which called for public submissions, released a draft report in April 2001, invited further comment and released the Final Report in late May 2001.

The new fare structure as determined by the Commissioner will commence on 1 July 2001.

The Commission's report also considered other relevant matters within the local taxi industry. The Report notes and supports the Government's recent initiatives to improve community access to services through the release of additional Wheelchair Accessible Taxi licences, the introduction of network competition and the development of sensible cross-border arrangements with NSW. The Commission considered there are strong arguments to support the removal of competitive restrictions and expressed the view that performance benchmarks could be raised.

The Government welcomes the Commissioner's Report and looks forward to future determinations and associated recommendations concerning the restructure of the industry.

I commend the Commission's Report to the Assembly.

Question resolved in the affirmative.

Independent Competition and Regulatory Commission—ACTION—final determination Paper

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (3.42): Mr Speaker, for the information of members, I present the following paper:

13 June 2001

Independent Competition and Regulatory Commission—ACTION pricing for the period 1 July 2001 to June 2003—Final determination, dated May 2001.

I move:

That the Assembly takes note of the paper.

I seek leave to have my tabling statement incorporated in *Hansard*.

Leave granted.

The speech read as follows:

Mr Speaker, I present the Independent Competition and Regulatory Commission's report, 'ACTION Pricing for the Period 1 July 2001 to 30 June 2003, Final Determination', pursuant to the *Independent Pricing and Regulatory Commission Act 1997*.

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

The Government referred ACTION bus fares to the Commission to meet the price oversight requirements of the National Competition Policy and to ensure transparency of public transport pricing.

Mr Speaker, I welcome the Commissioner's Direction on ACTION fares for the next two years.

In summary, the Commission directed that:

Average fare price increases for ACTION in the financial year 2001-02 be in line with CPI movements for the 12 month period ending March 2001, less the estimated impact of the goods and services tax plus two percentage points. This allows for an average fare increase of 5.94%;

Average fare increase in 2002-03 be in line with CPI movements for the 12 month period ending March 2002; and

Attention should be given to reducing the discounts currently available on periodical tickets while maintaining concession tickets at 50% of the full adult equivalent and student tickets at 35% of adult fare.

The Commission also noted that:

Granting the fare increase will provide a higher proportion of cost recovery from fares while mindful of the need for ACTION to continue to achieve cost efficiencies in the operation of bus services.

Mr Speaker, this Government is committed to providing effective, efficient and accessible public transport for Canberrans. In recognition of the important role of public transport in the community, the Government contributes significant funds to maintain ACTION's current level of service, particularly off-peak services and fare concessions.

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

The Commission's consultation and review period of several months ensured that a large cross section of the community could express their views about ACTION's services. The Commission's process involved several steps over the period of the investigation. The Commission released an Issues Paper in December 2000 inviting submissions. A draft price direction was released in February 2001 and further submissions were sought. A public hearing was conducted on 2 April 2001 with the Final Price Direction released on 18 May 2001.

Mr Speaker, the Commission's directions and recommendations provide the Government with an assessment of ACTION's current strategies and performance. The Commission's recommendations are being examined and will be taken into consideration when formulating new fares.

The new fare structure will be submitted to the Commission for approval prior to the Government releasing the revised fares. The new fare structure for adult and concession fares will commence on 1 July 2001 and the new flat fare structure for students will commence on 23 July 2001.

ACTION will be reviewing all services in light of increased patronage arising from the introduction of the School Student Transport Scheme. The enhanced network will commence operation in early 2002.

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

I commend the Commission's 2001-03 Price Direction for ACTION bus fares to the Assembly.

Question resolved in the affirmative.

Paper

Mr Smyth presented the following paper:

Independent Competition and Regulatory Commission—Review of Natural Gas Prices—Final determination, dated May 2001.

Education, Community Services and Recreation—Standing Committee Report No 7—government response

MR STEFANIAK (Minister for Education and Attorney-General) (3.43): For the information of members, I present the following paper:

13 June 2001

Education, Community Services and Recreation - Standing Committee—Report No 7—1999-2000 Annual and Financial Reports of the Department of Education and Community Services and Related Agencies (*presented 13 February 2001*)—Government response.

I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

Mr Speaker, the Standing Committee on Education, Community Services and Recreation Report No 7 – 1999-2000 Annual and Financial Reports for the Department of Education and Community Services and Related Agencies was tabled on 13 February 2001.

While the Committee's Report includes items covering both the Education and Health, Housing and Community Services portfolios, I will be responding on behalf of the Government.

There were four recommendations. Three of the recommendations with which the Government agrees have been implemented or will be in the next Budget. A fourth recommendation is supported.

Recommendation 1 is agreed and in future years the annual report will be available through the internet as soon as the report is released.

Recommendation No 2, that the future annual reports of the Department of Education and Community Services include detailed notes on how the difference between GPO and total cost is funded within each output class, is agreed and will be implemented in future reports.

Recommendation No 3, that the Department of Education and Community Services include a quality/effectiveness measure relating to services provided to schools by CHADS in the 2000-01 purchase agreement, is agreed and an appropriate measure will be included in the 2001-2002 purchase agreement.

Recommendation 4 involves the Government collecting information on an annual basis on the avenues pursued by early school leavers. The Government agrees with this recommendation and is considering ways in which it might gather more comprehensive information on avenues pursued by early school leavers.

I would like to take the opportunity to thank members of the Standing Committee on Education, Community Services and Recreation for the work they have done on this matter.

I commend the Government Response to the Members of the Legislative Assembly.

Question resolved in the affirmative.

Report No 8—government response

MR STEFANIAK (Minister for Education and Attorney-General) (3.43): For the information of members, I present the following paper:

Education, Community Services and Recreation—Standing Committee—Report No 8—2001-02 draft budget initiatives and draft capital works program for the Department of Education and Community Services (*presented 29 March 2001*)—Government response.

I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

Mr Speaker, the Standing Committee on Education, Community Services and Recreation Report No 8—2001-02 draft budget initiatives and capital works program for the Department of Education and Community Services was tabled on 29 March 2001.

There are seven recommendations—three dealing with budget initiatives and four dealing with the draft capital works program. The Government agrees with six recommendations, and does not agree with one recommendation.

Recommendation 1, that Government provide the committee with details of the implementation status of all recommendations accepted by Government relating to education and community services made by the Committee and the Standing Committee on Social Policy of the Third Assembly, is agreed.

The Government agrees with recommendation 2 regarding the development of a social plan to assist in determining funding priorities. The Government's response however, points out that it has taken a multifaceted approach to social planning rather than attempt to create a single social plan.

Mr Speaker, from the outset the Government outlined its vision for Canberra in the Government Plan 1998-2001 which set the parameters for enhancing the well being of the Canberra community.

Initiatives such as the Poverty Project gave the Government a greater insight into the needs of the disadvantaged in the community. The Digital Divide Taskforce has recently examined options for addressing the gulf between the information rich and poor.

Consultations with the community in the development of strategies such as the Women's Action Plan 2000-2001, the Forward Plan for Older People in the ACT 2000-2003, and the Family Support Plan further helped the Government in its social planning. Multicultural and youth strategies are currently being finalised. The

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Future Canberra initiative will involve the community in a planning process that is designed to give further insights into the needs of the ACT and Canberrans.

The supplementary budget paper *Canberra: Building Social Capital* examined the strength of community and the partnerships that are integral to the social sustainability of the Territory.

Mr Speaker, the State of the Territory Report measures the Government's performance on key indicators of quality of life in the ACT and identifies where improvements need to be made. It provides an honest appraisal that has been used by the Government as the basis for modifying or developing programs.

Recommendation 3, which involves the Government considering the views expressed in this inquiry about funding priorities when finalising the 2001-02 budget, is agreed. The Government has given careful consideration to the views expressed in the committee's report and in the submissions made to it and, as a result, a number of new funding initiatives have been included in the 2001-02 Budget.

Recommendation 4 involves reviewing car parking arrangements at Gold Creek School. The Government agrees with this recommendation and action is in hand to determine the most cost effective options to resolve concerns.

Recommendation 5 seeks a Government report on its plans to progress the development of a community centre at the Kippax Group Centre. Government agrees with this recommendation and the response reports on this matter.

Mr Speaker, the Department of Education and Community Services is not aware of any requests for additional community space in West Belconnen except from the Kippax Task Force for meeting space.

There is substantial space available in West Belconnen for community use in various schools, including in the McGregor Primary School former child health clinic. In recent times the Fraser Community House was closed because no community use could be generated.

To date, the specific nature and needs of the West Belconnen community which would justify the establishment of a purpose built facility in the Kippax Group Centre have not been identified. The Department of Education and Community Services plans to undertake a survey of community facilities in West Belconnen during 2001 that will among other things address utilisation of existing facilities. The Kippax Task Force will be consulted as part of the survey.

Mr Speaker, the Government does not agree with Recommendation 6 which seeks from the Government a list of all the analysis undertaken in the last six years on the need for additional community facilities at Kippax and across Canberra.

Community facilities are provided either on the basis of a case by case justification or as a result of the social planning initiatives which is referred to in the Government's response to the committee's report.

Mr Speaker, there are over 45 Government owned, community managed, facilities across Canberra including a major facility in each town centre. In addition, community groups requiring general purpose space are encouraged to take

advantage of space in Government schools on either a casual basis or, in the case of surplus space, on a more permanent basis by way of a lease.

Additionally, numerous community groups receive funding for the establishment of facilities to meet specialised needs such as youth and women's refuges. The latest specific purpose community facilities to be provided include the Koomarri hydrotherapy pool, the Lanyon Youth & Community Centre and the Gungahlin Community Resource Centre.

Finally Mr Speaker, Recommendation 7 seeks a review of the base funding level of the Interest Subsidy Scheme for capital works in the non-Government schooling sector. The Government has agreed with this recommendation and the 2001-02 Budget provides an additional \$300,000 to the scheme.

I would like to take the opportunity to thank members of the Standing Committee on Education, Community Services and Recreation for the work they have done on this matter.

I commend the Government Response to the Members of the Legislative Assembly.

Question resolved in the affirmative.

Paper

Mr Stefaniak presented the following paper:

Education Bill 2001—Revised explanatory memorandum.

Justice and Community Safety—Standing Committee Report No 12—government response

MR STEFANIAK (Minister for Education and Attorney-General) (3.44): For the information of members, I present the following paper:

Justice and Community Safety—Standing Committee—Report No 12—The 1999-2000 Annual and Financial Reports of the Department of Justice and Community Safety and Related Agencies (*presented 13 February 2001*)—Government response.

I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

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Mr Speaker

I present today the Government's Response to the Standing Committee on Justice and Community Safety's Report No 12 entitled "*The 1999-00 Annual and Financial Reports of the Department of Justice and Community Safety and Related Agencies*". While this report covers some portfolio responsibilities of my colleagues Mr Smyth and Mr Moore as well as some of my own, I shall be presenting the response on behalf of the Government.

Mr Speaker, the Government welcomes the Committee's Report. Of the 18 recommendations contained in the report, the Government is pleased to be able to support 15 of them. Of the remaining three recommendations, Recommendation 7 relating to the Annual Report of the Victims of Crime Co-ordinator, is noted and Recommendation 1 (ii) relating to the provision of random breath test numbers in the AFP Annual Report is supported in part.

In fact, Mr Speaker, we disagree with only one recommendation, that being recommendation number eight relating to ACT residents who are affected by crimes which occurred outside the ACT. While the Government sympathises with those affected by such crimes it is our view that the most appropriate way of assisting is to put those victims in contact with the relevant interstate victims support service. This is already being done and the Victims of Crime Co-ordinator has provided the Committee with details of such arrangements.

In his presentation speech, Mr Speaker, the Committee Chair, Mr Osborne, made specific reference to recommendations 9, 11, 12 and 14. I am pleased to be able to advise that the Government has agreed to each of these recommendations.

Money has been set aside in the 2001-02 draft Capital Works program for a feasibility study for improvements at Quamby including a gymnasium and sports hall.

The Government is also committed to maintaining a very high standard of probity in relation to consultants used on the prison project and believes that appropriate measures are already in place.

We share Magistrate Madden's concerns about a range of youth issues and our response to Recommendation No 12 clearly indicates the action we have taken in relation to a range of matters.

While Recommendation No 14 is not technically a Justice and Community Safety responsibility, the Government Response also provides a comprehensive comment in relation to the Committee's concerns about the unmet need for drug rehabilitation programs in the Territory. Copies of two recent related publications have been provided to the Committee under separate cover.

As Mr Osborne noted at the time he presented the Committee's Report, many of the recommendations in this report relate to information and information gathering. I am pleased to be able to advise that the Government supports each of the recommendations not specifically mentioned above.

Mr Speaker I thank the Committee for its Report and commend the Government's response to Members.

Question resolved in the affirmative.

Report No 13—government response

MR STEFANIAK (Minister for Education and Attorney-General) (3.45): For the information of members, I present the following paper:

Justice and Community Safety—Standing Committee—Report No 13—The 2001-02 Draft Budget Initiatives and Draft Capital Works for the Department of Justice and Community Safety and Related Agencies (*presented 29 March 2001*)—Government response, dated May 2001.

I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

Mr Speaker, I present the Government's response to Report No 13 of the Standing Committee on Justice and Community Safety "The 2001-02 Draft Budget Initiatives and Draft Capital Works for the Department of Justice and Community Safety and Related Agencies" that was tabled in the Legislative Assembly on 29 March 2001.

The Committee's report reviewed the Draft Budget Initiatives and Draft Capital Works for the Department of Justice and Community Safety and made five recommendations following its deliberations:

- Recommendations 1 & 2 deal with the draft budget and consultation processes;
- Recommendation 3 deals with the allocation of additional funding made available to the committee;
- Recommendation 4 suggests further priorities should additional funds become available; and
- Recommendation 5 recommends that priority be given to implementing crime prevention and early intervention project.

Mr Speaker, the Government is pleased to see that the Committee has recognised the importance of a number of measures that have received funding through the Budget.

The Government agrees or agrees in principle with the two recommendations dealing with the draft budget and consultation processes.

This Government has a strong commitment to consulting with the ACT community and has incorporated a comprehensive consultation process that has been communicated to the Community in each and every budget presented in the Assembly since its election. It is abundantly clear from the Government's actions over the past seven years that it believes that community groups should be encouraged to participate in the budget consultation process.

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As an example of this, in the 2001-02 Budget consultation process, the Treasurer wrote to over eighty community groups in order to outline the Phase 11 budget consultation process and the avenues available through which they could provide input. Over 30 groups of those groups made well considered and valuable submissions direct to the Government. This is a considerable increase on the number of responses received by Government last year and perhaps belies the Committee's comment indicating that there was a lack of confidence about the process.

The Government agrees with 5 out of the eight funding allocations recommended by the committee.

The Committee recommended an allocation of \$10,000 for Research/consultation to identify a model for youth-specific legal services. The Government has not agreed to this recommendation. There is no empirical evidence that there is any gap in provision of youth legal services. Legal aid from the Legal Aid Commission may be readily accessed by youth who almost always meet the relevant means test. Indigenous youth may, as an alternative, access legal aid through the Aboriginal Legal Service. Services in specialist areas including welfare and tenancy are also provided by Community Legal Centres funded by government.

The sorts of problems encountered by youth are the same as those encountered by the community at large, and it is expertise in the relevant areas of law, rather than expertise in 'youth' which should be the focus of legal aid services. The unnecessary creation of yet another legal aid provider would further fragment the legal aid dollar and result in funds being wasted on duplicated infrastructure. It is also likely that the quality and breadth of legal services available to youth would decline because any new CLC would necessarily be small and would not be able to call on the levels of expertise available to the Legal Aid Commission.

The committee also recommended \$50,000 additional funding for the Law Reform Commission for on-the-ground research staff. This recommendation was pre-empted by Government decision to provide, as a new initiative, \$50,000 for this purpose in the 2001-02 budget.

The Committee further recommended that funding be provided for community education in Cardiac Pulmonary Resuscitation (CPR) and early access to emergency services. The Government does not agree this recommendation. While this proposal was highly regarded, it was considered that there was sufficient private sector involvement in the delivery of community education programs to make direct Government involvement unwarranted at this time.

The committee also recommended that if additional funding became available it should be allocated to: addressing the crisis at Belconnen Remand Centre; capital works for the construction of the prison, the Quamby gymnasium and Quamby reception centre; diversionary programs for youth at risk; therapeutic projects for young offenders; and early intervention in disadvantaged families.

The Government has noted the committee's priorities and has either addressed or is currently addressing them. The funding requirements for the Belconnen Remand Centre, and Quamby are being addressed by Government. The BRC has additional funding of \$549,000 recurrent and \$900,000 Capital expenditure included in the 2001-02 Budget. A feasibility study to identify improvements to the Quamby Detention Facility is also included in the 2001-02 Capital Works Program. Diversionary programs for youth at risk; therapeutic projects for young offenders; and early intervention in disadvantaged families are also being catered for in

existing early intervention programs funded from the Justice and Community Safety and other portfolio budgets.

The final recommendation by the committee is that the Department of Justice and Community Safety ensure that priority is given to implementing crime prevention and early intervention projects and that these are managed to take full advantage of funding allocations

The Government agrees with this recommendation. However, it should be understood that social development type crime prevention programs stand a better chance of being sustained if they are supported by partnerships between lead agencies and the broader community. Building ownership into these partnerships requires an initial establishment period.

I thank the Committee for the time and effort they have put into this report and its recommendations.

Mr Speaker, I commend the Government's response to the Assembly.

Question resolved in the affirmative.

Health and Community Care—Standing Committee Report No 8—government response

MR MOORE (Minister for Health, Housing and Community Services) (3.46): Mr Speaker, for the information of members, I present the following paper:

Health and Community Care—Standing Committee—Report No 8—Report on Annual and Financial Reports 1999-2000 for the Department of Health and Community Care and related agencies (*presented 13 February 2001*)—Government response.

I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

I am pleased to present the Government's response to the Standing Committee on Health and Community Care Report No 8—"Annual and Financial Report 1999-2000".

As Members will be aware the Committee, while commenting on a number of areas within my portfolio responsibility, made only two recommendations.

The Committee believes there is a significant gap in the area of residential detoxification services for young people and has recommended that the Government:

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- urgently assess the current gaps in detoxification services for young people and provide the requisite funding to meet the full range of demand; and
- investigate the need for youth-specific detoxification services.

This recommendation is partially supported. The Government supports the provision of appropriate youth and adult drug and alcohol services and, in the new financial year, enhanced drug and alcohol services for youth will be funded. This will include the enhancement of the existing Ted Noffs Foundation facility in Watson to incorporate a small residential withdrawal service for youth.

In addition, further support for youth with problematic drug use will be available next year through the Police Early Diversion Program. This will include in-court assessment and outreach support.

Another option being considered is skill development for the staff of services, such as SAAP services or Quamby, which may sometimes need to support a young person during withdrawal.

The Government will also invest significant resources in services to support drug and alcohol dependent youth generally, and withdrawal services specifically, in the next financial year including:

- Recurrent funding for the youth rehabilitation after-care service. An outreach youth worker will help clients in the final month of the program and after they have left the program. This will be an adjunct to the Ted Noffs Foundation residential youth rehabilitation service.
- Recurrent funding for the pilot college based education and support program—DRIC @ College. This initiative is a college based drug education program involving a Drug Referral Information and Counselling worker on site once a week.
- Extension and recurrent funding of the family support and education project based on the NSW “Family Support” model. The project involves enabling access for ACT families to the NSW Family Drug Support 24 hour helpline and providing the Family Coping Manual written by Family Drug Support.
- Funding to enable the Alcohol and Drug Foundation of the ACT to implement a new clinical program by upgrading its counselling and lifeskills services to individuals and families.
- Additional methadone places and capacity to provide new pharmacotherapy treatments such as buprenorphine which has shown promise as an outpatient withdrawal treatment.
- Recurrent funding for the community based health program for opiate dependent people through General Practice surgeries. The service will focus on GP surgeries, with practice nurses providing coordination and adjunct services.
- Recurrent and enhanced funding for supported withdrawal services including additional beds for Arcadia House and a new outreach and support service for women with children.

The Committee also comments on the increasing trend to illicit drug use in the Indigenous community and recommends that the Government provide funds or support-in-kind to allow Gugan Gulwan Youth Corporation to move to more centralised premises.

The Government notes and shares the Committee's concern about drug and alcohol use in the ACT indigenous community, particularly among the young.

As the Committee would be aware, the Department of Health, Housing and Community Care has recently increased Gugan Gulwan's drug and alcohol funding by \$120 000 per annum to \$180 000.

This funding will provide an additional youth outreach worker, administrative support and an education program to support indigenous elders.

Outreach services are particularly successful in reaching youth at risk because workers are able to approach young people in environments in which the young people themselves feel comfortable.

Services of this kind were identified as a particular need by the indigenous community in the course of consultation undertaken last year. Additional staff will also enable Gugan Gulwan to work more closely with other mainstream and indigenous services.

It should be noted that, in respect of the organisation's drug and alcohol outreach services, the physical location of Gugan Gulwan is less of an issue.

The Government has recently announced that Gugan Gulwan will re-locate to the site of the Erindale Youth Centre.

Enrolment data from 1999 indicates that 35 percent of Indigenous students in government schools live in the Tuggeranong Valley. This move is expected to provide the organisation with a more appropriate location and facilities.

In addition, further indigenous case management and outreach services, including drug and alcohol workers will be funded next financial year. The services will complement existing indigenous outreach services and will be aimed at supporting indigenous services and facilitating indigenous access to mainstream health services.

I thank the Committee for its report and commend the Government's response to the Assembly.

Question resolved in the affirmative.

Report No 7—government response

MR MOORE (Minister for Health, Housing and Community Services) (3.47): Mr Speaker, for the information of members, I present the following paper:

Health and Community Care—Standing Committee—Report No 7—Cannabis Use in the ACT, including a dissenting report (*presented 7 December 2000*)—Government response.

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I move:

That the Assembly takes note of the paper.

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

Leave granted.

The speech read as follows:

Mr Speaker, on 7 December 2000, Mr Bill Wood MLA, tabled in the Legislative Assembly, the Standing Committee on Health and Community Care's Report No 7-*Cannabis Use in the ACT*.

In its Report, the Standing Committee made twelve key recommendations, relating to the use of cannabis, the possible health consequences, the Simple Cannabis Offence Notice scheme and the laws pertaining to the use, possession and cultivation of cannabis.

The Government welcomes this report and it has the broad agreement of Government.

We support the recommendations related to the evaluation of the Simple Cannabis Offence Notice scheme; the expansion of public information and education programs and, within this context, the evaluation of the *Effective Weed Control* group; the articulation of a cannabis policy; and the development of an education and cautioning system for juveniles.

There are in place in the ACT, a number of education, early intervention, detoxification, counselling, case management and rehabilitation services for people with cannabis-use dependencies and problems. In particular, I would like to draw the Assembly's attention to the new *DRIC@College* Program, managed by Assisting Drug Dependents Incorporated, involving an educator "on site" on a regular basis during school terms at all Government colleges.

The program is designed to assist students who either "drop-in" to talk to the counsellor, or who are referred by staff. This program has been piloted in recent years at two colleges, and has been overwhelmingly successful at engaging students who may be involved in substance abuse. It has the strong support of students, staff and parents, and will promote both medical and legal concerns related to cannabis use. This program will concentrate this year on educating our young people about the dangers of cannabis and about the legal status of cannabis in the ACT.

The Government shares the Committee's concerns about messages relayed to the community, and especially to our young people, in relation to the legal standing of cannabis in the ACT.

We acknowledge that in the ACT the approach to cannabis legislation has at times been confused as "decriminalisation". The Government will address the issues of terminology, which we acknowledge are more accurately described as *partial prohibition with pecuniary penalties*. However, in reinforcing the exact nature of the law in relation to simple cannabis offences, care must be taken that words which replace "decriminalisation" are not in fact even more confusing to the public. The Government will therefore carefully reconsider the wording of any current printed

material and future publicity and information materials, in order to reinforce the exact nature of the law regarding cannabis.

In its report, the Standing Committee recommended the cancellation of a person's driving licence and motor registration in relation to non-payment of fines for people in possession of small amounts of cannabis. From a public health perspective, the suspension of a defaulter's vehicle registration, driver's licence or right to drive is certainly preferable to entering the criminal justice system.

The Government supports the cancellation of drivers' licences in relation to SCONs, however, does not at this stage support the cancellation of motor vehicle registration on the basis that while many people, and young people in particular, who incur SCON fines have a licence, they frequently do not own a car. While it is efficient for the Motor Vehicle Registry to use such sanctions in relation to parking offences as it involves rights the offender clearly exercises, it is less certain it will be of benefit in relation to cannabis offences.

The introduction of a community services option as an alternative is also not supported at this stage, as it would require considerable legislative changes to implement. Any community service scheme applicable to SCONs would need to be kept separate from the judicial system in order to be accepted.

The Government will therefore first trial a range of measures to increase SCON expiation rates, over a 12 month period. These measures will be applicable to both juvenile and adult offenders and include:

- an opportunity for diversion to an education program as an alternative to paying a fine;
- options for payment including full amount in one payment, or staggered payments;
- introduction of an increasing scale of fines if the original fine is not paid;
- possibility of graded penalties depending on amount of cannabis seized;
- introduction of an amnesty period prior to the introduction of new measures; and
- opportunities through the media to reinforce the legal status of the SCON scheme.

Should these measures fail to markedly increase compliance, the cancellation of licences and, in the case of juveniles, non-issue of licences will be trialed.

The Government also proposes an amnesty period prior to the introduction of new measures. The amnesty will be restricted to non-payment of SCONs where these matters have not already been brought before the courts. No other matters that are unrelated to SCONs, or matters that have already been brought before the courts will be eligible for a period of amnesty. A media campaign to reinforce the legal status of the SCON scheme, along with penalties that will be put in place for people issued with a SCON, will also be undertaken.

The Government is not supportive of the Committee's proposed changes to the handling of cannabis, including, a change to dry, rather than wet weight; and to the inclusion of hash and hashish oil in the legislation. The recommendations contained in the report suggest additional handling at a time when the Standards Australia Committee is moving towards a "sample and destroy" policy. This would put us out of step with national standards. Other issues associated with adopting this recommendation include the cost of the process, the decision-making process regarding the preparation of a representative sample, and the additional issues this would raise for the Government laboratories.

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Thank you for the opportunity to present the Government Response.

Once again, I would like to thank the Committee for its valuable work. The Government welcomes the Report and discussion of the recommendations.

Question resolved in the affirmative.

Papers

Mr Moore presented the following papers:

Agents Act—Declaration—Instrument No 83 of 2001 (No 18, dated 3 May 2001).

Associations Incorporation Act—Determination of fees and charges—Instrument No 86 of 2001 (No 19, dated 10 May 2001).

Bookmakers Act—

Determination of fees—Instruments Nos 67 and 68 of 2001 (No 17, dated 26 April 2001).

Directions for the operation of a sports betting venue—Instrument No 88 of 2001 (No 19, dated 10 May 2001).

Dangerous Goods Act—Dangerous Goods Regulations Amendment—Subordinate Law 2001 No 14 (S28, dated 23 May 2001).

Dentists Act—Determination of fees—Instrument No 102 of 2001 (No 22, dated 31 May 2001).

Dog Control Act—Determination of fees—Instrument No 100 of 2001 (No 22, dated 31 May 2001).

Domestic Animals Act—Domestic Animals Regulations 2001—Subordinate Law 2001 No 17 (S32, dated 12 June 2001).

Gaming Machine Amendment Act 2000—Notice of commencement (1 June 2001) (No 21, dated 24 May 2001).

Independent Competition and Regulatory Commission Act—Reference for investigation under section 15 and specified requirements in relation to investigation under section 16—Instrument No 69 of 2001 (No 17, dated 26 April 2001).

Insurance Authority Act—Vesting of Assets and Liabilities in the Australian Capital Territory Insurance Authority—Instrument No 111 of 2001 (S32, dated 12 June 2001).

Land (Planning and Environment) Act—Determination of conditions—Instrument No 87 of 2001 (S21, dated 30 April 2001).

Liquor Act—Liquor Regulations Amendment—

Subordinate Law 2001 No 11 (No 22, dated 31 May 2001).

Subordinate Law 2001 No 12 (No 22, dated 31 May 2001).

Medical Practitioners Act—Determination of fees—Instrument No 91 of 2001 (No 19, dated 10 May 2001).

Nature Conservation Act—Appointments to the Flora and Fauna Committee—
Chairperson and Deputy Chairperson—Instrument No 97 of 2001 (No 20, dated 17 May 2001).
Members—Instrument No 98 of 2001 (No 20 dated 17 May 2001).

Occupational Health and Safety Act—Appointments to the ACT Occupational Health and Safety Council—
Chairperson/Member—Instrument No 70 of 2001 (No 17, dated 26 April 2001).
Deputy Chairperson—Instrument No 71 of 2001 (No 17, dated 26 April 2001).
Members—Instrument Nos 72-79 of 2001 (No 17, dated 26 April 2001).
Acting Members—Instruments Nos 80 and 81 of 2001 (No 17, dated 26 April 2001).

Public Place Names Act—Determinations of—
Division nomenclature—Jacka—Instrument No 84 of 2001 (S20, dated 25 April 2001).
Street nomenclatures—
Narrabundah—Instrument No 92 of 2001 (No 19, dated 10 May 2001).
O'Connor—Instrument No 101 of 2001 (No 22, dated 31 May 2001).

Public Sector Management Act—Management Standards—No 3 of 2001 (No 19, dated 10 May 2001).

Road Transport (General) Act—
Declaration—Road transport legislation not to apply to certain roads and road related areas—
Instrument No 90 of 2001 (S23, dated 3 May 2001).
Revocation and determination of fees—Registration of motor vehicles and trailers—Instrument
No 99 of 2001 (S27, dated 21 May 2001).
Revocation and appointment of Nominal Defendant—Instrument No 95 of 2001—Instrument
No 93 of 2001 (No 19, dated 10 May 2001).
Road Transport (Third-Party Insurance) Regulations Amendment—Subordinate Law 2001 No
13 (S27, dated 21 May 2001).

Tenancy Tribunal Act—Commercial and Retail Leases Code of Practice Variation—Instrument
No 85 of 2001 (No 18, dated 3 May 2001).

Territory Superannuation Provision Protection Act—Authorisation under section 14 (1)—
Instrument No 89 of 2001 (S22, dated 1 May 2001).

Utilities Act—
Declaration under subsection 18 (1)—Instrument No 93 of 2001 (No 19, dated 10 May 2001).
Declaration under subsection 18 (4)—Instrument No 94 of 2001 (No 19, dated 10 May 2001).
Notice of exemption—Instrument No 96 of 2001 (No 20, dated 17 May 2001).

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Suspension of standing and temporary orders Estimates 2001-2001—Select Committee—report-budget 2001-2002

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

That so much of the standing and temporary orders be suspended as would prevent the order of the day on the motion that the Report of the Select Committee on Estimates 2001-2002 be noted, being called on forthwith.

Estimates 2001-2002—Select Committee Report

Debate resumed.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (3.48): Mr Speaker I just want to contribute to this debate but, frankly, quite briefly, because I believe that this report which has been presented to the Assembly today does not deserve a great deal more time and attention than I care to give it. And I will not, unlike other members in this place, be seeking an extension of time.

Mr Speaker, I have heard the assertion and the argument that have raged in this house today about the things that are said in this report and about whether they are fair comment or whether they amount to a political attack on the government. I have heard those comments and I accept that people have different views about that. I, of course, very firmly hold the view that this report is an entirely political document which directs itself at the government's budget—or more particularly, I should say, at the government—with much ferocity in a way designed to attack and pull down the essence of the things the government is attempting to do in this budget.

One could be forgiven, in reading this document, for coming to the view that there is nothing of value or worth in the budget whatsoever. Even the things which I can only assume are supported by members of the opposition and the cross-benchers, even those things which I can only assume are considered to be worthwhile, are at best damned with faint praise, at worst ignored or passed over.

I will give an example. Paragraphs 7.38 to 7.40 state:

The budget contains an initiative, Public Access to Legislation.

It is not clear whether the facility would include bills before the Assembly as well as other types of legislation.

The committee believes bills should be available electronically as they often attract strong public interest. This would assist community involvement in the development of legislation.

Now, in a report which has had so much to say about what the government has got wrong, I would read between the lines of those comments to say that the committee believes that online legislation, making available to the community of this city access to legislation, is a good thing. But does the committee say that? No, it does not, because it

is not the mission of this committee to say anything nice or approving about what the government has done with its budget.

Mr Speaker, this report is woeful. It is lamentable. It is a waste of the time of a large number of people involved in the exercise. I realise that others here will rise and say this is a wonderful report—that we have got wonderful things done in this document, it is terribly worthwhile, and it certainly should be supported entirely et cetera et cetera. I ask members of this place to use a test to determine how well this document actually achieves the purposes that the community would expect it to achieve. I ask members to go back and to read the report of the Select Committee on Estimates on Appropriation Bill 1994-95, the last Estimates Committee report brought down under the Labor government of the mid 1990s, and to examine not just the recommendations that are made in this report but the tone and direction of the report, and to compare it with the tone and direction which is exhibited in this report.

What I believe that will show is a vast difference in the constructiveness of these two documents. One is expressly a document designed to illuminate the budgetary process and assist in producing better budget outcomes for the territory. It is directed—and I believe it achieves that direction, incidentally—at the public interest. This document—the 2001-2002 budget report—is nothing other than, effectively, a long campaign speech written to achieve short-term political goals, and as such it has no useful benefit, no useful purpose, for people who may seek to understand what was going on in 2001 in the preparation of a better budget.

I want to just quote a few lines from page 10 of the report, and ask members to judge what they think about the document based on the language used here:

A careful analysis of the budget presents a picture suggestive of a confused and confusing process by which the Government has developed its budget. The majority of the committee sees evidence of random spending to soak up any operational/budget surplus.

. . .

On the evidence made available to the committee, the majority of it have been forced to conclude—

forced to conclude!—

that it is a budget designed for an election year with little to recommend it for the long term good management of the Territory's finances.

Mr Speaker, here we have a budget in surplus, a surplus projected to go out for several years in the future, long-term debt in terms of superannuation addressed, class sizes reduced, payroll tax burdens reduced, extra money for the hospital system, and they say it has “little to recommend it for the long term good management of the Territory's finances”.

Mr Speaker, what conclusion does one draw from reading those words? I will quote another example: talking about the treatment of the superannuation liability. This is where in previous paragraphs there has been an attack on the way in which the

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government has addressed or treated the superannuation expense. In paragraphs 2.30 and 2.31 it says:

Combined with the \$20 m of interest on Superannuation Investments that should not be counted as disposable funds, there is \$42 m that cannot be committed to budget expenditure.

Different, legitimate and more open, accounting would show that this budget has an effective Operating Deficit of \$30 m.

Now, putting aside for one minute the question of whether it is a surplus or a deficit—we can debate that another time—the accounting that we use in our budget is described, by implication, as being illegitimate and secretive.

The accounting that we use is accounting approved by the Auditor-General. We have no choice but to use that process, because that is what the Auditor-General says we should use to account for our documents. It is described elsewhere in this document—

Mr Quinlan: Read the next paragraph? No, no.

MR HUMPHRIES: You can read it if you want to, Mr Quinlan. It says somewhere else that this is an American accounting trick. There is a huge amount of public money in this document—a huge amount of public money has gone in to make this work, and yet almost every paragraph is highly emotive language, full of political effect, which could be lifted as it stands and used in a campaign speech by the Labor Party. Indeed, I have no doubt that much of what Mr Quinlan has produced here is actually Mr Quinlan's own handiwork, or perhaps that of people in his office.

Now, those who have been here for only three or six years might imagine that this is typical of what estimates committees always do. Not so, Mr Speaker. I will quote from the report of the 1994-95 Select Committee on Estimates.

Mr Hargreaves: Who was the chair of that?

MR HUMPHRIES: The chair was Ms Helen Szuty. In fact, I was the deputy chair, as I recall. Members included Mr Wayne Berry, Mrs Ellnor Grassby, et cetera. I want to quote a few words. This is about across-the-board savings. There was a 2 per cent efficiency cut across the whole government in that year.

The committee notes that the 2 per cent per annum efficiency dividend is in its third and final year, and that further savings of over \$5 million in 1994-95 will be realised. It is again noted by the committee that agencies have not specifically identified those areas to be cut, and the budget figures have simply been reduced. The committee further notes and draws attention to recommendation 3.8—

which it then goes on to quote—

The committee recommends that the government provide details of when and where actual savings of 2 per cent have been made.

Mr Speaker, there we have temperate language—treated in a fair and balanced way. Imagine today if the present government came down in this place and said, “We’re cutting every agency by 2 per cent. We’re not telling you where we’re going to cut or how we’re going to produce that saving. We’re just doing a 2 per cent across-the-board cut.” Imagine what an estimates committee led by Mr Quinlan would say about that, but compare that with what the Estimates Committee led by Ms Szuty did say about that in 1994.

Mr Speaker, I am sorry to cast aspersions on the work of a number of people in this exercise. My view is that this report is nothing other than trash. It is disappointing. It is a waste of the territory’s money, and is not what the territory pays for. The taxpayer of the ACT pays for quality work in this place, work that will be useable in the sense of being able to be taken up by public service and others, analysed, used to improve the bottom line for the territory and the result of these processes. You cannot say, by any stretch of the imagination, that this document, replete with bile, dripping with bile in virtually every paragraph, is designed to achieve that goal—and indeed it does not.

MR BERRY (3.58): I must say I was almost driven to belly laughter by the mock indignation of Mr Humphries and the dodgy comparisons that he was drawing between this Estimates Committee report and an estimates committee report in 1994.

Some interesting things that would amuse members, and probably interest them: of course, things were different in 1994; it was a Labor government, and they had less to criticise—far less to criticise. There were no hospital implusions. There were no Bruce Stadiums. There were no Feel the Power campaigns. There were no Hall Kinlyside land deals. There were no Futsal slabs.

Mr Humphries: VITAB hogged all the headlines; there was no room for anything else.

MR BERRY: There was none of this. Mr Humphries interjects, “VITAB.” He would swap any of his messes for a dozen VITABs. I mean, what a joke! And Mr Humphries might also recall one point in the life of self-government when the whole of the Assembly made up the Estimates Committee and the Liberals had the numbers. I can tell you that the Estimates Committee report on that occasion was a pretty bitter and twisted affair. The stark difference here was that the Estimates Committee was examining a Labor budget and this one is examining a Liberal budget, with the wisdom of hindsight over six years. And nobody could be blamed for coming to very cynical conclusions about the intentions of that lot opposite.

Mr Humphries was very careful not to draw those proper distinctions about the matters which were under consideration at the time. I was just looking through the recommendations of the Estimates Committee report. In recommendation 54, the committee recommended that the government increase the recruiting of fire-fighters and so on and so forth. It was a good recommendation and it punched a hole in the government’s management of the ACT budget.

Why? Because the government had failed to keep up with recruitment in the ACT fire service. It failed to fill vacancies in his own ranks, up to about 50 jobs, over a long period of years. And, once forced into a position to do this recruitment, the government will now take 15 months to fill those jobs. That is in a period when unemployment has

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risen, I think, for 7 months in a row—400 jobs, I think it was in the last month, from my memory of it. That is an important recommendation, which punches a hole in what is, according to Mrs Burke, a chocolate-coated budget.

I go also to the pages 14 through to 16 in relation to the CTEC and the transfer out to the Canberra Airport. What a murky arrangement that was! And it was made murkier by the government's refusal to deliver all of the papers in relation to that deal when they were asked for. It was started in this place when Ms Tucker moved a motion requiring the papers and Mr Smyth denied them to the Assembly—and, in fact, denied certain information in them when it was handed to the Clerk for viewing by Assembly members. Those papers had to be pulled like unwanted teeth from the government as the Estimates Committee went through its process. I was not a member of the committee but I was involved in some of the discussion about this particular issue.

On any estimate of the transfer to the airport, I think you would have to be highly cynical of the arrangements that were used to bring about that move. I think every member of the Assembly is entitled to be sceptical about those arrangements. No wonder Mr Humphries is so agitated about criticism of his budget along these lines—because it, again, punches a hole through that chocolate coating that we are expected to believe is there. With the GMC400 we were told, when we passed an additional appropriation, that this is what we were going to spend on this great race which was going to bring so much for the territory. We were sceptical of the government's position in relation to the matter because we could see, with the wisdom of experience, that this government was not up to doing business in the ACT with any measure of success. Our worst fears came to fruition—another \$1½ million per year for the GMC400 race.

What is even more interesting arising from that was the question that arose during the course of evidence given to the committee about how much is paid to AVESCO. We knew it was somewhere between zero and \$1.4 million. We asked how much money was paid to the owners of the V8 car race, AVESCO, and we were told that officials would go away and ask AVESCO whether they could give us this information. Well, it appears that AVESCO does not want us to know. So we will never know what it is we pay the owners of the V8 car race for having the race here each year. But we know it is somewhere between zero and \$1.4 million, and I say it will be a lot closer to \$1.4 million than it is to zero.

So here we have a secret arrangement between CTEC and the organisation that owns the V8 car race, with the approval of government, which gives away, let us say, a million dollars each year over the life of the race. So five million bucks will go into the hands of a private operator. We will never be able to scrutinise it or what value we get for the transfer of those funds. No wonder Mr Humphries is agitated about those issues being drawn out into the open, because, as I have said before, this melts the chocolate coating.

There is also the free school bus arrangement. We have heard much about the government's commitment to consultation, and the draft budget process immediately comes to mind. And was the free school bus initiative mentioned in the draft budget process? Not one letter, not one word was mentioned in the draft budget context. This is purely an election year sweetener, and it has been identified as such by the Estimates Committee in its editorial about the issue.

Of course the recommendation that this expenditure be delayed until after the budget is appropriate. That would test the will of the government, and I look forward to its response in relation to that matter. I see in the report mention of the Belconnen Pool, and we know that \$270,000 has been spent thus far. It seems that the \$270,000 has been spent to stop people from swimming in it before the next election. That is the impression that anybody could fairly get in relation to this.

This would be the longest running promise. This is a bit like *Blue Hills*. This will be the third election that we are promised the Belconnen pool and nobody will have swum in it. There are also the hospital implosion costs—an ongoing albatross around this government's neck. And there is the Williamsdale quarry. What a litany of ill-effects on the ACT taxpayer is associated with the quarry! The government forced Totalcare to sell off 50 per cent of its ownership in a potential money earner for the territory. Also in relation to Totalcare, is the artificial barrier to contributing to work. There is also the nurses' wages situation. It was confirmed again that the government did not want the nurses put into an equal bargaining position with the government in relation to future wages, because it wanted to impose its will on them.

This Estimates Committee report has punched many holes in the government's management—and for good reason, because that is what the Estimates Committee is there for, to hold the government accountable for its actions. I think it has achieved that, and no wonder the minister is squealing. But I go back to my earlier point: the budget that he compared this with was a Labor budget, and no wonder it was a much better Estimates Committee report.

MR MOORE (Minister for Health, Housing and Community Services) (4.09): Mr Speaker, I have had the pleasure of sitting on, I think, every estimates committee from 1989 until 1997. I do not recall whether I was always actually a member of those committees but I certainly participated in all of them. I have to say that my view differs greatly from Mr Kaine's this morning. I think that the way this committee report is done is much more political. And that was no more clearly highlighted than in the fact that two of the members were effectively prevented from doing their dissent to that report—either by the time restrictions or by the vote of this Assembly.

But I have to say that the most important issue that has just come out in the last few minutes is Mr Berry saying, with regard to the 1994-95 report I think, when Labor was in government, that there was nothing to criticise. And there is one sense in which that is true—because they did not seek to try to achieve anything. If you do not try to do anything, it is highly unlikely that you will actually have anything to criticise, other than to have a look at the fact that at that time there was a significant increase in unemployment.

There was a significant increase in the operating loss, taking the operating loss to \$344 million. As the Auditor-General has identified and verified, the hospital budgets were blown out significantly. There was an exponential increase in hospital waiting lists. There was an extraordinary amount of political strife with the nurses federation tackling Mr Berry again and again. I think that in that period generally things were going downhill in a very significant way, and that contrasts with the last few years. Whilst Mr Berry can point to his mantra that he repeats, things have been turned around significantly. The operating loss got under control. Unemployment has improved

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considerably over when Labor was in government, even though there is a recent decline in the outcome that we would like to see in that area.

It seems to me that what we have here is a lost opportunity; that there was an opportunity here to be constructive and to try and build up. In fact, it occurs to me that the most constructive thing I have seen with regard to budgets and budget comments was actually done by Mrs Carnell in her last role as Leader of the Opposition when she used this opportunity to present an alternative budget. She was prepared to do the work, and say, "Actually, we don't like the way the budget was done. This is how it should look," and then went to an election saying, "Look, we've shown you how we would go about a budget process."

I think those opposite are just too lazy to take that kind of approach and they are not prepared to indicate to the committee what they are prepared to do. They would much prefer just to whinge, and of course whingeing and whining is the easiest way to go for an opposition. But an opposition here, in the circumstances of a minority government, has many, many more opportunities than that, and I have to say that this is just part of the range of lost opportunities—that they have gone for a political approach instead of one that was rational and sensible.

That is a general comment. There are exceptions to that. There are in this committee report clearly some efforts to criticise, and I notice that, within my area of my responsibility, there are some areas that I take seriously and that I will look at and get in, but I have to say that they are few and far between.

MS TUCKER: I seek leave to speak again briefly.

Leave granted.

MS TUCKER: I sought leave to speak again briefly because of the fact that we were not able to hear Mrs Burke's and Mr Hird's comments in the normal process of the debate, although we did try to give them room to do that, but they chose to speak after we had all spoken. I just want to respond to a couple of points, and I will respond quickly to Mr Humphries too. I am glad Mr Moore at least acknowledged at the end of his speech that his were fairly general comments, and there were some recommendations at least that he thought might have been constructive—he did not say exactly what, but something other than trash or whatever Mr Humphries' words were. I think he said it was all trash.

I just cannot think we are reading the same report, really, when you look at the recommendations. You can look at the recommendation regarding the analysis of the need for community facilities in the inner suburbs. The need for that was well supported in the report by evidence, and actually a system failure, because PALM had actually undertaken a good audit process, but unfortunately in the development in the Griffin Centre that process was not known about, and Mr Moore acknowledged that, so I would not call that a trash recommendation. I would say that was pointing out a system failure—a government system failure, that's true, but it needed to be pointed out, and we would like the government to do something about it.

As for the next recommendation, there has been some interest in non-compliance with the government's own procedures around tendering. Now, when a government of the day puts up particular procurement practices and then apparently fails to comply with them, yes, that is of interest to the rest of the parliament, and I believe it is our job, in fact, to point that out.

We also have a recommendation regarding ergonomic practices for computer use. Is that another trash recommendation of Mr Humphries? Well, I guess I have a different view about health and safety and computer use. Then there is the SACS award recommendation. Well, maybe that is a trash recommendation, I guess, because it has been made in, I think, two other estimates committee reports and some of my own committees reports. That is supported by evidence of the community three years in a row—trash! Okay, that is the government's view.

Then we go asking for a little bit more analysis of the indexation that should be applied to education. That seems like a reasonable issue, considering that the education sector saw that as a loss of, from memory, \$500,000. It might not be worth much to Mr Humphries—another trash recommendation, according to the government; pretty important for the school community nevertheless.

I could go on through most of these recommendations and make the same point, and I think it would be more useful if we actually did see from the government and its supporters, backbenchers, some more objective analysis of what it is that they are actually upset about. Mrs Burke and Mr Hird now have a joint report, which I have had a very quick look at, and there are a couple of points in there that I would have enjoyed to hear the discussion on in the committee process. Unfortunately, we did not have that opportunity because Mrs Burke and Mr Hird chose not to give us that opportunity. And for that reason I have to draw attention again to the actual dissenting report that is on the back of this Estimates Committee report. It is six lines. The first two lines say:

The Committee Chairman openly admitted that the draft document being considered by the Committee deliberately reflected his biased views.

I remember the chair saying that. He was actually saying that as a joke. It was a way of encouraging people to participate. The chair was encouraging people to participate. He was saying, "This is my view. Your role in the committee is to bring it back. This is what I've done." "Please, please contribute," he was saying. So that is the context of that first statement. It was not put in context, so it is selective quoting, which is not fair—and we have heard Mrs Burke talk, at length, about integrity. That is not fair; that is selective quoting, because of the context that it was put in. And then the next four lines basically say that the draft is blatantly political and contains many errors of fact. The responsibility of any committee member was to point out what those errors of fact are. I would have been interested to know that at the time. I still do not see real errors of fact pointed out in this dissenting report, but I will look more closely. Maybe they are there.

Then the dissenting report says, "Since the majority of the Committee refused to accept our contributions ...". Now, once again Mrs Burke is talking about integrity. You cannot with integrity make a statement like that. If the majority of the committee refuse to accept contributions, that means four members at least. That means there were two Labor members, and there are Mr Rugendyke and myself. Now, I do not think I ever refused

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you, Mrs Burke, the opportunity, and I do not think Mr Rugendyke did either. That is an untrue statement.

My concern is that you cannot put untrue statements like that into a report and then lecture us in this place about working with integrity and the community being disillusioned with politicians. I agree with a lot of what Mrs Burke said about how people conduct themselves on occasions, and we have had that debate quite recently here with the debate around sin-binning. And I said I thought it was more appropriate that people just behave with more decorum; I agree with that.

However, I cannot agree that you can in one statement say that and then produce a dissenting report like this, which is an unfair allegation and not substantiated at all. I have to say that this was a difficult work period in the Assembly year. It is the worst work period in the Assembly year, if you take your work seriously. Estimates is a nightmare. It is a nightmare for me and my office. It is a nightmare for everyone who contributes in any meaningful way. That is the reality.

If we do not like that, we ask the government to give us more time by producing its budget earlier et cetera. We have gone through that debate; we have gone through that debate with the draft budget process as well. There are time constraints and it is very hard work. Do not manipulate the fact that you were not able to do that work by accusing unfairly people in this committee for not wanting to hear what you had to say. That is absolutely not integrious.

MR QUINLAN (4.21), in reply: I could not agree more with Ms Tucker, I think it is quite a serious matter. There has been a fair amount of mock indignation in this place already today, but I think she put it quite well. You cannot put untruths in statements like this—you just cannot do it—but just coincidentally have contributed virtually nothing to the whole process. This is your get-out clause. It is appalling—the effort—and you cannot say that. I, in my defence, will say that I went out of my way to say to people, “If you want to put something in, put it in.”

Mrs Burke: You had your own agenda right from the beginning.

MR QUINLAN: I do have an opinion; yes, I have opinions. And that would appear to be one up on you. And let me say that the Chief Minister’s calling this document trash from top to bottom I wear as a badge of honour. And I was just hoping against hope he would say it was the worst, as well; I just really wanted to top pile.

Mr Berry: Did he say it was the worst?

MR QUINLAN: No, he did not; we could not get that out of him. That is not fair. Now I am disappointed that I did not rank worst. Anyway, be thankful for small mercies—just trash.

Mr Temporary Deputy Speaker, in another role, you defended your part in this particular process and listed quite a number of issues and projects in the budget which you thought should be included in this report. The question remains open: if you could reel them off as well as you did today, why did you not you reel them off in the committee room? But you did not. So we heard you talk about CIT, technology parks, class sizes and school

buses. Why did not you people write a paragraph and submit it? Why did you not put something across to the committee?

Mr Stanhope: Why didn't you do some work?

MR QUINLAN: As I said, it is work, unfortunately. I will close now by sharing with everybody else, I guess, in the disappointment in this process, because the statement at the back is blatantly untrue. I just happen to have received, poked under my door, a copy of the dissenting report, which could not be tabled today because it was beyond—

Mr Wood: Out of order.

MR QUINLAN: Out of order and beyond the submission date of 8 June. And I want to compliment Mr Hird, as I have in the past, and Mrs Burke, on some of the insightful content within. The little dissertation on the asset test and the working capital ratios et cetera shows an understanding—a deep understanding—that I had not, to this point, given you credit for. And I must, in fact, recognise, again in Mr Hird's case, his capacity to submit to writing so well arguments of a quite complex nature that he does not appear to able to match when on his feet in this place. I will close by congratulating Mr Hird and Mrs Burke on the insight and well chosen language of their dissenting report, and I commend the report to the house.

Question resolved in the affirmative.

Justice and Community Safety—Standing Committee Scrutiny Report No 7 of 2001

MR OSBORNE: I present the following report:

Justice and Community Safety—Standing Committee (incorporating the duties of a Scrutiny of Bills and Subordinate Legislation committee)—Scrutiny Report No 7 of 2001, dated 25 May 2001.

I ask for leave to make a brief statement.

Leave granted.

MR OSBORNE: Thank you. Scrutiny Report No 7 of 2001 contains the committee's comments on 13 bills and 35 subordinate bills, and one government response. This report was authorised for publication by the Acting Speaker on 25 May 2001. I commend the report to the Assembly.

Scrutiny Report No 8 of 2001

MR OSBORNE: I present the following report:

Justice and Community Safety—Standing Committee (incorporating the duties of a Scrutiny of Bills and Subordinate Legislation committee)—Scrutiny Report No 8 of 2001, dated 25 May 2001.

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I ask for leave to make a brief statement.

Leave granted.

MR OSBORNE: Scrutiny Report No 8 of 2001 contains the committee's comments on one bill and an interstate agreement. I commend the report to the Assembly.

Estimates 2001-2002—Select Committee Dissenting report

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer): Mr Deputy Speaker, I want to table—and I in fact do table—a dissenting report by Mrs Burke and Mr Hird from the report of the Select Committee on Estimates 2001-02. I present the following paper:

Estimates 2001-2002—Select Committee—Report—Budget 2001-2002—Dissent by Jacqui Burke MLA and Harold Hird MLA.

Planning and Urban Services—Standing Committee Report No 70

MR HIRD (4.29): Mr Deputy Speaker, I present the following report:

Planning and Urban Services—Standing Committee—Report No 70—Draft Plan of Management for Canberra's Urban Lakes and Ponds, dated 29 May 2001, together with a copy of the extracts of the minutes of proceedings.

I move:

That the report be noted.

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

Leave granted.

The speech read as follows:

Mr Speaker, the committee is pleased to report on another draft management plan

We have previously reported on management plans for:

Canberra Nature Park
Tidbinbilla Nature Park, and
Urban Parks and Sportsgrounds

Not all of our past reports have been as favourable as this one

However Mr Speaker we were delighted with the quality of this draft management plan

and we taken the opportunity in the Report to offer fully justified praise to Canberra Urban Parks and Places for the work that they have put into the document

If members look at the section headed "**Conclusion**" on the first page of our report, they will see five elements of the management plan that we have highlighted and praised

I guess this shows, Mr Speaker, that my committee is willing to extend praise to our public servants where it is deserved as it surely is in this case

I commend the report to the House

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

Report No 71

MR HIRD (4.30): Mr Deputy Speaker, I present the following report:

Report No 71 of the Standing Committee on Planning and Urban Services entitled "Proposed Development at South Bruce Section 21 Blocks 1, 3 and 4; and traffic arrangements on Haydon Drive", together with a copy of the extracts of the minutes of proceedings.

I move:

That the report be noted.

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

Leave granted.

The speech read as follows:

Mr Speaker, my committee became involved in this matter when the residents of South Bruce asked us to examine the government's planned release of Block 3 of Section 21 for residential development

Residents and some members will know that that is the block at the corner of Belconnen Way and Haydon Drive

Our inquiry moved beyond just this issue to look at what type of development if any should take place on two nearby blocks

These are Blocks 3 and 4 of South Bruce which are situated to the north of Jaeger Circuit extending towards Gossan Hill

The committee held three public hearings to hear the views of key stakeholders including residents, government officials, and the company that operates Calvary Hospital

We have reached three conclusions and three associated recommendations Mr Speaker and they are set out on the first page of our report

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Firstly we recommend that no residential development be permitted on Block 3

Mr Speaker, this issue has been around for a long time

Residential development of this block was even being put forward when I was a member of the old House of Assembly

And it was rejected then for the same reasons that I believe it should be rejected today

Any potential development would only be small and there are a number of constraints to the site

There are potential problems with drainage, stormwater and noise

The construction of Belconnen Way and Hayden Drive has had a damming effect, that does not allow for efficient release of natural water run-off and the removal of vegetation would also result in the removal of an efficient sound barrier to what is a very busy intersection

Also the central area of the block has a particular environmental value

Secondly we recommend that Blocks 1 & 4 be developed as an aged care facility with appropriate provision for reserving the environmental significance of the northern end of Block 4

The provision of such a facility would meet needs identified by the Commonwealth and Territory Governments

And it would help to redress the current under supply of this kind of facility in North Canberra and Belconnen

Personally Mr Speaker it is my view that it would be a wonderful thing if the Little Company of Mary/Calvary Hospital won the right to establish and operate the aged care facility

They are really deeply interested they have the expertise to do the job well and they would integrate it into the existing services at Calvary Hospital

I am also confident that they would design something which would integrate well into the area of environmental significance at the northern end of Block 4

Finally Mr Speaker we recommend that the Government urgently considers constructing a four-way controlled intersection where Haydon Drive meets the northern end of Mary Potter Circuit, and what would need to be a realigned Jaeger Circuit

Mr Speaker on behalf of my colleagues I would like to thank witnesses to the inquiry and I commend the report to the Assembly.

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

Report No 72

MR HIRD (4.31): Mr Deputy Speaker, I present the following report:

Planning and Urban Services—Standing Committee—Report No 72—Draft variations to the Territory Plan: No 158—Commercial B2C Land Use Policies—Proposed Changes to Group Centre Policies; and No 163—Kippax Group Centre—Proposed Expansion to Retail Core, together with a copy of the extracts of the minutes of proceedings.

I move:

That the report be noted.

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

Leave not granted.

MR HIRD: Mr Deputy Speaker, I am very pleased today to table this report. It has been one of the most complex inquiries my committee has undertaken, and it really serves to show just how difficult planning issues can be in the territory. Some of the factors making it so complex are listed in the conclusion of the report, and it is worth while mentioning a few of them.

This is the first inquiry into a draft variation where my committee was asked to examine not one but two draft variations for the same piece of land, namely the Kippax Group Centre. This odd situation arose because draft variation 158 affects all of Canberra's 17 group centres, whereas draft variation 163 applies to only the Kippax Group Centre. Our report makes plain that the committee does not like this way of going about things. We actually recommend that PALM amend draft variation 158 so that the particular concerns of Kippax are treated within the overall context of treating all 17 group centres. This is set out in the first paragraph of the recommendations on page 1 of this report.

Another reason why the inquiry was so complex was that we had to consider the value of the very wide expansion of the master planning process which PALM wants to use. Members will see in our report that we are suggesting important qualifications to PALM's use of the master planning processes applying to group centres, and our detailed suggestions are set out in recommendation 3. In particular, we were concerned about PALM's proposal to permit an eight-storey development at a group centre like Jamieson simply on the basis of a master plan for the area. We do not like this suggestion.

One of the reasons why we do not like it is that it excludes the elected members of this place from an active role in the decision-making process about such an important change to our group centres. Hence, we recommend at recommendation 5 that proposals for multi-storey development in group centres must come before this committee by way of the normal draft variation process. This will ensure that both the community and elected members are able to examine the proposal in a careful way.

Mr Deputy Speaker, another reason why this inquiry was complex bears on an interpretation of one of our standing orders. I will not go into this matter in detail here because it was mentioned during our last sittings; but I do want to say, Mr Deputy

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Speaker, that I am concerned at any interpretation of our standing orders which might place difficulties, even if they are unintended, in the way of a parliamentary committee hearing the point of view of those affected by a matter before the parliament.

Moving on, Mr Deputy Speaker, I want to point out that another reason why this inquiry was complex was the particular issues it raised affecting the Kippax Group Centre. I know this shopping centre well and I know that it has given difficulties as well as opportunities for its traders and users. I know that the local people have appreciated the work that has been done to improve the look of the car parks near the shopping area known as Kippax Fair.

I also know, however, that some local business people are concerned about proposals to expand the existing retail core by too great an amount, especially if one consequence of such expansion is to divide the retail area into two separate parts. At the end of the day, that is what the members of this committee felt would happen if we permitted draft variation 163 to stand.

We have therefore recommended a limited expansion of the retail area at Kippax but not the very large amount set out in draft variation 163. We have also taken the opportunity to recommend that the current situation in regard to the number of retailers and retail space at Charnwood does not change. We have seen in these areas other smaller centres which have gone by the by.

Mr Deputy Speaker, we have grasped this opportunity to redress a long-standing concern of mine about Kippax, which is the absence of a permanent and comprehensive community centre within the shopping precinct. This community centre has to include a permanent library and some meeting rooms so that local people can schedule meetings and discussions in their own building, such as opportunities for elected members to meet their constituents at this place. Of course, the need for an expanded library has long been recognised, but a solution has been deferred pending clarification of these planning changes at Kippax Group Centre.

Now, with this report by the committee, and assuming that the government acts on our suggestions, especially recommendation 8, the way is clear for a permanent community facility and library to be constructed for Kippax. I note, Mr Deputy Speaker, that this year's budget sets aside funds for the initial design of such a facility. In light of our report, I urge the government to immediately begin the detailed planning of a permanent facility.

Turning now to another longstanding issue at Kippax, the members of the committee learnt during our inquiry about the under-usage of the existing health centre within the shopping centre precincts. We were also told about plans for its refurbishment or possible relocation. The committee considers that the best site for the health centre is within the proposed community facility, right on Hardwick Crescent, Kippax, where it is clearly visible and clearly part of the community complex. So that is another recommendation in our report.

Mr Deputy Speaker, we make a number of other recommendations about the appropriate land use at Kippax Group Centre. Our recommendations are all intended to boost the centre and improve the community use of and access to the range of services presently offered.

Finally, the committee has made a recommendation about PALM's handling of the draft variation process. For some time now the committee has been disturbed by the number of occasions when a member of the public, and sometimes even a planning expert, has come before the committee and spoken to a draft variation which they did not know had been changed by PALM. Such a change might occur when PALM, having considered the public submissions it receives on the original draft variation, then amends the variation in light of the public comment. It is upsetting to members to realise that members of our community often do not know of the changes. I must say that Dr Cooper from PALM acknowledged this in evidence she gave to our committee. There is a simple solution, and it forms the basis of our recommendation 15.

To sum up, Mr Deputy Speaker, the committee's inquiry into these two draft variations, 158 and 163, has not been easy or uncontroversial, but we believe that the report will show that we got the many issues right and that the result will be an improvement to the policies and processes applying to group centres all over Canberra.

I would like to take the opportunity on behalf of my committee to thank the many witnesses. I would also like to thank the secretariat, in particular our secretary, Rod Power, and my two colleagues Mr Rugendyke and Mr Corbell. I would now like to commend the report to the house, Mr Deputy Speaker.

MR CORBELL (4.41): Mr Deputy Speaker, this is an important report in at least one respect in that it draws to the Assembly's attention the issue of a proposal to make a significant change to how we undertake land use planning in the ACT. The concept of master planning has evolved over a period of years. Draft variation 158 proposes the extensive use of a master planning process to enable changes to land use policy in Canberra's group centres.

Master planning is a process which does provide the level of micro planning that is often necessary in dealing with the specific issues of group centres. But what the committee had to deal with in addressing this issue was that master planning had the potential to override the Assembly's intention in relation to land use policy in group centres, a change in land use policy from, say, the retail core of a group centre to mixed use or other lesser precincts.

This is a provision which the committee had considerable concern with. For example, the proposed high-rise development at the Jamieson Centre would have been permitted under a master plan and would not have been subject to Assembly oversight or scrutiny in any way, even though such a proposal would be a significant departure from the existing land use at Jamieson. Therefore, the committee has made a series of recommendations—I must say they are unanimous recommendations—in relation to the management of the master planning process.

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The report is also significant, Mr Deputy Speaker, in that it is telling the government to go back and think again about the whole way it has managed the Territory Plan variation process for group centres. The government set out on what the committee believes was the appropriate path, and that is simply to instigate a variation to the Territory Plan for all group centres in Canberra. That was a consistent approach. But then the government chose to depart from that logical approach and instead released a separate variation just for Kippax. So, as Mr Hird points out, the committee was presented with a situation where we had a draft variation on a draft variation. This does not engender a very clear and easy to understand process for members of the public, let alone members of the Planning and Urban Services Committee.

Mr Deputy Speaker, the government's decision to proceed with a separate draft variation for Kippax whilst at the same time seeking to vary the Territory Plan for all other group centres was confusing, to say the least. It is of concern to me, and I know also to Mr Rugendyke, but I am sure he will speak for himself if he chooses to, that the government appeared to ignore advice that highlighted the difficulties with this approach. It is my view, Mr Deputy Speaker, that the decision to vary the Territory Plan separately solely for Kippax was politically motivated, and it was done simply to favour an individual proponent. In doing so, that decision created confusion and created a contradictory position from the government when it came to land use planning at the Kippax Centre. It was a matter that the committee considered serious enough to call for all papers from PALM in relation to the decision to establish a separate draft variation for Kippax.

I would like to draw to the Assembly's attention a document which the committee has authorised for publication in relation to the issue to release a draft variation for Kippax. That document, Mr Deputy Speaker, is a brief to the Minister for Urban Services from the chief executive of his department and the executive director of Planning and Land Management outlining the department's view and PALM's view in relation to the prospect of a separate draft variation for Kippax. This brief is extensive. It is signed off by the minister and it raises the following points:

The process of varying the Territory Plan variation for the site specific proposal at Kippax (that may involve sale of government land) is likely to be controversial. It could convey a message that the new Retail Policy Direction is favouring certain locations.

This was advice to the minister, Mr Deputy Speaker. The other advice to the minister also made the point that varying the policy for all group centres would enable competition between centres and would not favour any specific single block. It also highlights the point that the development of a new major supermarket at Kippax is likely to have significant impacts on existing supermarkets and centres in the West Belconnen area. Whilst it would strengthen the attractiveness of Kippax as a group centre, it would also draw significant trade away from the existing supermarket in Kippax and those in other nearby centres.

The brief also makes the point, Mr Deputy Speaker, that, if a new major supermarket is to be considered for the West Belconnen area, there are factors which would suggest that the preferable location for such a supermarket is at Charnwood, not at Kippax.

Mr Deputy Speaker, this brief to the minister highlights many clear arguments for why the government should not proceed down a separate draft variation path for Kippax. In fact, it recommends that the minister agree to the continued preparation of a draft variation for the group centre's policy to incorporate all group centres in a draft variation to the Territory Plan. Yet the minister, whilst he agrees with this brief, appears to have decided at some later date to proceed with a separate draft variation for Kippax.

There is no doubt in my mind that this was a politically driven decision. The question this Assembly has to ask is why did the minister decide that he was going to favour a particular location when it came to varying the Territory Plan for a new supermarket at Kippax when the government was already proceeding with a generic draft variation for all group centres so that all group centres would be treated equally, fairly and consistently. Why did the minister choose to favour Kippax over all others? He got a brief that recommended he not do so and yet he did exactly that.

Mr Deputy Speaker, the conduct of the minister in relation to this draft variation is questionable, and in my view it is unacceptable. The government should have proceeded with a process that varied the land use policy for all group centres without favouring one centre or another. It should have done the work of properly justifying the expansion of various retail and land use policies in group centres prior to releasing such a draft variation. Unfortunately, the government favoured neither. The government did neither.

Mr Deputy Speaker, this is an important report. It tells the government to go back and do the work and bring this draft variation back to the Assembly. It does not favour splitting of the retail core at Kippax. It does not favour favourable treatment for Kippax over any other group centre. It favours a consistent approach, an accountable approach and a detailed approach. Unfortunately, this draft variation has not met any of those conditions. I commend the report to the Assembly.

MR RUGENDYKE (4.50): As my committee colleagues have outlined, there are major concerns about the way this committee was charged with looking at the issue of group centres generally and specifically the group centre at Kippax. It is quite outrageous, Mr Deputy Speaker, that two variations running parallel showed different land use policies for the same piece of dirt. The committee came to the conclusion very quickly that that was unacceptable and that we would ask that PALM not allow that to happen again.

It is quite clear that the Kippax area should have a pool and fitness gym, a community centre, a library and a health facility, and these are the juggling acts that we were asked to deal with. We all note that the pool at Kippax has been allowed to run down. That came out in evidence. We note that WorkCover have closed the pool pending serious upgrades to safety and facilities within that complex. Why do you suppose that the pool was allowed to run down? My cynical guess is the landlord allowed that to happen to enable her to use that as leverage to get the land use policy changed, and to allow a multi-million dollar retail facility to enable her to upgrade the facility. It is totally inappropriate, Mr Deputy Speaker.

In another committee inquiry running parallel to these two draft variations, variation 152, the proponent in this Kippax 163 proposal had a lawyer give evidence to the committee on variation 152 who suggested that the proper way for a proponent to change a land use

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policy was not necessarily through a change under the Territory Plan but a change by means of the lease purpose clauses. I submit that that lawyer was speaking on behalf of the proponent in this case and the proponent in this case ought to be bound by the advice that the lawyer gave in relation to a development at Manuka. It is quite simple.

Mr Deputy Speaker, it is quite plain that this centre has been allowed to run down as some sort of leverage for a redevelopment. The committee was not swayed by that. The committee was resolute in ensuring that a viable pool and fitness centre remained and was upgraded, but not through some back door method.

The other problem that has come to light in the discussion around these two variations was that of the group centre master planning process. It has been highlighted by my two colleagues that this is a problem that the committee has encountered. It appears that the group centre master planning process has been deliberately engineered to circumvent the Planning and Urban Services Committee. Hence, we see a master plan for Kippax generated some time ago, but not by PALM. Who do you suppose it was generated by? The proponent for the development at Kippax. So, of course they are going to generate a master plan that favours theirs and rules out any other counter proposal. It became quite clear during the committee process that master plans for group centres ought to be generated by PALM, with consultation in the community and also consultation with the Planning and Urban Services Committee.

These recommendations for these two draft variations, Nos 158 and 163, are a message that things need to be done better. I look forward to a resolution of the weaknesses that have been identified in this case. I am very pleased that once again this report was a unanimous report of the Planning and Urban Services Committee, and I commend the report to the Assembly.

MR KAINE (4.57): I move:

That the debate be adjourned.

I seek leave to make a short statement justifying that motion.

Leave granted.

MR KAINE: Thank you, members. I know it is unusual for a motion of adjournment to be accompanied with a speech, but I think in this case it is important that I record my reasons for adjourning the debate. The motion before the house is that the report be noted. I suppose we could be excused for just leaving it at that and hoping that the problem will go away. I only saw this report a few minutes ago. I have tried to make sense of it. It is obviously very complex. Each of the members of the committee have made the point that the matter was very complex and that some interesting issues arose in connection with it.

I think everybody in this place needs to understand the background to this report and the import of what the report is saying before we just let it go, having simply noted it. I would like an opportunity to analyse this report in some depth and to fully understand the issues before I vote that the matter simply be noted. It is for that reason that I have

moved that the matter be adjourned in order to allow all members of this place to make themselves familiar with the complexities of this particular issue.

Question resolved in the affirmative.

Debate adjourned to the next sitting.

Report No 73

MR HIRD (4.59): Mr Deputy Speaker, I present the following report:

Planning and Urban Services—Standing Committee—Report No 73 The proposed Amaroo Community Precinct, dated 8 June 2001, together with a copy of the extracts of minutes of proceedings.

I move:

That the report be noted.

Mr Deputy Speaker, this report is the fourth report that I have tabled this day and all of those reports have been unanimous, as is the case with this one. This has been a speedy report by the committee, but that reflects the ability of this committee to be able to deal with local government matters when there are some concerns by local residents in respect to certain things. It reflects the concern of local residents of Burdekin Avenue, Amaroo, and nearby streets about the development of a community precinct opposite their homes. There is more to come on that shortly.

Originally the residents who purchased their homes understood that the area opposite would be designated as residential zoning. This community precinct was not on PALM's plans for areas until very recently. The residents told us that the first they knew of the plans for three schools instead of one, associated playing fields and a group centre rather than a local centre was in November last year.

In our report we are critical of PALM's consultation processes over this matter. They mark a low point in the agency's efforts to involve people in the planning of Canberra. We are also critical of the defined land provisions of the Territory Plan in the case of Amaroo. These were not well understood by residents in the area. That was no surprise to anyone. It seemed to lull PALM into a sense of not needing to do the hard work or the hard yards associated with community consultation. Indeed, Dr Cooper, the head of PALM, has stated that there will be another method introduced to inform residents of any changes. We state in our report that residents deserve certainty in relation to knowing what the planning agency intends to do for the area opposite their homes.

With this said, Mr Deputy Speaker, the committee had to deal with the fundamental issue of whether the latest proposals by PALM for the community precinct is a good idea for the Gungahlin community or not. We have concluded that on balance it is a good idea in that it will provide the early development of a much needed high school in Gungahlin along with additional primary schools and district playing schools.

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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 HIRD: As I was saying, Mr Deputy Speaker, we note in the report that the amended plans by PALM are very different in important respects from what residents were shown last November. In particular, significant changes have been made to the local road network in Amaroo near the precinct, school setbacks have been expanded, a landscape buffer is now required, bus lay-bys are to go in at all schools, the entrance to the school car park has been altered to reduce traffic in Burdekin Avenue, and school buildings have to be domestic in scale.

The three maps at the rear of our report give a concise appreciation of these changes. We think, on balance, that these changes will work to ease the impact of the school precinct on the local residents and on the movement of traffic through Burdekin Avenue. Members will see from reading the report that we directly address each issue raised by the local residents, and we do it in three ways. We do it as it was originally, as it was in November, and as it is today.

I commend the efforts of the residents and the Gungahlin Community Council for their willingness to assist us in the committee's deliberations. I also on this occasion would like to thank Dr Cooper from PALM and her staff because they were prepared to listen and they admitted that there were some faults. They indicated that they would address those faults so they would not occur again. In closing, I would like to thank my colleagues and, once again, our hardworking secretary Rod Power. I commend the report to the house.

Question resolved in the affirmative.

Appropriation Bill (HIH) 2000-2001

Mr Humphries presented the bill, its explanatory memorandum and supplementary budget papers in accordance with section 13 of the Financial Management Act 1996..

Title read by Clerk.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (5.05): I move:

That this bill be agreed to in principle.

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

Leave granted.

The speech read as follows:

Mr Speaker, the Bill is in response to the placement of the HIH Insurance Group into Voluntary liquidation. Members would be well aware of the widespread impact of the collapse of HIH on the community.

While the Commonwealth Government has announced a \$500m rescue package, it specifically excluded compulsory schemes mandated by State and Territory Governments. These include motor vehicle compulsory third party, workers compensation schemes and builders' warranty schemes.

In the ACT, the hardest hit areas are the Workers' Compensation Supplementation Fund, and the Builder's Warranty Scheme.

The Workers' Compensation Supplementation Fund, which meets the compensation claims in the event of the failure of workers' compensation insurer, currently has a balance of \$9m. An actuarial assessment, following the collapse of HIH, indicates that the Fund will have a liability of approximately \$40m. The Government has decided to provide \$30million to the Workers' Compensation Supplementation Fund.

Mr Speaker, without this assistance, there will be a need to increase the surcharge on employers by approximately 10%, and yet the Fund would be required to borrow to meet cash shortfalls in the first few years.

Mr Speaker, a number of home owners in the ACT have also been affected by the collapse of HIH, with claims against the builder's warranty either assessed and unpaid, or lodged but unassessed at the time of the liquidation.

The Government has decided to assist those home owners at an estimated cost of \$0.740m. The assistance will be directed to unpaid claims against HIH under the Builders' Warranty Scheme and for valid claims relating to houses covered by a continuing HIH policy issued on or before 16 March 2001.

Mr Speaker, Members should note that the Government has not accepted any liability from the HIH collapse, nor has it accepted liability to make payments to the Fund. The Bill also provides for amendments to the *Workers' Compensation Supplementation Fund Act 1980* to allow for the repayment of funding provided by the ACT Government, once the Fund exceeds an amount considered necessary for its ongoing viability, and clarification of government liability in relation to the Fund.

Mr Speaker, the Appropriation (HIH) Bill 2000-2001 provides for \$33.814 million for Payments on Behalf of the Territory to the Department of Urban Services. As the Territorial appropriations are gross in nature under the *Financial Management Act 1996*, the appropriation also needs to provide for GST. \$3.074m of the appropriation relates to GST, and will be refunded to the Territory by the ATO. The net impact of the Bill therefore is \$30.740m.

The estimated outcome for 2000-01, as published in the 2001-02 Budget Papers is \$47.4m. The Government expects that even after providing this assistance, an operating surplus will be achieved in 2000-01.

Mr Speaker, I commend the Bill to the Assembly.

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

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Financial Management Amendment Bill 2001

Mr Humphries, by leave, presented the bill and its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (5.06): I move:

That this bill be agreed to in principle.

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

Leave granted.

The speech read as follows:

Mr Speaker, I am pleased to present these amendments to the *Financial Management Act 1996*.

Members will be fully aware that this is an election year for the Legislative Assembly. It is for this reason that I am today tabling the *Financial Management Amendment Bill 2001*.

Mr Speaker, to ensure that accurate financial information is available to the ACT community and Members of this Assembly prior to these elections, my Government intends to release the Territory's audited financial results for 2000-01 before the election.

Members will be aware that *the Financial Management Act 1996* allows the Government 4 months after the end of a financial year to prepare the consolidated financial statements of the Territory, and a further one month to be audited. This means that the statements are usually tabled in the Assembly in the December sittings.

Mr Speaker, as previously stated, my intention is to release the audited financial statements before the October election. Members will appreciate that this will condense a complex process into a very short timeframe, and this is the first time an ACT Territory government will do this.

The preparation of early audited financial statements will impose a considerable administrative burden on ACT Government agencies, the Auditor-General and ACT Treasury.

These amendments will facilitate this changed process, and reduce the administrative burden. These amendments are required before the end of this financial year.

To meet the shorter timeframe, the Auditor-General has agreed to undertake the audit of agency 2000-01 financial statements in two stages—the audit of the financial information and the audit of performance measures.

Currently the *Financial Management Act 1996* requires the Auditor-General to provide an audit opinion on departments' and Territory authorities' annual financial statements, including performance measures, within 30 days of receiving them. Amendments proposed in this Bill will remove this requirement for the 2000-01 financial year. This will allow the Auditor-General to complete auditing all agencies' 2000-01 financial statements before commencing the audit of agencies' performance measures. Splitting of this audit process will allow Treasury to undertake its consolidation tasks early on, based on the agencies' audited financial results.

The *Financial Management Act 1996* also requires the Treasurer to prepare and table financial statements each month. Amendments proposed in this Bill will remove this requirement for the June 2001 report. This will allow agencies and Treasury to concentrate on the early preparation of 2000-01 audited Territory financial statements.

An amendment is also proposed which will change the requirement to prepare and table monthly financial statements to one of preparing and tabling financial statements every four months. This amendment will apply from the period commencing 1 July 2001.

Mr Speaker, this amendment will allow for a higher quality of information and analysis to be provided on the financial performance and position of the Territory during the course of the financial year. I believe this will have widespread support in the Assembly.

Removal of the requirement to produce monthly financial statements for July and August 2001 will also assist agencies and the Auditor-General in their preparation of the early 2000-01 Territory audited financial statements.

I trust that Members will support this Bill which is aimed at facilitating improved financial reporting to the Legislative Assembly and ACT community.

Mr Speaker, I commend this Bill to the Assembly.

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

Duties Amendment Bill 2001

Mr Humphries, by leave, presented the bill and its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (5.07): Mr Deputy Speaker, I move:

That this bill be agreed to in principle.

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

Leave granted.

The speech read as follows:

Mr Speaker, the Duties Amendment Bill 2001 amends the Duties Act 1999 to take into account Commonwealth changes to the Corporations Law.

By way of background Mr Speaker, the Corporations Law scheme commenced on 1 January 1991. Under that scheme, the Corporations Law is contained in an Act of the Commonwealth Parliament, namely the Corporations Act 1989, and is also enacted for the ACT. Laws of each State and the Northern Territory apply the Corporations Law of the ACT as a law of the State or the Northern Territory. The scheme was designed to operate as a national scheme even though it actually applies in each State and the Northern Territory as a law of the state or territory.

The current Corporations Law scheme was therefore intended to establish a seamless and efficient system of adjudication by, among other things, allowing federal courts to exercise relevant State jurisdiction and State courts to exercise relevant federal jurisdiction.

Mr Speaker, recent decisions of the High Court have cast doubt on the constitutional foundations of important elements of the Corporations Law scheme which have resulted in much uncertainty and inefficiency in relation to Australia's system of national corporate regulation.

Mr Speaker, the Commonwealth has determined that these problems can be avoided by re-enacting the Corporations Law as a single federal law of national application.

The Commonwealth's Corporations Bill 2001 (Corporations Bill) will achieve this by replacing the *Corporations Act 1989* and the Corporations Law of the ACT, and the corresponding legislation of the States and the Northern Territory.

Under the proposed Corporations Bill, as all companies will be incorporated under a single Commonwealth Act instead of under one of the existing Corporations Laws, the existing nexus for applying stamp duty on marketable securities ie. based on the jurisdiction in which the company that issued the shares is incorporated or registered, will no longer be valid.

Mr Speaker, the Commonwealth is aware that some State and Territory legislation relies on companies being incorporated in a particular State or Territory, for example, in determining duty on share transfers. In order to facilitate the continued operation of State and Territory legislation, the new Commonwealth legislation will provide for companies to be "taken to be registered" in a State or Territory.

Existing companies will be "taken to be registered" in the State or Territory in which the company was registered immediately before commencement of the Corporations Act 2001. In addition, new companies will be able to nominate a jurisdiction in which they will be "taken to be registered". Mr Speaker, this will maintain the status quo where companies can nominate the jurisdiction in which they are incorporated.

Mr Speaker, the Bill I presented to the Assembly today will ensure that the ACT continues to be able to collect duty from shares in companies previously incorporated in the ACT and any new companies taken to be registered in the ACT.

Briefly Mr Speaker, the Bill will—

- amend the definitions of “Company” and “Territory company”, to pick up the new nexus for imposing duty on shares of a company, where the company is “taken to be registered” in the ACT; and
- replace many references to the Corporations Law with new references to the Commonwealth Corporations Act.

Mr Speaker, as the proposed changes to the Duties Act are dependent on the commencement of the Commonwealth legislation, another important feature of the Bill is that its commencement date will be contingent upon the enactment of the new Commonwealth corporations legislation. This will avoid the possibility of an undesirable retrospective operation of a tax law.

Mr Speaker, because of the urgency of these amendments and to avoid the possibility of a retrospective operation of them, I seek the indulgence of members to have these amendments debated in next week’s sitting of the Assembly. This is necessary to ensure that the start of these amendments is coordinated with the planned commencement of the new Commonwealth legislation.

In conclusion Mr Speaker, this Bill will ensure that the ACT will continue to have the ability to collect duty on the transfer of shares in ACT companies, and to protect some \$5 million in revenue.

Mr Speaker, I commend this Bill to the Assembly.

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

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Goods and Services Tax (Temporary Transitional Provisions) Amendment Bill 2001

Mr Humphries, by leave, presented the bill and its explanatory memorandum.

Title read by Clerk.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (5.08): I move:

That this bill be agreed to in principle.

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

Leave granted.

The speech read as follows:

Mr Speaker, in the ACT, most taxes, fees and charges are set by determination rather than through principal legislation. Utilising the legal reasoning as appeared in the Federal Airports Corporations case, it would appear that this method of establishing fees and charges places the revenue base at risk.

This case Mr Speaker, has highlighted the argument that this practice should be changed to provide that whenever a charge imposed by government exceeds the reasonable cost of levying the charge, the measure should be specifically endorsed by this Assembly.

Members may recall that as an interim measure to maintain the status quo, this Assembly agreed to the passage of the *Goods and Services Tax (Temporary Transitional Provisions) Act 2000* (the Act) to allow further time for discussions on the most suitable remedy for this matter and to protect the ACT's taxes, fees and charges from technical attack.

Just briefly Mr Speaker, the Act provided three things—

- where an amount payable for a taxable supply is fixed under an Act or subordinate law, the amounts payable for a taxable supply can be increased by the GST payable for the taxable supply;
- that where an Act authorises the determination of a fee, charge or other amount, the authority includes the power to determine an amount that is a tax, inclusive of the GST; and
- that the Executive may make consequential and transitional regulations with respect to any matter arising from, connected with or consequential on the introduction of the GST (this provision however, already expired on 31 October 2000).

Mr Speaker, the Act has an expiry date of 30 June 2001 as it was contemplated that discussions with the Select Committee for Justice and Community Safety and the Assembly would be completed and remedial legislation prepared in sufficient time.

However, due to circumstances beyond the Government's control, the negotiations on this issue may extend beyond this expiry date. Mr Speaker, to avoid the possibility of a legal challenge to the ACT's fees and charges, this Bill proposes to extend the expiry of the remaining provisions of the Act until 30 June 2002.

Extending the expiry date will ensure this issue can be resolved in a considered manner while allowing more time for preparation of legislation.

Mr Speaker, while the amendment is of a minor and technical nature, the effect of it not proceeding through this Assembly during the current sittings may place the ACT revenue base under some risk, therefore I ask leave that this matter be debated during next weeks sittings.

Mr Speaker, I commend this Bill to the Assembly.

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

Land (Planning and Environment) Bill 2001 (No 3)

Mr Smyth, by leave, presented the bill and its explanatory memorandum.

Title read by Clerk.

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services (5.08): I move:

That this bill be agreed to in principle.

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

Leave granted.

The speech read as follows:

Mr Speaker, today I am introducing the Land Amendment Bill 2001 (No 3).

In December 1999, the Assembly passed changes to the Land (Planning and Environment) Act 1991. These changes implemented the Government's new rural lease policy. For the first time, rural lessees could apply for 99 year leases in some areas.

The new policy formalised a number of environmental and land management initiatives through the requirement that most lessees enter into a Land Management Agreement with the Territory.

As an incentive to rural lessees, they were given an 18 month opportunity to take up a new policy lease at a concessional rate. After this period lessees wishing to apply for a new policy lease would be required to pay market value.

Implementation of the new legislation included the tabling of a disallowable instrument which specified the maximum rural lease term applicable to certain areas of the ACT.

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The majority of rural areas were recommended for terms of 99 years, while other areas were noted as being subject to further planning studies. Areas with ongoing planning studies included Gungahlin, Majura, Jerrabomberra and Symonston.

The assessment procedure for applications made under the new policy has given rise to a number of anticipated and unanticipated delays. These delays include undertaking and resolving survey issues, the undertaking of comprehensive environmental surveys and the definition of boundaries—such as those leases that share boundaries with Namadgi or the Murrumbidgee, and the inclusion of agistment land.

The resolution of these issues has meant, in a number of instances, lessees who have applied for 'new policy' rural leases will not have their leases executed by the 15 June 2001, which is the cut-off date for the concessional price.

Further, and importantly, for those areas that have had planning studies recently finalised, and for which further lease terms have been decided, the-18 month period also ends on 15 June 2001.

For other areas that are still under consideration, and for which terms will not be known until next year, the concessional period as it currently applies will also cease on 15 June 2001. This situation is clearly inequitable.

Each time planning studies for areas are finalised, the rural lease term map, contained in a new Disallowable Instrument, is tabled in the Assembly.

To ensure that all rural lessees are treated equitably, this Bill amends section 171A of the Land Act to allow the concessional period to be specified in the Disallowable Instrument. This will enable the concessional period to be set in accordance with the availability of tenure outlined in the rural lease term map.

As a consequence of the amendments to section 171A, section 186D has also been amended.

Section 186D deals with the circumstances under which the discharge amount is payable. The Act currently refers to leases granted within the 18 month period as being subject to payment of the "discharge amount". This section, as written, ceases to operate on 15 June 2001.

The Bill amends section 186D so that it now directly refers to the "discharge amount" as an amount payable for new rural policy leases that were granted at less than market value, as intended by the policy.

Mr Speaker, the Bill seeks to make amendments that are minor and technical in nature. The amendments ensure that the full intention of the Government's rural policy is realised by continuing to provide an equitable opportunity for rural lessees to apply for a new policy lease.

Mr Speaker, I now seek to have the Bill agreed to in principle.

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

Legislation (Consequential Amendments) Bill 2001

Debate resumed from 29 March 2001, on motion by **Mr Stefaniak**:

That this bill be agreed to in principle.

MR STANHOPE (Leader of the Opposition) (5.10): Mr Deputy Speaker, this Legislation (Consequential Amendments) Bill 2001 is a significant and very weighty piece of legislation, but it is not significant just because of its weight. It is a piece of legislation that is designed primarily to enable the electronic publishing of legislation on the Internet. Most of the amendments in the Legislation (Consequential Amendments) Bill relate to commencement dates, the notification of notices, the approval of forms, and regulation-making and fee determination powers.

It is a quite intriguing piece of legislation and I have to say, after perusal of it, that it reveals the enormous effort that the Office of Parliamentary Counsel must have had to apply to it. I think it appropriate that we acknowledge the significant effort that the Office of Parliamentary Counsel puts into legislation of this sort, a major piece of omnibus legislation that probably goes to almost every piece of legislation that we have here in the ACT. As I said, it is machinery legislation that goes to each of those aspects of each of the pieces of legislation in the ACT that were required to be amended to ensure that each such piece of legislation was pulled into line with the provisions of the Legislation Act.

As I said, I sort of perused the legislation. I must say I have taken on faith that each of the amendments that are incorporated within the bill are designed exclusively for the purpose of implementing the Legislation Act to allow the electronic provision of legislation.

Having said that, one is somewhat still intrigued, if not bemused, by some of the amendments that never were deemed by the Office of Parliamentary Counsel as being necessary in relation some pieces of legislation. I notice, for instance, quite significant amendments to the Bushfire Act 1936 that it was deemed necessary to amend. It would be quite intriguing, in a forensic sense, to see why it was that these particular provisions were necessary. Maybe the Attorney could give us a quick dissertation on the basis of the amendments to the Bushfire Act or perhaps the Drugs of Dependence Act, or even another one that I noticed, the Fertilisers Act 1904. Quite intriguing amendments were made by the Office of Parliamentary Counsel. It would probably be quite entertaining, Attorney, if you give us a quick rundown on exactly why it was that the Office of Parliamentary Counsel made the amendments that it felt necessary in relation to those particular pieces of legislation.

Having said that, the Labor Party is very happy to support this piece of legislation.

MR STEFANIAK (Minister for Education and Attorney-General) (5.13), in reply: Mr Deputy Speaker, I do not think I will go into that amount of detail about it.

Mr Stanhope: Pressure of time.

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MR STEFANIAK: Pressure of time. Basically, in March this year the Assembly passed the Legislation Act 2001 which provides legislative support for public access to the legislation project. That is an initiative that will put the ACT at the forefront of access to legislation in the ACT. That project is going to establish an authorised electronic statute book called the ACT Legislation Register. That will be on the Internet. It will provide free public access to authorised versions of our legislation and other legislative material.

The March act also provides for notification of our ACT Legislation Register instead of notification in the *Gazette*. Planning for the register is now well advanced, and the new arrangements for both access and notification will commence in the next few months.

I heard Mr Stanhope's concerns about taking a lot of this on faith. This bill certainly makes the amendments necessary to bring the ACT acts and subordinate laws fully into line with the new legislative framework of the Legislation Act 2001. Although this bill is large it does not include amendments of a policy nature unrelated to the Legislation Act. Rather, the size of the bill is directly linked to its purpose of bringing the ACT statute book into line with the legislative framework of the Legislation Act.

This bill does enhance access to our legislation in two important ways. Firstly, it provides for extensive amendment of our legislative provisions dealing with notification of legislation. Under the March Legislation Act, the notification of legislation will be done electronically by registration on the Legislation Register. Also, the notification under the Legislation Act requires the full text publication of the law or instrument as part of its registration. This will significantly enhance access to the text of ACT laws by providing a faster access to new laws and improved access to the text of laws that previously were difficult to find. I think that will greatly assist, rather than having to go through and find acts that were not consolidated and piece together all the amendments, especially acts that were often amended. Finding amendments to them can be quite difficult for practitioners.

This bill makes a substantial improvement in the quality of the ACT statute book, particularly by rationalising and standardising a large number of its provisions—for example, those dealing with approved forms, the determination of fees, the making of regulations and other statutory instruments. I do not need to say much more. I thank Mr Stanhope for his comments. I commend the bill to the Assembly.

MS TUCKER: I seek leave to make a brief comment.

Leave granted.

MS TUCKER: I thank members. I want to make a very brief comment. I want to put on the record that we have not gone through this bill page by page. I am taking the government on good faith here that, as Mr Stefaniak has assured us, these amendments are technical, minor and repetitive. I trust that is the case. I am not claiming to have checked the veracity of that statement.

MR STEFANIAK (Minister for Education and Attorney-General): I seek leave to make a brief response.

Leave granted.

MR STEFANIAK: I am advised that there is nothing funny in this. To reassure Ms Tucker, I think one piece of legislation I am introducing on Thursday is again a consolidated act. There was one tiny point there. It is probably completely non-contentious, but just in case it is we are going to specifically draw it to members' attention because we are not absolutely certain in these big consolidated acts. Certainly, the intent is that it is non-contentious stuff. It's just there to improve the situation.

As I said, there are no policy questions or anything like that and it was prepared by the drafters. I think it is important that things like that are able to be taken on trust. Certainly, that is the case with this bill. I specifically mention a similar but smaller consolidation where there is one area. Just to be absolutely certain we will highlight that so that people can go to it. If there are any problems, let us know, because I think it is important when you have a bill like this that people can take it on trust. I thank members for their comments and I again commend the legislation.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Electoral Amendment Bill 2001

[Cognate bills:

Electoral Amendment Bill 2001 (No 2)

Electoral (Entrenched Provisions) Amendment Bill 2001]

Debate resumed from 29 March 2001, on motion by **Mr Stefaniak:**

That this bill be agreed to in principle.

MR SPEAKER: Is it the wish of the Assembly to debate this order of the day concurrently with the Electoral Amendment Bill 2001 (No 2) and the Electoral (Entrenched Provisions) Amendment Bill 2001? There being no objection, that course will be followed. I remind members that, in debating order of the day No 2, they may also address their remarks to orders of the day Nos 3 and 4.

MR STANHOPE (Leader of the Opposition) (5.19): Mr Speaker, the Labor Party will be supporting the Electoral (Entrenched Provisions) Amendment Bill 2001 and the Electoral Amendment Bill 2001 (No 2). The intention of these two bills is to remove the so-called glitch in Robson rotation that results from party linear voting when electors vote straight down a party column. It is generally accepted that Robson rotation is effective in sharing the linear vote evenly between candidates within a party column when first preferences are being distributed, but it is not as effective in distributing the

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votes of excluded candidates. Whilst that may not affect the number of seats won by a party, per se, it may well influence the members elected for that party.

I think each of us is well aware of the genesis of these amendments, namely, some of the concern that was expressed at the conclusion of the last election about the impact on some candidates of Robson rotation in the way it worked in particular instances. To some extent, there was a very significant element of chance in terms of the fortunes of particular candidates as a result of where they fell on the ticket and which candidates were excluded first and the distribution of the preferences of those excluded candidates. This debate is about an amendment that has been much discussed within the community, within this place and by everybody else who is interesting in the Hare-Clark system and the importance of Robson rotation in that system. It is a timely and significant amendment and an amendment which we will support.

The Electoral (Entrenched Provisions) Amendment Bill 2001 provides for 60 variations for columns of up to five candidates in the Ginninderra and Brindabella electorates and 420 variations for columns of seven candidates in Molonglo. I understand that the advice from those that actually do contemplate or consider issues such as this is that these additional rotations will be sufficient to give close to an even spread in the linear vote. I understand, and I take it as a matter of faith, that the addition of the 60 variations in Ginninderra and Brindabella and 420 in Molonglo will provide that reasonably even vote.

The bill is substituting a new schedule 2 to the Electoral Act, which is an entrenched provision under the Proportional Representation (Hare-Clark Entrenchment) Act 1994. Unless it is to go to a referendum, this bill will therefore require a two-thirds majority to come into effect. As I have said, Mr Speaker, Labor will support the bill, and in that context we are hopeful that there will be sufficient support with the Assembly, acknowledging that it requires a two-thirds majority to pass what I think most people in the community, anybody who follows Hare-Clark and Robson rotation, believe are necessary and timely amendments.

The Electoral Amendment Bill 2001 (No 2) will limit the number of names in a column to the number of members to be elected, so that the maximum in Molonglo under this provision will be seven names to a column, and it will be five to a column in Brindabella and Ginninderra. I have to say, Mr Speaker, that initially I was cautious about this proposal and was concerned that there may be insufficient candidates if, by way of example, there was a combination of several resignations from the Assembly and eligible replacements declining to nominate. On reflection, I acknowledge that it is unusual for there to be more nominations than vacancies.

I acknowledge also that to increase the number of candidates in a column is to increase dramatically the number of rotations. For example, simply going from seven to eight candidates in Molonglo would, I understand from advice from the Electoral Commissioner, require 840 rotations, which would make the printing of ballot papers extremely difficult and would be very impractical. I should say that I do not see parties accepting the option offered by the bill and the current act of nominating more than the maximum number of candidates and splitting the names over two columns, using a random draw. I must say that I do not think that that is a possibility that would be particularly attractive to any of the parties in this place.

Mr Speaker, the Labor Party also will be supporting the greater part of the Electoral Amendment Bill 2001. We will support the provisions included in that bill that are intended to apply the same end-use restrictions to electoral rolls provided to candidates as apply to parties and MLAs and that allow a voter with a disability to vote outside a polling place. I think it is only appropriate that we do look at the adequacy and appropriateness of our polling places for people with a disability, and it is very pleasing to see the government moving to address the needs of those with a disability.

We will also support the proposal in the legislation to delay the start of the pre-poll period if it is to commence on a public holiday. I understand from a brief from the Electoral Commission on this subject that, because the statutory date of the ACT election is now the third Saturday in October and we have a public holiday that falls on the first Monday of October in most years, if not every year, this provision will be utilised at every ACT election, so the pre-poll period in the ACT will be reduced by one day as a result of this amendment, otherwise we would have to have pre-polling on the public holiday which does fall in October. Once again, it is a very practical proposal, and that is all it means, I think. It actually takes account of the fact that, with an election falling on the third Saturday of October, we are going to run into a problem at every election, unless we move the date of the election. That is for another debate. It seems easier to me simply to delay the pre-polling.

Mr Humphries: You would have that debate by yourself.

MR STANHOPE: Point taken, yes. But that is the only way through, and I am not suggesting it.

Another amendment which the government is proposing and which the Labor Party will support is one to require the name of a party, ballot group or candidate to be included in the authorisation statement. This proposal tidies up the provisions in relation to the authorisation of electorate material, and we think that it quite a reasonable and sensible thing to do.

Similarly, there is an amendment extending annual reporting requirements to all MLAs, which we think is pleasing. I foreshadow that the Labor Party will be moving an amendment to the government's amendment in this regard to reverse the amendment made last year to restrict the meaning of amounts received to gifts received as an MLA. Whilst we acknowledge that the government has moved some way in relation to this matter, we would prefer a different approach and we will be moving an amendment to which I will speak in much more detail when we get to the detail stage of this bill, understanding as I do that there is agreement within the Assembly that we will go through the in-principle stage today and then adjourn further debate until Friday.

Mr Speaker, the Labor Party will not be supporting the provisions contained in the bill allowing the registration of ballot groups. In the view of the Labor Party, it is not appropriate that members and candidates basically have it both ways, that they get two bites at the cherry. It is our view, and it is a view that we have expressed quite consistently over the last couple of years, that people who come into this place cannot become members of parties to garner what they see as the benefits of being a party on the

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ballot sheet but then, once elected, revert to being Independents for the opportunities and loss of obligations that go with that status.

This is an issue that the Labor Party has raised consistently, as I said. We believe that the inclusion of ballot groups to enhance the position of sitting Independents as against non-sitting candidates who seek to run is a form of positive discrimination in favour of sitting Independents that we do not believe is justified and we do believe that it is a reflection of a desire by incumbent Independents to have the best of both worlds. We believe that it actually affords them a privilege and a status which discriminate to such a positive extent in their favour that, in terms of just straight fairness and equity as against other Independent candidates, cannot be justified or supported. We simply do not accept that it is a position which should be supported. There are candidates in this place who choose to have two bob each way in this regard. The Labor Party will be supporting an amendment which Ms Tucker has circulated on this issue. We will be supporting Ms Tucker's amendment in relation to ballot groups and, with interest, I will engage in the debate which I anticipate on that matter when we get to it in the detail stage.

The Labor Party also will not be supporting the amendment proposed to section 76 (3) (b) which would automatically apply the provisions of the Commonwealth Electoral Act to the witnessing of an enrolment application. This is also an issue, in terms of the matter of principle involved here, that the ALP has strong views about. We do not believe it appropriate to seek to adjust or, as it has been described, tighten provisions in relation to the witnessing of applications for enrolment in the way that has been imposed federally. We simply do not accept that there is any demonstrated need for those adjustments.

An interesting proposal has been suggested by the government in relation to this provision. It is almost a case of saying that the Commonwealth law might change if the federal Liberal Party can actually get its regulations through the Senate and that, in anticipation of a possible change to the Commonwealth law, we should amend this act so that we are in a position to adopt the Commonwealth's electoral roll should that be the result from the Senate. There is an interesting debate to be had about that, I must say. I do not think the ACT would be interested in developing its own electoral roll. That is not a position we support or propose. We would hope that it would not come to that, and it is not something that we support; but, were the regulations which are, as I understand it, currently stalled in the Senate to pass, I think we should debate again at that stage what is our approach to the issue of the appropriateness of narrowing the class of electors or citizens who can witness an application for enrolment.

We simply do not accept that there is any need to narrow the class of witnesses in the way that has been proposed, and we would want to have that debate at that time should that come to pass. We are not inclined, through these amendments in this bill, simply to send a signal to the Commonwealth that they can actually do what they will in relation to the electoral roll and we will blithely roll over and accept anything that they propose. I think that is not a good signal to send. The Labor Party, as I say, certainly has major reservations about the Commonwealth government's position in relation to this matter. It is a position which the Commonwealth government has not been able to formalise, as a result of difficulties it is having within the Senate, where it does not have the numbers.

I am disinclined to think that we should adopt the position of saying that the federal government might manage to ram it through the Senate at some stage. It will not happen in the present parliament. Perhaps it will happen in the next parliament; who knows? I doubt that very much as well. I cannot see the sense, in those circumstances, of accepting the containment within this bill of a provision which says that we will just cop whatever the Commonwealth does in relation to the Electoral Act. That is not a signal we should be sending. The issue has aroused significant comment over the last couple of days.

I have circulated a number of amendments which the Labor Party will be moving, additional amendments that take us into line with certain Commonwealth provisions in relation to the qualification limits for public funding. We are proposing that the qualification limit be increased from 2 per cent to 4 per cent, in line with the Commonwealth position in relation to public funding, and that the number of electors required for the nomination of non-party candidates be increased from two to 50. We think it only reasonable that any candidates who seeks to represent the community show at the outset that they actually have some level of support within the community that they are seeking to represent. It seems to us that 50, which is the Commonwealth limit as a show of support at the nomination stage, would be appropriate.

Sometimes we forget that the electorate of Molonglo, with 90,000 registered electors, is bigger than 90 per cent of the federal electorates throughout Australia. Molonglo is an exceedingly large electorate and we need to look at some of these issues and some of these amendments on the basis of the size of Molonglo. What we have in the ACT in relation to this issue of an increase in the number of electors required for the nomination of a non-party candidate from two to 50 is the lowest possible requirement, compared with a federal electorate or the Senate and most of the states and in circumstances where their electorates are much smaller than Molonglo. We have a requirement that equates to 2 per cent of the Commonwealth requirement in circumstances where Molonglo, at least, is far larger than almost any electorate in Australia that you would care to name, yet we do not impose the same rigor in the ACT as is imposed elsewhere. I think there are very good reasons for an electorate to insist that anybody who seeks to represent the community at an election have some standing within the community, that they not be simply out on a bit of a jaunt, having a bit of fun, caressing their egos, perhaps acting almost in the way a streaker acts at a one day cricket game, seeking a little bit of attention with absolutely no regard for the consequences and no commitment to the greater game.

Similarly, I will be moving an amendment in relation to the inclusion of postal vote application forms in issued electoral material. Again, this provision is taken from the Commonwealth Electoral Act. I think it is a serious and wise amendment. It does allow any member of the Assembly to participate in the process. Those of us who are active within our electorates know a whole range and raft of people who are not mobile and who do need, look for and seek assistance in relation to the lodging of postal votes. It seems to me that it is a sensible, reasonable and sympathetic approach to the issue of people seeking postal votes to allow parties to actively pursue the assisting of some of our constituents, residents and neighbours, people we know who are not mobile and who will have trouble getting to a polling booth on the day.

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It seems to me that there is absolutely no reason for not supporting this amendment. Again, it is consistent with the Commonwealth provision and I do not think there is any suggestion at the federal level that this arrangement in relation to postal votes does not work to the advantage of both individual constituents and the electoral system and electoral process at large.

The final issue that I will touch on in the time available to cover each of the issues in the bill is that of maintaining the nexus between the ACT Electoral Act and the Commonwealth Electoral Act in relation to disclosure. The Labor Party will support the amendment that the government is proposing. Again, it maintains the nexus, and I can think of no good argument for not maintaining the nexus. I look forward to engaging in the debate at the detail stage in relation to the issues around disclosure and the maintenance of the nexus, as I do in relation to all other aspects of the bill and each of the other amendments that will be moved.

We support the bill in principle. We think that it is good legislation, but for a couple of provisions which we think are unnecessary and unnecessarily advantage the incumbent Independents. We believe that the provisions that favour the incumbent Independents to the extent that they do detract very seriously and significantly from what is otherwise a good package of legislation.

MR KAINE (5.39): Mr Speaker, I will be reasonably brief at this stage of the debate on this matter. It was not all that many years ago that this place put into effect the current electoral system, that is, the Hare-Clark system with Robson rotation. At the time, it was put in with much fanfare, particularly from the government, because it was an electoral system that encouraged Independents and small parties to stand for election to this place. That was the sole rationale for adopting that particular form of electoral system.

Some years have gone by and the government and the opposition have seen that having Independents and small parties in this place can be a bit of a problem, so now we have before us a bill that removes the advantage and the encouragement that the original Hare-Clark and Robson rotation system provided to small parties and Independents. This bill does nothing but place hurdles that did not previously exist in the way of Independents and small party members who wish to stand for election to this place. That is the sole purpose of it. I was astonished to hear both the government and the opposition praising this legislation and saying that it is good for the electorate. I do not believe that it is good for anybody but the two major parties. This bill, let us be clear, runs counter to the proposition that was put forward when the Hare-Clark and Robson rotation system was put in place.

The intention on the part of the two major parties clearly is to put in place for others—I repeat, for others—substantial hurdles which have not previously existed. How they can laud this proposal and say that they are doing something that is useful for this community is beyond me. What they are doing, let us be clear, is to make it more difficult for Independents and small parties to be represented in this place. The sorts of hurdles that are now being put in place include such things as having minimum membership requirements for registrations of minor parties, providing for minimum numbers of people who must indicate support for an Independent candidate before they can register with the Electoral Office, before their nominations can be accepted.

Those requirements did not exist until now, yet we got along quite well for 12 years. Suddenly, it is deemed useful to put these new hurdles in the way of Independent and small party candidates. I think that it is laudable to have an electoral system that assists Independents and minor parties. That is what I thought we had. But it is less than laudable that the major parties now seek to put in place these hurdles and impediments which will work counter to that and, in my view, counter to the interests of the community out there that has clearly expressed the view that it wants Independents and members of parties other than the two major parties in this place. Yet the two major parties now appear to be conniving to remove that.

In some cases, these hurdles appear to be hurdles that do not apply to candidates of the major parties. These hurdles are for the rest, for the hoi polloi. Where is the provision, for example, that candidates for the Liberal Party or the Labor Party, when presenting for nomination at the Electoral Office, have to produce a list of 50, 20, 100 or any number of supporters? Why is it that a Liberal Party candidate or a Labor Party candidate can front up to the Electoral Office with \$250 and get enrolled, but if Mr Moore, Mr Rugendyke or I turn up, we are asked for a list of our supporters? Where is the justice in that? I will come back to that in a minute.

Mr Stanhope: It is extra for a party vote. You need 100 members to get to the starting base.

MR KAINE: I ask you, Mr Stanhope: where is the provision in this legislation that a Liberal Party or Labor Party candidate must produce the membership list of their party before they can be registered with the Electoral Commission as a party? When did the Labor Party last present its membership list to the Electoral Office to justify the registration of the Labor Party as a party in this place?

Mr Stanhope: We will do it at any time, Trevor.

MR KAINE: You have never had to and there is no legislative requirement, but you make it a requirement that I have to do so, Mr Rugendyke has to do so or Mr Moore has to do so. Is that having a level playing field? It is justified by the government and the opposition in their own self-interest, I submit. The intention of all of this clearly is to discourage individuals from attempting to stand as candidates other than as Liberal or Labor candidates. If you want to stand, join the Liberal Party or the Labor Party and they will get you in, no problems, if you are in favour with the party. But if you want to do it some other way, tough luck; they will make it difficult for you.

In fact, I am quite surprised to see the Greens participating in this regard. Ms Tucker has an amendment before us which, if passed, will make the situation even more draconian than the government or the opposition is proposing. I cannot understand how she justifies that, given the stance of the Greens that we live in a democracy and we should all be free to act. I am hoping that at some stage during this debate the government and the opposition will justify the position that they are taking. They will set hurdles that they will not have to meet. They will set those hurdles for all the little people out there that really only clutter up this place up and make things difficult.

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Mr Speaker, the government appears to justify this legislation, from what I have heard so far anyway, on the basis that it brings us into line with the Commonwealth. Is that so? We do not have an electoral arrangement that looks anything like what the Commonwealth has got, so why does the supporting legislation have to be like the Commonwealth's legislation? That is no justification. It is an excuse, perhaps, but it does not justify the government's position. If being in line with the Commonwealth is really considered desirable, where are the amendments to this act to turn us into a single-member electorate system? I would have thought the Labor Party would have been asking that question. If we must be like the Commonwealth, whose lower house has single-member electorates, where is the legislation to make us like the Commonwealth in that respect? It is legislation that we will never see, because it would have dire consequences particularly for the government. I am sure Mr Stanhope would love to see that. In fact, I do not know why, in this kind of change, he has not put an amendment on the table to achieve it.

To come to Labor: Mr Stanhope, in his speech, justified it on the ground that we Independent and small party candidates need to demonstrate that we have a level of support within the community. I thought the level of support was reflected in what happened in the ballot box, not that you should have to jump half a dozen six-foot high hurdles before you get to the ballot box to see whether you have any support. But no, we have to jump the hurdles and establish that we have adequate community support, unlike Liberal and Labor Party candidates, before we get to the ballot box. In terms of the sort of legislation that I am talking about, making our entire system like that of the Commonwealth, I think we crossbenchers will have to wait till the moon turns blue before we see any of that. I am not convinced by the argument put forward by the government.

All I can say is that, no matter what we crossbenchers say tonight, tomorrow or the next day, this legislation will go through, with a few minor amendments perhaps, none of which will do the crossbenchers much good, so we will have to figure out how to get around these obstacles. I think some of us will successfully negotiate the high jumps, the bunkers and the puddles and get there anyway; maybe some of us will not. For my own part, I am even considering circumventing all of this work—I was going to use the word “crap”, but I had better not as it is probably unparliamentary—as I have been contemplating seeking to join the Greens, because then I would not have to go through any of it. The Greens are already a party and they would do all of the work for me. Wouldn't it give the government a stitch if I were to sit here alongside Ms Tucker as a member of the Greens? Wouldn't it give Ms Tucker a stitch?

There are remedies. If we crossbenchers do not like the new hurdles that the government and the opposition are putting in front of us, there are ways around them. I might go and have a little discussion with Ms Tucker tomorrow about membership. She may not accept my nomination, of course, but there are ways around it. If, during all this process, the Greens reject me and I have to do it the hard way and falter, the government still will not be rid of me, I can assure it. I will become a regular correspondent with the *Canberra Times*, the *Chronicle* and the *Valley View* and I will strike up a new relationship with Crispin Hull and the government will continue to have me on its shoulders. To Mr Stanhope and to Mr Humphries, I can only say, “You can run but you can't hide.”

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (5.50): Mr Speaker, there will be a lot of running and hiding in this debate, by the sound of it. I rise briefly to correct a misapprehension Mr Kaine may have had about the provisions of the electoral bill as far as all parties are concerned. There is a difference at the moment, as I understand it, between candidates for parties that are not presently members of the Assembly and those for parties that are already represented in the Assembly.

The effect of the bill which has been tabled in this place is to remove that distinction. Under clause 93 of the bill, the Electoral Commissioner has to refuse an application for registration of a party if it does not have 100 members. There is no distinction between those that are large or small and those that are in the Assembly or are not. Similarly, under clause 98, if a political party ceases to have 100 members, the commissioner must cancel the registration of that party. Mr Kaine is quite wrong. There is no difference in the requirements for parties in this respect, and his party, if there is such a beast, has to have 100 members, the same number of members as a major party such as the Liberal Party or the Labor Party has to have in order to enjoy registration under the act.

MS TUCKER (5.52): The Greens support these bills in principle. With a few exceptions, they represent some significant improvements to the conduct of elections in the ACT. The Electoral (Entrenched Provisions) Amendments Bill and the Electoral Amendment Bill (No 2) are primarily about reducing the effect of the party linear vote, which is a form of donkey voting where people vote 1, 2, 3, et cetera, down a column, regardless of the order of the candidates. In our voting system we have Robson rotation, which rotates the position of candidates within their column and which is effective in evenly distributing the first preferences of party linear votes where people have expressed a preference for a particular party but not for particular candidates in that party.

However, the currently limited number of rotations has given a second preference advantage to candidates who, by chance, end up being listed under a candidate who receives a high first preference vote. These bills address that by significantly increasing the number of rotations of candidates' names in party columns to 60 variations for five-member electorates and 420 variations for seven-member electorates. That will significantly put at random the effect of party linear votes and, consequently, increase the importance of the intentionally directed votes in determining which candidates from a particular party end up being elected.

The Electoral Amendment Bill contains a number of administrative changes to the Electoral Act which, in general, will improve the conduct of elections. There are a couple of significant policy issues in here, however, with which the Greens do have problems, and I will talk to them shortly. The Greens are happy to support the tightening of the disclosure provisions for political donations. Donations of over \$1,500 in total from one person already have to be disclosed, but in the past individual amounts under \$500 were excluded, which created a major loophole. That has now been changed, so that only amounts less than \$100 collected at fundraising events are excluded.

There are also new requirements relating to the recording of loans to parties, which we support. I note that these new reporting requirements have put the ACT out of step with the Commonwealth Electoral Act, but that is all right with us as we believe that the

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disclosure provisions in the Commonwealth act are too weak and need to be challenged. I was very disappointed to hear that the government and the ALP are now proposing to change the disclosure provisions back to the weak provisions in the Commonwealth act, thus perpetuating this loophole. I will certainly not be supporting these amendments.

There is also a range of minor changes to the act which we support, such as changes to the authorisation requirements and the definition of “electoral matter”. We do not support two changes. The first is the establishment of so-called ballot groups for Independent sitting MLAs, which not only legitimises but also gives a special status to the parties of convenience created by Mr Moore and Mr Osborne as Independents for contesting previous elections. This seems quite inconsistent with a related move to tighten the registration requirements of parties so that they must have 100 members on the ACT electoral roll, regardless of how many elected members they have in the Assembly. Mr Kaine did not seem to be aware of that aspect of the bill. The other amendment we have problems with is the power given to the Electoral Commissioner to exclude candidates with names that have been assumed for a political purpose. We believe that this is a restriction on freedom of political expression and should not be left to the commissioner’s discretion. I will talk further about those issues in the detail stage.

I am aware that the ALP is putting up some amendments basically to make it harder for Independent candidates to contest elections—or, should I say, Independent candidates who are not already MLAs? I am very worried about the collusion between the ALP and the Liberal Party to maintain their duopoly over the political system both here and federally. That is not the Greens’ view of democracy and we will not be supporting attempts to limit the democratic rights of people to participate in elections.

MR MOORE (Minister for Health, Housing and Community Services) (5.57): Mr Speaker, I rise to support with great enthusiasm the bill that is on the table. I have to say that I think there was some confusion from Mr Kaine when he said that he was talking about the bill as he was, in fact, talking about proposed amendments to the bill. Everything he said was fine, except that it applied to the proposed amendments to the bill. The bill which is on the table at the moment and which the government introduced some months ago is a bill on which I did not exercise my right to separate myself from cabinet because I support it strongly and wholeheartedly. It takes up the recommendations of the Electoral Commissioner and says, “Yes, we should support those and put them in.” The independent Electoral Commissioner has now delivered on that, and I have to say that the bill is an excellent bill.

Unfortunately, there are some in this house who simply could not keep their sticky fingers away from the bill through self-interest, and that has resulted in the range of amendments finally circulated today. The earliest I saw mine was just after lunch and I have not had a chance to go through them in detail, but I will do so because members have been embarrassed enough to postpone the detail stage of this bill until Friday. As members would be aware, there has been a secret deal between the Labor and Liberal parties, made by a couple of members whom most of us would not have a clue what their names are, followed through by members of this Assembly, to their great shame. I say that it is to their great shame because of the nature of the amendments that have been proposed to the legislation. They deal with two main issues. The first is the issue of donations and disclosure. The second is to do with reducing the rights to democracy of other members and other parties.

The argument put by members opposite in almost all of these cases is that we are aligning ourselves with the federal government. The federal government with which they are wishing to align has responsibility for the set of proposals that appear in the *Sydney Morning Herald* this morning under the headline "Dirty politics: the grab for cash". That is what we are aligning with and that, of course, rather flaws the argument that they have. The dirty little grab for cash will do the very opposite of what members come here and argue for, particularly members of the Labor Party, which has pointed the finger again and again at the government, saying, "But you're secret, you are not open." The very thing that will happen is that the proposed amendments which they have indicated they will support will ensure that they have a system that is anything but open. They intend to do things in a secret way with a minimal amount of notice and a minimal amount of public exposure.

It will be very interesting to monitor the attitude of the community over the next two days to see whether the community thinks the actions of the major parties are on the nose. They are on the nose. Let me take a couple of examples. I will deal with them properly in the detail stage. Let us look at amendment No 3 proposed by the Attorney-General. The sections under amendment No 3 and existing clause 29 will permit parties registered at the Commonwealth and ACT levels to fulfil their ACT obligations by giving the ACT Electoral Commissioner a copy of the Commonwealth returns and permit associated entities to do the same. All they will have to do is to hand in their Commonwealth returns. We already know that a proposal is being considered by the Senate to lift the donation level from \$1,500 without the need for disclosure. We have a proposal to lift it from \$500 to \$1,500. The Commonwealth is saying that it is going to lift it to \$5,000, so we will have a \$5,000 level as soon as the Commonwealth legislation changes. It will be even worse than we expected today, if you read this legislation carefully. As I say, I have had time to pick that one out.

Mr Rugendyke: It is a scandal.

MR MOORE: Mr Rugendyke says, correctly, that it is a scandal. It is a scandal. It is a scam; it is a rort. That is what we are talking about. It is an attempt to cover up donations so that nobody knows who is making the donations to the major parties. I heard Mr Stanhope say on radio this morning, "We have never had to use this loophole." That takes me to the loophole.

Mr Rugendyke: Do you believe him?

MR MOORE: Why not trust the Labor Party? Why not trust a politician? If they wanted to be open, we would see a preparedness to let people see actually what it is about. The scam which has been available up till now and which the Electoral Commissioner drew to our attention is dealt with in the amendments that the government tabled some months ago. The amendments seek to get rid of the scam that allows a series of \$499 donations, ones that do not reach the \$500 cut-off, for which there is no need for a declaration, no matter how much they come to. One can perceive 50 times \$499 as a donation made weekly, drawn from somebody's bank account and never declared. That is going to change, if the amendment is passed on Friday, to \$1,500.

Mr Rugendyke: No, do not raise the bar; lower it.

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MR MOORE: At \$1,500, we will raise the bar. It will change again, because of a neat little amendment to clause 29, to \$5,000 without a declaration having to be made. I have not explored whether the loophole stays at \$5,000 or only remains with consecutive \$1,500 donations. I just think that it is an absolute scandal that members would support that.

If Mr Stanhope is correct in saying that this does not happen within the Labor Party, why would he allow it to happen within the Liberal Party? The large donations to the Labor Party, as we know from its declarations, are from the Tradies Club, the Labor Club and a few others, as I recall. They are out in the front. They are going to be bigger than that, anyway. The donations are going to be in one lump sum and will be declared; I am not debating that. But why would the Labor Party support the proposed approach? It is because their administrations have done a deal. That is not what they want. Actually, they are not that interested in that at the moment, although the chances are very high that, once it is there, they will use it. What happens now is that they have a quid pro quo—not necessarily the members sitting here, but their party machines have a quid pro quo. What does Labor want? Labor wants to shaft, as best they can, anybody who is running from other than the major parties, because they want to do a one-for-one with the Liberal Party.

You cannot really touch the Greens, which are already meeting all the party requirements, so how do you do it? You go for a series of things, as Mr Kaine aptly put, to make it harder and harder for ordinary people to run. What kind of democratic approach is that? Why is it that the major parties are on the nose? The people of Canberra, even if they vote Labor and Liberal, quite like having a minority government. Most people would say that that is quite a reasonable system.

Mr Rugendyke: About 30 per cent of the people.

MR MOORE: A very high percentage of the people. Is this going to improve their attitude towards politicians and to parties? I am sure that it will do exactly the same. The great irony is that it was only a few weeks ago that Mr Stanhope launched his code of good government, which says very early in the piece that Labor's agenda is to promote a new emphasis on open, democratic and responsive government. We can really see that today; that is really terrific! What hypocrisy! It goes on to say:

Labor understands that good government does not bully. It leads. Good government accepts criticism. Good government has the courage to allow itself to be closely scrutinised. It conducts its operations in an open, honest and accountable manner, not in secret.

The first time that it is in the interests of the Labor Party to do something in secret, what does it do? It does so in secret. What are they going to be like in government as the pressure is always on keeping things under cover? There are very clear indications here that Labor would have anything but an open government if it wins office. The code goes on to say:

Good government respects the right to differ. It does not discriminate, especially against the most vulnerable in our community. Good government seeks to unite, not divide.

How can they stand by those sorts of approaches when they agree to amendments like those proposed? I have only touched on the concepts. One is to shaft anybody from other than the major parties as best they can. Another is about political donations, disclosure and hiding where money has come from. The most fundamental thing about openness in democracy is saying who is supporting you. If we had a proposal for the development of a gondola on Black Mountain or something like that and the proponent was a Mr Blue, to pick a name out of the blue, the community would be interested to know that the same Mr Blue had made a series—30, 40 or 50—of \$1,499 donations in order to have some kind of influence. The community would like to know where the donations are coming from and know that Mr Blue did not make a sizeable donation to either party; therefore, the decision is more likely to be made on the basis of merit than on the basis of financial influence. Fundamentally, it is about the influence of money on our electoral system.

If we look across the Pacific, we can see the influence of money on the electoral systems in the United States. I have to say that I think that is one of the saddest things for democracy. We do not want to go down the same path, but with the proposed amendments we would be going down the same path. Openness requires that both the Labor Party and the government withdraw their amendments and not proceed down this ludicrous path of associating themselves with what the *Sydney Morning Herald* describes as dirty politics and a grab for cash. Do not associate yourself with that.

I will make one final comment on the legislation that I am supporting, that is, the bill as proposed. Some people have said that it is purely from self-interest that I will be supporting the legislation and opposing these things. I have to say that the thing that is most interesting about the legislation is that the only people disadvantaged by the legislation are the MLAs who are sitting in here at the moment as members of a minor party or Independents—that is, Mr Rugendyke, Mr Osborne, Mr Kaine and me—because what will happen under the current legislation, as worded, is the ability for us to have party status will be removed. That group is the only group that would lose out through that system.

Mr Stanhope: Rose-tinted glasses.

MR MOORE: I hear Mr Stanhope's reference to rose-tinted glasses. The reality is that I am not involved with the dirty politics and the grab for cash. He ought not to be as well and he ought to take responsibility for not trying to use this political power to shaft the smaller entities and the Fred Lowes.

MR RUGENDYKE (6.09): I support the intent of the original bill in principle, but the amendments that have surfaced today are reminiscent of what we saw in a previous debate when the two major parties linked to protect their cash cows, the top end of town. Mr Speaker, we can see that that is what is happening here with regard to donations. We are not raising the bar; we are lowering it. It suits them to have \$1,499 donations as often as they like from the top end of town. Let's raise it to \$5,000! Let's not make it harder to conceal donations! Mr Moore and Mr Kaine are dead right: the proposals are a blatant attempt to penalise Independents and minor parties. That is good, in a sense, because it means that they can see that we are a threat. Thirty per cent of the people of Western Australia and 30 per cent of the people of Queensland are voting for Independents, and aren't they wise in doing so? They cannot pick the difference between the two major

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parties, so they are looking for an alternative that will keep the major parties honest. I congratulate Don Chipp for his famous saying on that, even though it was about a different party. I will use it. I will do my best to keep the bastards honest. When we have the two major parties joining forces we know that there is a smell in the air. That is when we know that something crook is happening.

I have said enough on that. Mr Kaine wants to join the Greens. He should do what Mr Moore has done and join the Liberals. That would suit him better. That is a better idea, Mr Kaine. Folks, I have said enough. I have made my point. We have all made the point that the thing stinks. The original bill, under the wisdom of the Electoral Commissioner and his staff, is a good one. The Hare-Clark system is a fabulous system. Let us not bastardise the Hare-Clark system. The people of this town like the fact that it allows for a checking mechanism in this single chamber Assembly. There needs to be minority government.

Mr Stanhope: Why?

MR RUGENDYKE: To have a checking mechanism here.

Mr Stanhope: Who does that?

MR RUGENDYKE: We know, don't we, Mr Stanhope? You know that next year when you have majority government you will have open slather. Mr Speaker, next year those people will have open slather to do what they want without any checking. Let's keep the Hare-Clark system, let's keep minority government and let's keep some Independents here.

Mr Speaker, I have said enough at the in-principle stage. I might say a bit more on the amendments, but we know that we have a done deal. We know that the two major parties have joined forces to sideline the Independents, but I might say something at the detail stage anyway.

MR STEFANIAK (Minister for Education and Attorney-General) (6.13), in reply: I thank members for their comments in a very interesting in-principle debate. Some fascinating scenarios will be coming forth as a result thereof, but I will say more on that later. I take it that the two bills which everyone seems very comfortable with are orders of the day Nos 3 and 4. I will address some remarks to those firstly. I thank members for their comments in relation to them. I think those bills are terribly important, especially the removal of the anomaly we found in the 1995 and the 1998 elections whereby some candidates could benefit unfairly from the donkey vote by being immediately under a candidate from their own group or party who had been eliminated first.

What is proposed, and what I think all members are supporting, is a far fairer system. It removes that anomaly. It prevents people having the benefit of that. Some people have even had the benefit of a double whammy in that regard in the last two elections. The proposal here really will ensure that the will of the electorate will be adhered to and that people will not get the benefit of the donkey vote. I think that the amendment is very sensible. It is a fairly complex way of doing things, but is an effective way of ensuring that that does not occur. I think that it is a very significant amendment, and I commend everyone for supporting it.

Turning to the Electoral Amendment Bill 2001, I was interested to hear what people had to say there. A lot of gloom and doom has been spread by members, quite unreasonably, in terms of the proposed government amendments and the ALP amendments. I have lived in this town all of my life. I have seen Independents elected here. The first representative of the seat of Canberra, before Jimmy Fraser, was a gentleman who was an Independent.

Mr Hird: Dr John Knox.

MR STEFANIAK: Thank you, Mr Hird, for your interjection from behind the bar. Mr Rugendyke mentioned that 30 per cent or so of the electorate were voting for Independents. I suspect that, because of the Hare-Clark system, we will see Independents and smaller parties continuing to be represented in the Assembly. Indeed, I wonder when we will actually see a majority government. We probably would not see one go past one term. That will be interesting to see. Despite a lot of the histrionics that my colleague and friend Mr Moore and a few other people have gone on with today, I really cannot see how the doom and gloom which they say will occur as a result of these government and ALP amendments will actually occur. I do not think that will be the case.

Basically, with these amendments we are bringing this legislation into line with that of the other states and territories and of the Commonwealth. It was quite funny when Mr Moore theatrically showed the *Sydney Morning Herald* headline “Dirty politics: the grab for cash”. It is interesting to note the hypocrisy of the *Sydney Morning Herald* in that regard, Mr Speaker, because a bit further down page 1 there was the following comment box:

Paying for influence—page 7. The list that the Labor Party never thought you would see. The gaming companies, developers, brewers and media companies who helped the NSW ALP raise nearly \$450,000 in one night.

That is a good fundraiser, isn't it? Let us go to page 7. Here we go: there are lovely photos of Gough Whitlam, Lady Mary Fairfax, Franco Belgiorno Netti and other people and a confidential guest list for Labor's richest fundraiser. Lots of key things are highlighted, including the 10 seats for the *Sydney Morning Herald*. What hypocrisy! Here you go, Michael, you can have the *Herald* back, mate.

I was fascinated by the comments of Mr Kaine, a bit of a political journeyman, about going to join the Greens. He has been a Liberal and he has been an Independent. I think he had a political party, too.

Mr Moore: Yes, the United Canberra Party.

MR STEFANIAK: The United Canberra Party. I think he has still got that one, but it is amazing to think of Trevor becoming a Green. Billy Hughes would be proud of him if he could pull off that one. I saw Ms Tucker looking quite askance at the idea, but she may warm to it and Trevor may see out his time in this Assembly as a Green. Turning to the proposed amendments of the government and the ALP, Michael Moore or someone else mentioned the \$1,500 amendment. That is actually the total for any financial year.

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Mr Moore: No, it is not.

MR STEFANIAK: Take a look at it. If someone makes a series of donations which exceed that in a financial year, that is disclosed. There are some good reasons for not disclosing reasonably small donations, and \$1,500 is not a large donation. Unfortunately, and we have probably seen it in this place with former members having difficulty getting jobs simply because they are tarnished by having been in the Assembly or they are tarnished by being part of a political party, an individual who wants to donate to a party or a group and who is in a workplace where people are of a different persuasion could find a perfectly legitimate form of exercising a democratic right to support a political party or a political grouping in a democracy such as we have in Australia backfiring simply because the donation is disclosed.

The larger organisations do not mind so much. We see that in terms of the organisations which donate money to the Liberal Party and the Labor Party and perhaps to the Independents and the Greens. That information is published and people can see it. Sometimes we have groups donating to a number of political organisations. That is part and parcel of our political spectrum. I do not think there is anything corrupt or anything startling about that. It is just part of our process. The level of political donations is relatively small in Australia compared with some other places, certainly compared with the United States, where it is absolutely huge. Perhaps there is much more room for concern there than there is here. There are a number of factors in relation to this matter. The proposal to bring us into line with the rest of Australia is not unreasonable.

Mr Speaker, the Commonwealth government passed amendments to the Commonwealth electoral legislation earlier this year. As a consequence, the government has looked at the implications of those amendments and has decided to bring our legislation into line with the Commonwealth, where possible. We have looked at the disclosure provisions contained in the Commonwealth legislation and we can find no logical reason not to follow the Commonwealth's lead. Every other state and territory is doing the same. Accordingly, we will be moving amendments to the legislation before the Assembly—all members have copies of them now—to change the reporting requirements to reflect the Commonwealth's disclosure provisions. In doing so, there will be some consequential and technical amendments as a direct result of this policy decision.

There are some other amendments that I will be moving—members have them—as a consequence of the move to adopt the Commonwealth provisions. There will no longer be a need to make special provision for returns to be submitted four weeks later in an ACT election year as all parties can adopt the same return for both federal and ACT financial reports—a more efficient system, a quicker system.

There was a drafting error in section 217, relating to the disclosure of gifts by candidates, and in section 218, relating to the disclosure of gifts by non-party groups. There was also a drafting error in clause 35, relating to authorisers and authors, which I will be correcting, as well as deferring the implementation of the new provisions until 1 January 2002, as many parties and groups have already prepared printed material for the next election. Again, that is just common sense. There is also a technical amendment to allow the Electoral Commissioner to access material from utilities such as ActewAGL to facilitate the maintenance of the electoral roll.

Mr Speaker, these amendments are a combination of technical amendments, drafting error corrections and some fundamental policy decisions. Of greater interest to this Assembly is a conscious decision to align ourselves more closely with Commonwealth electoral matters. The ACT is too small to consistently be out on a limb on these kinds of issues. Electoral reporting is an important issue and the government is not trying to shirk its responsibility. However, the fact is that it makes little sense to have political parties of whatever hue having to undertake two differing reporting requirements for two different masters.

The government will be supporting the ALP amendments, except the ALP is going to the federal level in terms of the number of people who have to sign a nomination form for an Independent or an Independent person's grouping. The current number is two and they propose to go to 50. The ACT is a smaller entity than the Commonwealth, the Senate is territory and state-wide and the House of Representatives seats are single-member electorates. Whilst in many instances the number of electors might be the same as for our multimember electorates, ours are multimember electorates of five, five and seven, respectively. Accordingly, the Liberal Party feels that 20 is a more reasonable number and a fairer number to reflect that situation. That is something on which we disagree with the ALP, which wants the number to be 50. Obviously, that is something that will assist Independents.

I must admit that I was taken aback initially by Ms Tucker's amendments. We will be opposing them. I will speak on them in greater detail during the detail stage. I think that she is going down the wrong path, certainly in terms of allowing some strange names back in for registered groups and things like that. We have had real problems with that in the past. I will say more on that later. Treating as parties some of the Independents in this Assembly and people out there in the community who want to do the same thing also places unnecessary restrictions on Independents and small groups which want either to seek representation or, in the case of three members here, are currently members of this place. Accordingly, we will be opposing her attempts to do that. I think that in that respect we also differ from the Labor Party, which has a different view there. In terms of the Labor Party amendments, apart from that one where they go to 50 and we say we should go to 20, we have no problems. Again, that aligns us with what the rest of the country is doing.

Finally, we are quite happy, as is the opposition, to have these amendments sit on the table today. Obviously, they need to be passed on Friday, but people will have a chance to look at them before them and it would not have been fair to attempt to debate this bill to its finality today. Members have the amendments and will now have a chance to look at them. I do not think you need to be a rocket scientist to understand them; they are quite basic, really. The matters of principle have been amply stated. Comments have been made on them, rightly or wrongly, by various members across this chamber in the in-principle stage of this debate. The amendments are there for all to see and we will come back to them on Friday.

Question resolved in the affirmative.

Bill agreed to in principle.

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Detail stage

Clause 1.

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

Postponement of orders of the day

Ordered that orders of the day Nos 3 to 5, Executive business, relating to the Electoral (Entrenched Provisions) Amendment Bill 2001, the Electoral Amendment Bill 2001 (No 2) and the Court Security Bill 2000 be postponed until the next day of sitting.

Utilities (Telecommunications Installations) Bill 2001

Debate resumed from 3 May 2001, on motion by **Mr Humphries**:

That this bill be agreed to in principle.

MR CORBELL (6.26): Mr Speaker, the Labor Party will be supporting this legislation today. The Utilities (Telecommunications Installations) Bill provides for certain provisions which currently sit in other pieces of legislation to be transferred to a new piece of legislation following the repeal of the Building and Services Act. The provision of access to telecommunications facilities is an important matter in terms of providing for competition amongst various utility providers, and also in terms of the community's right to have these services properly regulated.

The bill outlines a range of measures designed to ensure that we have a more effective regime relating to the access that utility providers are granted to utility network facilities, as well as protecting the rights of various leaseholders. It would appear that this bill achieves the appropriate balance.

The bill sets out the rights of a carrier in relation to the installation of a telecommunications facility on existing utility infrastructure. It also outlines the requirements for consent by the owner of the utility infrastructure to such installation. It outlines the continuing rights of carriers in relation to installations. Importantly, it also outlines the requirements that a utility provider or carrier must meet in relation to getting access to leased territory land. These are particularly important because they ensure that utility operators and carriers must operate responsibly. They must ensure that they access property in a responsible way.

In particular I note as an example, Mr Speaker, that under the legislation there is a requirement for a company seeking access to utility infrastructure to make sure that when they go into someone's backyard they secure any domestic animal in the backyard. That is an important provision. It protects the rights of leaseholders to compensation, or the utility infrastructure owner to compensation for any damage caused as a result of installation. It also outlines the requirements for production of identity cards to demonstrate to leaseholders and utility operators that a person is an authorised person in terms of seeking access to the infrastructure.

Mr Speaker, this legislation is essentially machinery legislation and it is supported by the opposition.

MS TUCKER (6.29): The Greens also will be supporting this bill. It basically copies the existing regulation under the Building and Services Act relating to the installation of telecommunications infrastructure which has been repealed as part of the utilities regulatory reform package. The Building and Services Act ceases on 30 June 2001, so there is a need to ensure that the regulation of telecommunications infrastructure continues after this date.

I note that telecommunications infrastructure such as phone cables tend to be placed on existing electricity poles. Canberra is fairly unique in that electricity poles have been placed at the backs of properties rather than along streets. This generates the need for specific rules in the ACT about access by telecommunications carriers and electricity utilities through private property to enable servicing of the electricity poles and associated wires. This bill gives telecommunications carriers the power to enter land under conditions, such as the need to give seven days notice to the landholder, and the requirement to minimise disruption and damage. There is also a provision allowing the landholder to seek compensation if the carrier does not restore the land to its original condition, and these seem to be reasonable controls on the carrier.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (6.31), in reply: Mr Speaker, I thank members for their support for the legislation. This legislation will ensure that the increasingly complex telecommunications infrastructure which is being rolled out in this city is protected. It enhances our reputation as a clever capital, a capital capable of taking on new technology in a competent and effective way. It also particularly facilitates the roll-out of a TransACT fibre optic network, and that is a very important project for a very large number of members of our community. I thank members of the Assembly for their support for this bill.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Gaming Machine Amendment Bill 2001

Debate resumed from 3 May 2001, on motion by **Mr Humphries**:

That this bill be agreed to in principle.

MR QUINLAN (6.32): We will be supporting this bill which extends the period of the poker machine cap. We understand that the ACT Gambling and Racing Commission has undertaken some studies and some research into gambling in the ACT. I would like to refer members to that trash that we debated earlier today. There is some discussion on problem gambling in that and a request that the ACT Gambling and Racing Commission

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look at problem gambling as well as looking at gambling overall, and we look forward to a balanced report at the end of the day. We will be supporting the bill.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (6.33), in reply: Mr Speaker, I thank members for their support. I believe it is important that we maintain the cap at this level until the studies are conducted. I hope that they will produce an answer that we can all agree on soon after that so that we can make a decision about the future of this arrangement.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Financial Management Legislation Amendment Bill 2001

Debate resumed from 3 May 2001, on motion by **Mr Humphries**:

That this bill be agreed to in principle.

MR QUINLAN (6.34): Generally we will be supporting this bill. We have had a briefing on the need, in particular, for protection of our offshore investments. While we were discussing that trash we also discussed a considerable amount of investment. We were talking of \$2 billion worth of investments and we need to have the capacity to use derivatives to ensure that we minimise the risk of exposure.

I have to say, and I am happy to say it in this forum, that when it comes to investment and the management of investments of public money I would tend to be a conservative. I think that what we put in place in terms of the system for management of investment should lean to the conservative side to ensure that we do not expose ourselves to risk.

I think at one stage in the last year or so I saw a report where there was a fluctuation of \$33 million in the value of our investments purely related to the exchange rate. In the turmoil that is the investment process across the globe, we saw that dissipate to some extent as the capital value of markets declined and decreased. So we would like to think that there is protection.

I give notice that I have an amendment. I think it has been distributed already. I will be looking to remove the term "enhancement" from the bill to ensure that we are not encouraging the upside, the speculative side, and that we are building an act that provides protection of public investment. We support the bill.

MR KAINE (6.36): I was quite interested to see this bill appear on the agenda without much fanfare. It appears on the face of it to be a minor bill but, in fact, its ramifications are far from minor. It seems to me that the last time that this matter was on the Assembly's agenda for debate was about 10 years ago, and we restricted the ability of our investors to invest money in this kind of investment. We did so for a good reason.

I think any prudent investor would consider derivatives to be on the very risky end of the spectrum of investments. It was for that reason that we decided nearly 10 years ago that it was unwise to expose public money to risk levels that can be experienced when you get into the derivatives business. That is why the restriction is in the legislation now, and it has been there for 10 years.

If you were in private enterprise and you had lots of your own money that you wanted to play with then maybe you would get into the derivatives business because you can make a lot of money quickly or you can lose a lot of money quickly, but here we are talking about public money. Like Mr Quinlan, when it comes to investing public money I am very prudent, and that is why there has been a restriction on investing in this kind of investment for the last 10 years.

If we are going to remove that restriction and allow our investors, and they are not necessarily public servants, to play with our money and invest it in derivatives, we have to have a high level of confidence in their ability and in their integrity. So I will be interested to see the kinds of guidelines that the government intends to put in place to protect the public's money if they are going to go into the area of trading in derivatives. Unless those guidelines are pretty tightly written, it will be interesting to see what our money investors do with the taxpayers' money.

I thought it prudent to highlight the fact that we have not allowed very much trading in derivatives for the last 10 years for a very good reason. I wonder why it is now considered expedient to open up our investment markets to allow us to do so given the risks that are inherent in it. I have not heard any justification from the government yet as to why they want to do this. I will certainly be looking closely at their guidelines, and I am sure Mr Quinlan will also.

MS TUCKER (6.40): Yes, it is interesting how things come around, I agree. In 1993 the then Labor government put up amendments to the Audit Act to allow, amongst other things, the investment of government funds in derivatives. The Liberal Party and Michael Moore opposed the legislation. At the time they were concerned that derivatives were a highly speculative form of investment which could expose the government to increased risk. While this might be acceptable for a private investor, the government does have a responsibility to protect the assets of the community, particularly the superannuation assets of its employees. The public accounts committee inquired into the previous bill and recommended that there be a limit of 5 per cent of investments being placed in derivatives, but the government would not support this.

Putting some limits on the use of derivatives seems quite reasonable. I understand that derivatives can be a legitimate form of funds management where used as hedging against uncertainty in future returns on investments to take into account things like rises or falls in interest rates, share prices and exchange rates. They are, however, inherently risky as they could also be regarded as a form of gambling on whether particular events will happen in the future.

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The potential high returns on investment in derivatives are an indication of the level of risk, but the promise of high returns also encourages speculative investment. While it may be acceptable to give our fund managers more flexibility, I do not want them to put our funds at risk for the sake of seeking the highest possible investment return.

I assume that the government would argue that its turnaround of position on derivatives is based on the view that there are now tighter controls on investments. I should point out that this was not always the case. We just have to remember the Bruce Stadium fiasco and the fact that the financial management guidelines were only made a disallowable instrument after this.

The issue of where we invest the territory's money is very important. It is important from the point of view of not only the security of taxpayers' money but also ethical questions. I have raised before in this Assembly the Greens' view that the government should lead the way in promoting so-called ethical investment. I think serious consideration needs to be given to directing at least a proportion of our superannuation funds into investments which promote the development of clean, green industries and away from companies which promote environmentally damaging, unhealthy or destructive products or services. From memory, I think Mr Humphries had a reasonably favourable response to a recommendation that came out of the report on that matter in the first phase of the draft budget. I do hope that we see it picked up in some meaningful way by this government or other governments.

I will not be opposing this bill, but I do want to express my caution about the use of derivatives. I assume that further details of the use of derivatives will be added to the financial management guidelines in the future so that the Assembly will have the chance to revisit this issue if necessary at that time.

I also have an amendment here from Mr Quinlan which we have not had time to look at in detail. I understand Mr Humphries also wants more time. I think that is perfectly reasonable. I understand that we will adjourn debate on the detail stage and deal with that later.

MR MOORE (Minister for Health, Housing and Community Services) (6.43): Ms Tucker raised the issue of the debate in 1993. At that time I was very involved in the debate and raised the issue of investments by the government that at that time were considered quite risky. There is no doubt that the futures market at that time was considered a very risky part of investment. In the eight years since that time we have gained a much greater understanding of derivatives and how they are used within the market and how we use them in order to counter risk in other investments. I think it is important to recognise that there has been a significant advance in our understanding of this sort of market. When this matter came before cabinet and I raised the same issues that I raised in 1993, I felt more satisfied that we were in a better position now to be able to keep checks and balances in place, but to expand the prerogatives within those checks and balances.

I still think with regard to derivatives that we do need to be particularly careful. We do need to have appropriate checks in place, but I believe the legislation we have before us does leave in place the appropriate checks and balances suitable to 2001, with our greater understanding of what we are dealing with than we had in 1993. Mr Speaker, for this

reason I am comfortable about supporting the bill, and I look forward to the Chief Minister's response to the Assembly on this matter now.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (6.44), in reply: I thank members for their support for this bill. I remind members that guidelines will have to be produced before the provisions become operative, so provisions in the legislation that might be regarded by themselves as being overly broad will be restricted in effect by the operational guidelines. The guidelines will be a disallowable instrument and therefore members will have a chance to see those. I hope members will have a chance to view this as being a prudent and cautious step to take in light of the restrictions we place on the power to invest in derivatives.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail stage

Bill, by leave, taken as a whole.

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

Adjournment

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

That the Assembly do now adjourn.

Assembly adjourned at 6.45 pm