



DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

20 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.

Death of Mr Terry Gathercole AM

MR STEFANIAK (Minister for Education and Attorney-General): I move:

That this Assembly expresses its deep regret at the death of former swimming champion and coach and President of Australian Swimming, Mr Terry Gathercole AM.

Mr Speaker, it is with much sadness that the swimming world and the community in general learned of the death of Terry Gathercole in Canberra on 30 May of this year. Terry was born at Tallimba, New South Wales, on 25 November 1935. He had a long list of achievements, including Olympic swimming champion, Olympic swimming coach and President of Australian Swimming. One of Terry's most passionate arguments was about keeping drugs out of sport. It was his dedication as an anti-drugs campaigner that kept the sport of swimming so clean in Australia.

Terry's long swimming career started in West Wyalong and had many influences. Ironically, his father was a master plumber and worked on the construction of the local swimming pool. His father was also a foundation member of the West Wyalong swimming club and served as a committee member and president for 21 years. Terry's first competition was in the five years of age and under wading race and, as the season progressed, he joined the swimming competitions in the main pool. He continued to compete in swimming carnivals across western New South Wales, with one of the highlights being the New South Wales country championships in 1952, which were held in his home town.

Terry Gathercole could be described as a self-taught swimmer. He lived in the country, where there was no coaching expertise, but that did not stop him from representing Australia. He was the Australian 100 and 200 metres and 110 and 220 yards breaststroke champion from 1954 to 1960. He was a passionate believer in the art of breaststroke swimming and used to have a lovely way of knocking the other disciplines of swimming, something for which he was fondly remembered at a memorial service for him at the AIS pool. He was listed in the *Guinness Book of Records* as winning the most consecutive national titles won by a male competitor.

Terry represented Australia in the Olympics in Melbourne in 1956 and in Rome in 1960, where he won a silver medal in the medley relay. He also wore the green and gold at the Commonwealth Games in Cardiff, Wales. After an illustrious swimming career, Terry turned to coaching. He made champions like Phil Rogers, Linley Frame, Georgina Parkes, Beverley Whitfield, Graham Dunn and Ian O'Brien. He was the Australian Olympic swimming team coach in 1964 and 1976, and three times a Commonwealth Games coach.

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Terry Gathercole also had a familiar name overseas. In 1968, he accepted the head coach position with the city of Midland, Texas, and was presented with a Senate resolution in recognition of his contribution to swimming in Texas. It was in his later years that Terry Gathercole had even more influence on the administration of swimming in the United States. He was instrumental in standardising swimming rules and administration, achieved nationwide recognition by serving on the American Swimming Coaches Association board of directors and later became the first non-American elected as the President of the American Swimming Coaches Association.

It was in 1986 that Terry made his way to the Australian Institute of Sport. His influence there contributed to the ongoing success of Australian swimming. His spirit will live on at the AIS and each and every swimmer, coach and administrator who was associated with him can take comfort from having known a great man who can be hailed as having the greatest influence on Australian swimming.

Terry Gathercole was loved by everyone who knew him or came in contact with him. Despite a lengthy illness and heart trouble, he was in high spirits till the day he passed on. Ironically, my office received a phone call from Terry two days before he died. He was trying to arrange a meeting with me to talk about swimming pools in our schools. He was a passionate believer in the benefits that swimming could bring to people in our community. He had some innovative plans for swimming pools. Those plans are worthy of note by whomever is in government in this Assembly because of their excellence and potential.

He had a passionate love for his sport, especially for breaststroke swimming over the other forms. I was at the memorial service for him, which was attended by the Prime Minister, other dignitaries and many swimmers from many eras, and it was fantastic to hear of the love held for Terry. You were there, Mr Speaker, and it was, I think, a humbling experience to hear of the dedication, the respect and the love for him by so many people, the joy he brought to so many lives and the assistance he had given to so many fine young Australians, many of whom had gone on to win gold at Olympic events.

It is my hope that one day we will be able to name a swimming pool after Terry Gathercole in memory of a great man, a brilliant swimmer, a clever coach, an influential administrator, an anti-drugs campaigner and, more than anything else, a great bloke. Speaking on behalf of the entire Assembly, I say to Terry's family—his wife Carol and their three children, Ben, Gai and Tim—that our thoughts are with you all. Terry Gathercole, thank you for all you have done for everyone and for Australia. You will be sorely missed.

MR STANHOPE (Leader of the Opposition): Mr Speaker, on behalf of the opposition, I join the minister for sport and the government in expressing condolence on the death of Terry Gathercole. The minister has given a very detailed summary of Terry Gathercole's swimming career. He certainly was one of Australia's earlier enduring swimming champions. As the minister has indicated, Terry Gathercole first represented Australia at the 1956 Olympic Games. He went from there to perhaps his most successful swimming competition, the 1958 Cardiff Commonwealth Games, where he won three gold medals and, I believe, two silver medals, a very significant achievement by him.

Terry Gathercole represented Australia again in the 1960 Olympic Games. As the minister said, he retains the record for the most consecutive Australian swimming championships, winning the 200 metres breaststroke every year from 1954 to 1960, a very significant achievement for any sportsperson and in the realm of swimming an achievement that has never been matched.

As the minister also indicated, Terry Gathercole, after and even whilst he was competing in swimming, turned his mind to coaching and coached a significant number of teams over the years from the 1960s until, effectively, the last three years. He was also a significant member of the Canberra community. I think it is worth acknowledging that, in addition to his achievements as a sportsperson, a representative of the state and a representative of Australia, he was also a resident of Canberra and made a significant contribution to Canberra in the many roles that he fulfilled here.

The minister has acknowledged the significant role that Terry Gathercole played in refining breaststroke swimming as it is current swum. There was a redevelopment of breaststroke swimming as a result of the introduction of the butterfly at the 1952 Helsinki Olympics and Terry Gathercole is acknowledged round the world as the swimmer who refined breaststroke swimming. The stroke that is swum to this day stylistically is very much a result of the design for the stroke that was pioneered by Terry Gathercole when he became the Australian and subsequently world champion breaststroker that he was.

The Labor Party joins the government in expressing its condolences to, particularly, the family of Terry Gathercole and to his friends, to everybody who knew him and to Canberrans, who will miss him.

MR HIRD: Mr Speaker, as a former president of the Royal Life Saving Society and a life member of the society, having had a cross bestowed upon me by Her Majesty the Queen for services to water safety, I would like to join the minister for sport in his condolence motion and to share the sentiments of the Leader of the Opposition.

The news of Terry Gathercole's death was a shock to the sporting world. The extent of the loss cannot be underestimated in Canberra as he had such an influence here in swimming, particularly at the Australian Institute of Sport at Bruce. Over more than 60 years, Terry saw the many changing faces of swimming in Australia and worldwide. In the past 50 years, swimming has changed dramatically with the many technical changes to the sport and, as a swimming coach and administration, Terry saw it all. He left an important legacy. There is no doubt that there is quite a hole in Australian swimming following the sad loss.

Terry had many visions for the future of Australian swimming and it is important now that we embrace those. He was recently quoted in a publication titled *The Swimmer* as saying:

Whatever the future holds for me, swimming has been a lifetime of great experiences...The best thing for our future would be a dramatic increase in our affiliated members, who have a more direct opportunity of input into the decision making of our sport.

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It is easy to see the important role that Terry played in Australian swimming. It is also clear that Australian swimming played a great role in Terry's life and that of his family. In reflecting on the life of Terry Gathercole, the current national team head coach, Don Talbot, was quoted recently in the *Canberra Times* as saying:

I think that he roughed up the world of swimming more than anybody and did a tremendous job...he's going to be sorely missed for his tenacity and forcefulness behind everything he does.

All of these words are true, Mr Speaker. Terry Gathercole AM will be remembered as a talented, forceful and decent man whose legacy will continue to inspire not only swimmers, coaches and their administrators but also athletes and administrators of other persuasions. Mr Speaker, to paraphrase another great Australian, the poet Henry Lawson:

The night too quickly passes
And we are growing old
So let us fill our glasses
And toast the days of gold.

Terry Gathercole certainly brought gold into the lives of many Australians. He was a great Australian.

Question resolved in the affirmative, members standing in their places.

Suspension of standing and temporary orders Road Transport (Safety and Traffic Management) Bill 2001

MR RUGENDYKE (10.44): Mr Speaker, I move:

That so much of the standing and temporary orders be suspended as would prevent Mr Rugendyke from presenting the Road Transport (Safety and Traffic Management) Amendment Bill 2001 which contains amendments that are the same in substance as amendments negatived earlier this year.

I am seeking the suspension of standing orders to present a bill. Without talking about the bill, I think it has been conceded that, during a debate earlier in this house, the provisions I am proposing in the bill dropped out by accident. Those provisions previously survived two votes of acceptance by a majority of members of this chamber and I think that it is important to seek to bring them back.

MR HARGREAVES (10.45): Mr Speaker, I oppose the motion on a couple of grounds. The first one is that I believe that this is a method to have reconsidered a vote of the Assembly which has already been considered in the same calendar year. I understand that the standing orders say, that without the benefit of a suspension of standing orders, we should not consider yet again a matter within the same calendar year. I think this is just an attempt to get around that standing order and I do not agree with it for that reason.

The second thing is that Mr Rugendyke said that something had dropped out by accident. Let me assure Mr Rugendyke that it did not drop out by accident. Let me be absolutely emphatic about that. Very little in this place happens by accident. Indeed, what we talked about at the time was the matter of principle. The principle is that the judiciary has the

power to remove people's property. I once got a ticket for speeding and on that ticket the police sergeant was referred to as the informant. An informant informs the court of what went on and the court decides what the penalty is going to be and applies it. It is that principle that we debated with respect to the road rage bill. The consequences were all about who had the power to remove a person's motor vehicle.

The court has the power to remove it once given sufficient evidence. Interestingly, the bill that Mr Rugendyke wishes to reintroduce talks about a police officer taking away a motor vehicle on reasonable suspicion of a burnout having occurred. It also talks about his having a choice to do so within 10 days. I do not think that that ought to be the case. In my view, Mr Speaker, the judiciary can do so within the 10 days. What we are seeing here is an indication that Mr Rugendyke did not pick it at the time that we put down the road rage amendments. I know that Mr Kaine picked it. I know that the minister picked it, because he mentioned it to me before the debate. He asked me whether I was aware of the consequences of the provisions and I told him that I was.

The minister for health picked it and expressed similar words to me those, saying that we are talking about having a consistent principle here. Let it not be misunderstood by anybody: it was not an accident, Mr Speaker. Therefore, I oppose the suspension of standing orders. I see no reason to reconsider this matter at this late stage. If Mr Rugendyke is lucky enough to be re-elected, he can come back to the next Assembly and put the same amendments after the calendar year has concluded and we can debate them again.

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (10.49): Mr Speaker, the government will be supporting the motion simply because it believes that the law that was introduced was very successful. Re-presenting this bill will give us the opportunity to undo something that Labor has done. We believe that what has gone on here is that a very effective law that has seen an enormous decrease in the number of burnouts has been taken away from the people of the ACT. It is not a law that has been used a large number of times. It has been very effective simply through threatening the impounding of vehicles. We believe that it works, we believe that it is very effective, we believe that the people of Canberra support it, and we believe that the way that it was gone about was indicative of the way that the Labor Party goes about making legislation. We will support Mr Rugendyke in his motion.

MR MOORE (Minister for Health, Housing and Community Services) (10.50): Mr Speaker, most of the government will be supporting it. It is a matter on which I am standing aside. As Mr Rugendyke knows, I have always objected to the approach of police being able to impound cars.

Mr Berry: Savour this moment, Michael; Wayne Berry agrees with you.

MR MOORE: I am savouring it, Mr Berry. Since the legislation was, effectively, withdrawn, has there been a major increase in the number of burnouts? I have to say that there has not been to such an extent that it has been bothering me greatly. During the GMC car race, I drove down through Braddon, where burnouts are considered to be the biggest problem, and saw people driving fancy cars with low-profile tyres—they drive them downhill because they think it makes them go faster driving downhill—without

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creating a problem. The police were there. They were doing a very good job, I have to say. In fact, I was breathalysed, along with everybody else, as I drove through in my Tarago, with mag wheels. It did not get the same looks as the other cars.

These people are not creating a problem. What we would be doing, Mr Rugendyke, is allowing you to bring back a piece of legislation inappropriately in order to hand to the police a power which really belongs to the courts. That is a fundamental principle as far as I am concerned. Therefore, it is inappropriate to allow you to do that within a calendar year. The standing orders are there to prevent that happening for a specific reason. There will be times when it is appropriate to suspend them, but this is not one of them. Good luck with it next year after the election, Mr Rugendyke.

MS TUCKER (10.52): I also will not be supporting what Mr Rugendyke is trying to do this morning. The Greens made their votes perfectly clear on the issues of burnouts and road rage. Mr Rugendyke likes the idea of taking away cars even though, particularly with road rage, it could have a quite negative impact on innocent people because, obviously, it is not the car that is doing the raging, it is the person driving the car. The burnout legislation was not thought through and I would not support this matter being brought up again within this calendar year. We have those sorts of rules in this Assembly for a particular reason.

MR BERRY (10.53): First of all, I wish to acknowledge the workers from Totalcare who are on strike today as a result of redundancies which have been forced upon them by the government's withdrawal of the housing contract from Totalcare. May I say that that was no accident, either.

I stand opposed to what Mr Rugendyke is on about here. I have heard Mr Rugendyke complain in the past when issues have arisen that nobody had come to him about them. I have to say to Mr Rugendyke that nobody came to me about this matter, either. If he had, I would have said, "Go away; we are not going to support you," because he knows my position in relation to this matter, and he knows the Labor Party's position.

These sorts of police powers impact on young people and poor people and I do not think that they advantage us in any way. I am told that a police officer who is involved in the summary confiscation of somebody's car is off shift for half a day dealing with the issue. That is not a sensible use of police resources, in my view, but it has a most offensive impact on the community. Summary offences are to be avoided at all costs. I believe in the courts having powers to deal with these sorts of matters, but only the courts. It is not up to police officers to deal with these issues. I know that Mr Rugendyke has tried to make a point about an incident at Latham Oval. That involved a vandal on a paddock, not in a public street. To use that as some sort of example of why you need burnout powers is a little disingenuous.

We will not be supporting this motion for all the reasons we have expressed in the past. We do not like summary powers. We do not like having the powers of confiscation imposed on car owners. We do not think that that will bring about a better result for the community in the long term. Most importantly of all, we do not think that it will improve the relationship between police and the community.

MRS BURKE (10.55): I will be supporting Mr Rugendyke's motion. I think that his bill would be a deterrent for those people who, as Ms Tucker rightly said, become an extension of their vehicle when they get behind the wheel. The people in the suburbs would be very pleased with this bill, given that I have many people coming to me to express their concerns about the number of burnouts and donuts being done on median strips and gravel, causing great danger when the gravel spreads across the roads. I agree with the proposal and will be supporting it.

Mr Kaine: I rise to a point of order, Mr Speaker. Are we debating the question of the suspension of standing orders or are we debating the substance of the bill?

MR SPEAKER: I uphold the point of order.

Question put:

That **Mr Rugendyke's** motion be agreed to.

The Assembly voted—

Ayes 7

Noes 8

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

Question so resolved in the negative.

Land (Planning and Environment) Amendment Bill 2001 (No 5)

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

Title read by Clerk.

MS TUCKER (11.00): I move:

That this bill be agreed to in principle.

This bill is about restricting the minister's powers to call in development applications. This issue goes back to amendments to the land act at the end of 1996 when the government established the position of Commissioner for Land and Planning to have a statutory, independent decision maker on contentious development applications. However, the government did not want to give away too much of its power to influence development proposals. It retained call-in powers to enable the minister to call in for his decision what were termed at the time major proposals of territory-wide significance.

Since that time there has been growing concern in the community about the regular use of the powers by the current Minister for Urban Services to fast-track development applications that he favours and to avoid third party appeals. What were meant to be

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powers to be used in exceptional circumstances have become with Mr Smyth powers that are used as part of the normal development approval process.

In October 1999, Mr Corbell and I introduced private members bills to address this issue. I proposed that the call-in powers be simply abolished. The Greens believe that the government cannot have it both ways. It cannot have an independent planning commissioner and an established appeals mechanism through the AAT, and ultimately the Supreme Court, to deal with contentious developments and then override this process when it suits the government. A developer's preference to fast-track their proposal for their own benefit is not sufficient reason for the government to override legitimate community concerns about the impact of such a development on the surrounding physical, social and economic environment.

Mr Corbell voiced similar concerns about these call-in powers, but did not want to abolish them. In his bill, he specified criteria for the circumstances in which the minister could exercise the call-in powers and included a requirement that the minister table in the Assembly a statement which explained why the call-in powers were used. I did not support this bill as I thought that the criteria he suggested were too broad. The criteria referred to applications that raise a major issue of policy, have a substantial effect on the achievement of the objectives of the Territory Plan, or would give rise to a substantial public benefit. These criteria can be used, and have been used, to justify almost any development. Of course, the minister's justifications can never be challenged by anyone else as his decision is final. However, the government supported the bill and it was incorporated into the land act.

My impression was that the minister supported the bill because he realised that the bill was so weak that it would not change how he used the call-in powers. I think that has been proven. The use of the call-in powers has continued unabated; in fact, it seems to have increased in recent months. The Lyneham tennis centre project and the Latham shops redevelopment are the latest controversial uses of the call-in power. Therefore, my bill is really directed at members of the Labor Party. I think that they need to admit that their amendments to the call-in powers have been ineffectual and need to be strengthened. Whilst I would prefer that the call-in powers be just abolished altogether, if members of the ALP do not want to go that far, I believe that my bill today which provides that the call-in powers be disallowable deserves their support.

I am concerned that, regardless of the criteria that the ALP puts in the act to define when call-in powers can be used, the critical point remains that, once the minister makes a decision to use his call-in powers, it currently cannot be revoked by the Assembly if it thinks that the decision was not justified. The only way that that can be addressed is by having the minister's decision to use the call-in powers a disallowable instrument. If a minister wants to take a development application out of the administrative realm and into the political realm through the use of call-in powers, he or she should expect to have that decision questioned by the Assembly. I am aware that this could create uncertainty and delay for a particular development proposal. The decision of the minister to call in an application would not be able to take effect until the six-day period for disallowance by the Assembly has passed. There is also the possibility that the Assembly will vote to disallow the call in, which means that the application would have to be referred back to the Commissioner for Land and Planning.

The creation of this uncertainty is actually the intention of the bill, as it will put pressure on the government to use the call-in powers only where the justification is clear and accepted by all sides of the Assembly, or at least the majority. Conversely, if the government wants to push through a controversial proposal, it must be prepared to face a vote in the Assembly about the appropriateness of this action. Disallowable instruments are a standard means of allowing the Assembly to scrutinise government decisions and I see no reason why they should not be applied in this situation. My amendments, hopefully, will return the use of the call-in powers to exceptional circumstances only, which is how it should be, and stop the regular occurrence that the Liberal government has made of it. I look forward to the Assembly's support of my bill when it is brought back for debate in August.

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

Statement by Speaker

MR SPEAKER: Members, I would like to make a statement in relation to the Financial Management Amendment Bill 2001 (No 2), which is listed for discussion today as order of the day No 1, private members business. The bill was introduced last Thursday by Mr Berry. The bill proposes to insert a new section 66AA in the Financial Management Act 1996. The proposed new section provides that no payment of public money may be made for providing a new free school bus scheme unless the scheme has been approved expressly, for this section by a resolution of the Assembly. The section expires on 20 October 2001.

The bill does not contravene the provisions of the standing orders, specifically standing order 200, as it is not a proposed enactment for the appropriation of public money; nor does it contravene standing order 201. It does propose to regulate the spending of public money, as provided by section 57 of the self-government act. I do wish to bring to the attention of the Assembly that on 23 November 1995 the Assembly resolved:

That this Assembly reaffirms the principles of the Westminster system embodied in the "financial initiative of the Crown" and the limits that that initiative places on non-Executive members in moving amendments other than those to reduce items of proposed expenditure.

That resolution was moved, debated and agreed to prior to the resumption of the consideration of the Appropriation Bill 1995-96 at the detail stage. The debate on the matter addressed amendments to appropriation bills and it was in this context that the resolution was considered. Later that evening I, as Speaker, ruled a series of amendments to the Appropriation Bill proposed by non-executive members out of order as they were in conflict with that resolution. Certain of those amendments proposed restrictions on the use the executive could make of the money appropriated by the act, that is, for the purposes of reducing the level and quality of public library services in that case.

The issue is a complex one. It is one that has considerable significance for the governance of the territory as well as for the rights of non-executive members. I do not propose to rule the bill out of order at this stage on the grounds that it conflicts with the 1995 resolution of the Assembly, as the standing of that resolution in relation to bills other than appropriation bills is not beyond doubt.

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Financial Management Amendment Bill 2001 (No 2)

Debate resumed from 14 June 2001, on motion by **Mr Berry**:

That this bill be agreed to in principle.

MR MOORE (Minister for Health, Housing and Community Services) (11.10): Mr Speaker, the government will be opposing this bill, and our reasoning goes back even before 23 November 1995. When this Assembly first met in 1998 I approached Mr Stanhope when he became Leader of the Opposition, and whilst I was still sitting on the crossbenches before I came to the government I approached Mrs Carnell, and I said that this issue of how to deal with budgets is an issue that we need to resolve. I encouraged Mr Stanhope to take a different approach from what he is taking. It is one that they have considered from time to time, saying they will guarantee a government the right to its budget even though they very strongly disagree with parts of the budget.

Mr Speaker, as has been very clear in this place, I am not pure in this matter at all, having been caught in the enthusiasm of the situation the first time in 1993 when the Labor government wanted to cut 80 teachers from our schools. I was very strongly opposed to cutting those 80 teachers. Mr Speaker, you put up a motion at that time that prevented the government from taking action. As part of the lead-up to the Appropriation Bill, you put up a motion that effectively prohibited the Labor government from cutting the 80 teachers, which would have had the effect of increasing class sizes.

Mr Speaker, in the enthusiasm of that issue I made what I have acknowledged in this place on many occasions; I made a mistake. The mistake I made was to support that motion. Mr Speaker, I think you acknowledge also that it was a mistake for you to use that process.

We have since debated on many occasions how we handle the financial prerogative of the crown, because it is fundamental to the separation of powers. The role of the executive is to make decisions about the expenditure of money, and that is something that is appropriately debated in the Assembly and appropriately exposed in the Assembly. Mr Berry wishes to expose the government for what he considers a ridiculous expenditure of money on free school buses, money which he thinks could be spent better somewhere else. That is an entirely appropriate thing for him to do and to seek to expose. The methodology that he is using here though, which ties the government's hands and will not allow the expenditure of this money, is not appropriate. It is fundamental to the separation of powers, it is fundamental to making sure that the governments in this place can work, that they have their prerogative to work it out.

Mr Speaker, on 23 November 1995 we sought to resolve this issue. We sought to remove it from enthusiasm, whether it is over libraries, or free school buses, or the Labor Party seeking to cut 80 teachers and give us bigger class sizes. No matter what the issue is we ought to say, "No, the government will have to answer to the electorate over those issues. It is their role to manage the money."

I know Mr Berry disagrees with that at the moment. The reason he disagrees with it at the moment is because he is very enthusiastic about this particular issue and he has found another way to go about achieving the same goal, and that is to modify the Financial Management Act instead of seeking to modify the Appropriation Act. But the effect is exactly the same. The effect is to undermine the budget; to make sure that the government does not have the prerogative to spend the money for a particular time. In this particular case Mr Berry's time line is until after the next election, so he deals with this in a different way.

But once that precedent is set he will say, "We are not talking about until after the election; what we are talking about is until the following year, or until four years time or until five years time." The effect then is exactly the same. The effect is to interfere with the government's prerogative to make a judgment about what is the most effective way to spend the money. That is actually what the Assembly has charged us with doing. The Assembly, by electing the Chief Minister, and the Chief Minister then appointing the ministers and taking the role of government, has actually charged the government with responsibility for the expenditure of the money.

It is right for Mr Berry to be critical of this expenditure, as he is. It is right for other members to be critical of other areas of expenditure. But if we accept this bill it is so easy for this methodology then to be used by everybody else to choose their small part of the budget and to change the effect of how a budget is put together and how it proceeds. The result clearly is that the budget process will be farcical and the Assembly will become unworkable.

Mr Speaker, as you have just warned us in referring us back to the 1995 resolution, it is a path we must not go down. This legislation must be resistant, Mr Speaker, no matter what the issue is. That is the very reason why we need to sit back and have a look at exactly what the Assembly does and how it operates, particularly on this matter.

Mr Speaker, I believe that we began debating this issue of the financial prerogative of the crown and how it could be interfered with in 1989 when I was first a member. There was argument to say that a member who was not a member of the government could not even put up a bill. There was an argument that they could not even put up a bill because the result of the bill would create an expenditure just from the fact that it was printed. The self-government act was changed to make sure that it was clear that that nonsense was removed. I think it was always a tenuous argument but it underlined a fundamental argument about governments having their right to put the budget together—

Mr Berry: No, no, to appropriate, not to spend, and you know it, Michael.

MR SPEAKER: Order! Mr Berry, you will have a chance to respond later.

MR MOORE: And then to manage and administer the government's finances for which we are to be held accountable. Mr Speaker, that is the fundamental point here. That is what members ought to be considering.

There will be another issue that members will also consider because you never do these things in isolation. Mr Berry is enthusiastic about preventing the provision of school buses to 16,000 people, but they have already put up their hands and said yes, they want

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to use the free school buses, and we are expecting at least another 4,000 before this is due to start in September. Mr Smyth informed us yesterday that 40 per cent of those are from government schools—

Mr Berry: No, no, he said “non-government”.

MR MOORE: Roughly 40 per cent are from government schools and about 60 per cent are from the non-government sector, the majority of those being from Catholic schools because there are more Catholic schools. Mr Speaker, clearly, the government has taken a policy, which from my perspective has nothing to do with education, and Mr Berry wants to take it as an education policy. What he wants to do is make sure that that free school bus is taken away and that the money is then put into decreasing the class sizes, as I understand it, in year 3 and so on.

There is an irony in this. The debate we had in 1993 was when Labor was trying to increase class sizes with their 80 teachers, and I do not miss that irony. What is surprising, I guess, is that Labor would pick on that money in those free school buses, which is some \$26 million to \$27 million over the next four-year period, of which about \$7 million or \$8 million is capital expenditure, and not look at the tax break. If you really want to do this, if you really think we have it wrong and you want to make sure you have smaller class sizes, why don't you look at the tax break we put on registration, which over the same period is \$40 million? Surely that would be a more sensible way to go about this, but, of course, that is not what is driving it. What is driving it is the fact that the teachers union, first, and the P&C Council about the same time, said, “How come you are putting the money into free school buses? Why don't you put it into education?”

That is the sort of decision governments make when they are putting a budget together. We have a certain amount of money. We prioritise here, we put some into here, we put some into here, and we put some into here. In this budget we used a particular technique to do that. We looked at our series of themes and made sure that our budget was primarily about issues of poverty, innovation and early intervention. We also looked at capacity building. Mr Speaker, those were the fundamentals behind the budget. Those were the things that drove it, and Mr Berry's legislation interferes with the way that was done.

Mr Speaker, when we were putting this budget together there was a huge amount of consultation. I suppose the Liberals will argue that they did this because it was an election promise.

Mr Berry: No, they didn't. In 1995 they did. They didn't in 1998.

MR MOORE: They did in 1995.

Mr Stanhope: And 1,000 hospital beds.

MR MOORE: At the same time, as Mr Stanhope interjects, they promised 1,000 hospital beds. I am not worried about their particular promise in this area; I am worried about the fundamental issues. It is interesting that a political party would try to keep the promises it has made. I think people are expecting that and I can understand the argument.

It is interesting that Mr Stanhope mentions the 1,000 hospital beds. I will digress for a moment to deal with that. They promised, I didn't, 1,000 hospital beds in 1995. It was a silly promise. What they ought to have been promising, and what the thrust behind that promise ought to have been, was that they would increase the number of patients that are dealt with in our hospitals. Mr Speaker, that has happened. There has been an increase in the number of people who are being treated by our hospitals. There has been a significant reduction since I have been the minister in the amount of time that people are waiting for elective surgery.

All of these things are done because the government chooses to put the money in the appropriate spot and to spend it at the appropriate time in order to deliver the outcomes that the government has set. That is what it is about. If this legislation goes through Mr Berry will set a precedent that interferes with the prerogative of governments not only to be able to spend the money but also, by using the Financial Management Act, when it can spend the money. It is simply unacceptable. It will make administering departments and running a portfolio extraordinarily difficult, if not impossible. Mr Speaker, this legislation really must be opposed. It is inadequate. It is about politics. It is not about sensible government.

MR STANHOPE (Leader of the Opposition) (11.24): Mr Speaker, it is interesting, isn't it, that the precedent was established by Mr Moore five or six years ago when he was an Independent.

Mr Moore: No, it was Mr Cornwell.

MR STANHOPE: We do understand your role as well, Mr Speaker, with great respect, but it was Mr Moore who gave you the support and the courage and basically established the precedent in relation to this matter. But Mr Moore now says, "I wasn't a minister then. I wasn't in the executive then. I wasn't picking up the perks then. I am now the manager of government business, so it no longer suits me to hold that view. Mea culpa. I admit I was wrong then so Mr Berry is wrong now."

Mr Moore: You know I voted against this many times before I was a minister. You know I voted against it many times. That is just being slimy. You know that.

MR STANHOPE: It is quite intriguing, isn't it. As soon as you pick up the perks—

Mr Moore: You have been really slimy.

MR STANHOPE: Being slimy for suggesting that because you are manager of government business, because you manage the Liberal Party government of this place, you have adopted a different attitude? You now say, "I was wrong then, but I am right now. Because I am right now Mr Berry is wrong now." You established the precedent. It's absolute nonsense, what you say. The hypocrisy of your position is just extreme, just, I might say, as the hypocrisy of your position in relation to the housing maintenance contract is extreme. I do not know whether you have looked around, Mr Moore, at the people in this place who are about to lose their jobs.

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Mr Moore: I take a point of order, Mr Speaker. Not only was Mr Stanhope quite incorrect and lying about what he was saying about me before, but also he is now not relevant to the topic at hand.

Mr Berry: You can withdraw that.

MR SPEAKER: Yes, the word "lie" was used. Withdraw it please, Mr Moore.

Mr Moore: Mr Speaker, I did call Mr Stanhope a big liar, but it's true. He is not a big liar, so I withdraw the word.

MR SPEAKER: It is withdrawn.

MR STANHOPE: You don't like it do you, Michael. You remind me of *Dad's Army* and the bloke who said they don't like that cold steel. It is exactly the same. You like to dish it out but you can't take any of it. Your behaviour is absolutely pathetic. It's pathetic the way you behave.

MR SPEAKER: Order! Get back to the topic, please.

MR STANHOPE: The point needs to be made, Mr Speaker. Mr Moore jumped up in this place and complained about the fact that I digressed into another portfolio area of his, namely the housing contract, when he digressed into hospital beds and said how wonderful it was now that we did not have the 1,000 hospital beds that the Liberals have promised. He can digress into the health portfolio but I can't mention the fact that we have, as a result of Mr Moore's actions, a group of people in this place who are facing redundancy.

Mr Smyth: I take a point of order, Mr Speaker. If the Leader of the Opposition is not acquainted with the standing orders and does not know how to use them properly, that is no justification for him straying from the topic. It is a matter of relevance here and he should be addressing the free bus system, which of course will benefit 16,000 students in the ACT.

MR SPEAKER: Gentlemen, I suggest that we all come back to the legislation that is before us.

MR STANHOPE: Thank you. I am happy to do that, but I think the point needs to be well made about the missed opportunities and the priorities of this government. That is what we are debating here. We are debating a priority of this government, a vote-buying exercise, namely, the provision of free buses to a select group of students. That is a priority over and above the investment of an additional \$27 million into the education system to achieve direct educational outcomes for all Canberrans .

We are talking about a priority of this government, a misplaced priority, a wrong priority, a missed opportunity, just as we are talking about a misplaced priority in relation to this government's attitudes to Totalcare. It has an ideological determination to undermine Totalcare. As a result of the ideological position that it has adopted in relation to Totalcare, it is determined to take as much work as it can from Totalcare to ensure that eventually it is an empty shell and can be flogged off. We know that that is what it is all

about—chip away at the outside and reduce all those different aspects of Totalcare to the point where it is such a shell that you sell it.

Mr Moore: Do you want me to interfere with tendering processes?

MR STANHOPE: We know that that is what the agenda is.

Mr Moore: Would you interfere with the tender process?

MR STANHOPE: In relation to this particular—

MR SPEAKER: Order, please! Mr Stanhope has the call. I do not want continued interjections from each side of the chamber.

Mr Moore: Would you interfere with the tender process?

MR STANHOPE: Name him, Mr Speaker. He is still going, Mr Speaker.

MR SPEAKER: Continue Mr Stanhope.

MR STANHOPE: Thank you.

MR SPEAKER: I put up with Mr Berry for some time. I am willing to give the same margin to the government.

MR STANHOPE: Well, that is a very interesting interpretation.

MR SPEAKER: However, there is a limit to my patience. Mr Stanhope, continue.

MR STANHOPE: Thank you, Mr Speaker. We have to look behind this particular initiative of the government. If we try to assess the basis on which the decision was made to support this free bus initiative over and above all others, what do we find? Ms Tucker this week moved a motion seeking a detailed analysis of the outcomes for the community of providing a free bus scheme over and above injecting an additional \$27 million into the education system. The government did not want to do that. They did not want the analysis. They did not want to look at the impact or the effects, potentially, of injecting an initial \$27 million into education. They were not interested.

One assumes, therefore, that they did their own analysis. I could paint the picture of the sort of analysis that was done by the Liberal Party when they made this decision. I have no doubt the cabinet was sitting around a table up in the cabinet room with a whiteboard, trying to develop its budget. It had a column of things that had to be done, expenditures that we simply could not touch. There was another column, headed how to win the election, showing the moneys to be expended to buy enough votes to climb the slippery pole back into government after the October election. They were having a little bit of strife there. They know how much ground they have to make up and somebody came up with a bright idea.

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The brains trust, Smyth, Humphries, Stefaniak and Michael Moore, were sitting around the table. One of the four said, "What about this free bus idea that we promised six years ago and dropped? It was good for that election. We got up in that election. We promised 1,000 public hospital beds. We promised free school buses. We promised to reduce the waiting list by 20 per cent. We promised the Belconnen pool. We didn't keep any of the promises, but we were elected in that election. Why don't we try them all again? Which one of them will we pick this time? Can we go for the 1,000 public hospital beds again? We are still toying with the Belconnen pool. We have never built it. Mr Stefaniak has turned the sod three times now, but we still don't have it. What about the free school buses? That was a good one last time."

So, bingo, free school buses appeared in the budget. That is how it was done. That was the basis for the decision. That was the intellectual rigour that was applied.

Then they said, "We had better get this into place before the election," and that is what this bill of Mr Berry's is all about. They said, "We had better get this into place before the election." Don't worry about how many people miss out; don't worry about the educational opportunities to be denied to the vast majority of Canberra kids; just get it into place. And don't worry about the extra cost.

At the estimates we asked, "Well, how are you going to do it? Do you have enough buses?" What was the reply? "No, we will hire them." So we are going to spend \$1.4 million between now and the election on hiring buses just to get this into place before the election so that the first round of free tickets can go out. The government thinks, "Nobody can interfere with it then. Nobody will dare to argue against the free bus scheme if we have hired \$1.4 million worth of free buses and got it into place before the election, just to frighten the horses and to try to intimidate anybody else out of arguing against this scheme."

That is how shallow this notion is, and so obviously and patently a vote buying exercise it is. The government is hiring buses, \$1.4 million worth of them, so that it can get this into place a month before the election and so that people, overcome by the government's largesse, will rush to the ballot boxes and vote for them.

The people of Canberra are smarter than that, of course. They are smarter than that in a number of ways. They know it was this government that imposed a zonal system that doubled school fares only two years ago. That is the great irony of this. It was this government that only two years ago instituted the current zonal system that doubled school bus fares for the people of Canberra. You did it only two years ago. Now you are lauding the fact that you are providing free buses after imposing two years of pain on all those families that have battled to meet the double bus fare scheme which you introduced. It is your scheme that you are now railing against. You did it.

There is another great issue in relation to this. Let's not get caught up about the damage that we are doing to the Westminster system, or the damage we are doing to a government's capacity to be master of its budget, and everything that Mr Moore said. This is another extreme irony in the face of the prince of politics' firm support for minority government. This really is an argument about minority government.

You cannot have it both ways. You cannot stand here and beat the drum for minority government and then complain if you do not have the numbers. You cannot have it both ways. You cannot say the government must be able to govern irrespective of the policies it throws up if it does not have a majority and then go out and beat the drum for minority government. I do not know how Mr Moore does that. I do not know how he reconciles the two positions.

Yes, the government always needs to govern. The government can throw up any sorts of policy initiatives it wants in relation to anything and have a right to expect the Assembly simply to accept it, to cop it, to take it on the chin, and then to go out and insist on what a wonderful democracy we have achieved or that we can respond to as a result of an attempt to institutionalise minority government. The government gets its support from within this place. It is within this place that the government needs to maintain its support. We all know that.

This is not an argument about whether or not an amendment to the Financial Management Act that Mr Berry proposes, and the Labor Party supports, in any way affects or impacts on the financial imperatives of the crown. That is not what it is about. As the Speaker said at the outset, the proposed amendments are entirely consistent with parliamentary practice, accepted Westminster practice, in relation to these issues around the world. As the Speaker pointed out, the motion is in order. It reflects absolutely the understanding that applies all around the world in Westminster parliaments about a government's budget and the imperatives of the executive or the government or the crown in relation to expenditure. The Speaker went to some pains to indicate that this amendment bill is in order. It precisely reflects the Westminster arrangements and conventions, explicit parliamentary practice, in relation to these issues.

How can you stand up here and say that we are setting some outrageous precedent when the motion is in order? It is entirely consistent with practice in relation to these issues. You might say it is undesirable. You might argue, as Mr Moore attempted to argue and as I know the *Canberra Times* loves to argue, that it hands, in an unnecessary way, power to the crossbench. That is an argument that I have seen the *Canberra Times* put time and time again; that what the major parties, the Liberal Party and the Labor Party, are doing in relation to these issues over the year, particularly through Mr Cornwell's earlier intervention in this way, and now Mr Berry's, is handing all this enormous power to the crossbenches. Well, surprise, surprise, they already have it because we have minority government. It is nonsense to suggest that in relation to this one issue the parties are handing up to the crossbench, as if they are not to be trusted in relation to the budget but can be trusted in relation to everything else, some enormous power which they will abuse and misuse. That is another issue which I am happy to debate.

In relation to this particular issue, we have a proposal here that is in order. It is consistent with Westminster practice. It is consistent with parliamentary practice. It is not something that is done much in other parliaments because no other parliaments have to endure minority government, but that does not mean that it is any less appropriate here. That does not mean that it is out of order. We have minority government. It has been a fact of this place for the last 11 years. People stand up in this place and say, "Don't do it. Don't go down this track." Mr Moore, with his passionate language, says, "Don't do this. This is outrageous. This is terrible," despite the fact, of course, that he actually initiated the process. It is a complete denial of self-government.

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Let's not be distracted by the constitutional arguments. At the heart of this matter is this government's total lack of understanding of the needs of the education system, this government's total lack of care or responsibility for the fact that over the last five years we have lost our pre-eminent position in education. We used to be proud of the fact that we once led the nation in relation to all aspects of the provision of education in this town. We no longer do.

Have a look at the Productivity Commission report in relation to educational outcomes in this town. We have sunk in terms of educational expenditure and we have sunk in terms of educational outcomes. That has happened under this government. We have lost out in relation to both of those measures of educational input in this place. Our investment in education has reduced to a point where we no longer lead the nation. We do not lead the nation in relation to educational expenditure. The states spend far more, and are spending far more in a short period of time, than the ACT does on education. In order to fudge the figures the minister is inclined to add in relation to educational expenditure capital expenditure on education. He does so simply to get the numbers up and to make them look respectable.

Mr Stefaniak: That is what the states do.

MR STANHOPE: Go back to the Productivity Commission report. The minister's response—

Mr Smyth: You got it backwards. The states do it. We don't do that. You are wrong.

Mr Stefaniak: The states do that.

MR STANHOPE: Well, that actually compounds the problem then with the Productivity Commission report. Have a look at the Productivity Commission report and see how the ACT is faring in relation to education. Not well. We have dropped from top to fourth or fifth. That is an outrageous outcome over the period of this government. The outcomes are not what they were. The outcomes are not what they were despite the gloss that the minister has consistently attempted to put on this, and here was the opportunity.

Here was the great opportunity to do something about it. The government had \$27 million. It had the capacity to make a major intervention, a major injection, a major investment in relation to education. Just think. Just ponder on some of the things that you could have done and that will be done by a Labor government in relation to that \$27 million. Think of some of the things that we will do for all children in Canberra, not just this 16 per cent or 20 per cent or whatever it is that the government is desperately clinging to as a justification for this. (*Extension of time granted.*)

Think of some of the things that a Labor government will do with the additional \$27 million. Think of the enormous additional advantage that will come from smaller class sizes if these decisions are made. Think of the range of interventions, the range of improvements, that can be made through the expenditure of this additional \$27 million. There is the possibility of additional cuts to class sizes, the possibility of further investment in early childhood development, the possibility of dealing in a very direct and significant way with the problems of students with disability. There could be further and

greater support for IT development to ensure that we maintain our capacity to compete with the rest of the nation and the world. We could deal with problems such as the significant drop-out rates at the secondary level.

Despite our continuing determination to focus on retention rates, there is a failure to complete high school by a significant number of children. A large number of children are simply not finishing school. Our retention rates look good. The glossy good news figure is the retention rate, and that is the one that I notice the minister concentrates on. He ignores always the level of the completion rate. Just think of the interventions you could make with the \$27 million in recognising and dealing with students at risk, ensuring greater parent participation in schools, and dealing generally with students with special learning and organisational needs. The government has provided some programs in relation to all of this, but think of what we as a community could do with the application of an additional \$27 million to those proposals.

The most significant major intervention ever made by an ACT government in relation to education spending will be made by a Labor government that expends this \$27 million on education rather than on a cynical, shallow, vote-buying exercise of free buses that affects just a select group of students and ignores the vast majority of students and their particular learning needs. It is an outrageous policy. It should be put off until after the election. Money should not be squandered, such as \$1.4 million on hiring buses. This is extremely bad and poor policy. It should be delayed. This bill is a mechanism for delay. I endorse the proposal, Mr Speaker.

MR OSBORNE (11.44): Mr Speaker, I will not be supporting this legislation. I think some of the arguments put up by the Labor Party have been quite valid. I think more money could be spent on education, but if I went through the whole budget there are a number of areas that this government has prioritised that I am not happy about. This is really a question about priorities.

I think the \$27 million, which is really just a tax rebate for a lot of people, could have been spent a hell of a lot better. I recall that on the budget parameters committee that I chaired we spoke about whether there should be an inquiry into whether or not people in the ACT would be prepared to pay more for better services. I think the answer would probably be yes.

Mr Quinlan: But that was a draft budget process, and we ignore that.

MR OSBORNE: It was the draft budget, was it? Mr Speaker, I think it is a silly move on the part of the government to be giving this much money back. But having said that, I have run into a lot of people, especially in my electorate, who are quite excited about the free bus travel. I saw someone the other day who is paying something like \$400 a term for their kids, and they are certainly not wealthy. They are just battlers. They choose to send their children to an all girls Catholic school, of which there are none in Tuggeranong, and it costs them a lot of money. I think there are arguments on both sides. I think the money could have been spent better, but the rule I have always adhered to is that it is the government's budget and they are the ones who determine how the money is spent.

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There has been a fair amount of criticism of Mr Moore about being inconsistent, but I have sat next to Mr Moore for three years and I learnt this principle from him. I think he has been consistent on this issue during the time that I have been in here with him. I think some of the criticism levelled at him on this issue has been unwarranted.

Mr Speaker, I will not be supporting this legislation. I think it is just as big a stunt as the government has been accused of pulling in going ahead with free bus travel. I will be interested in the response from the Labor Party should they be in government next year and someone attempts to do this to their budget.

Mr Berry: We will protest and be crushed by the numbers, the same as everybody else is.

MR OSBORNE: But I will support you.

MR STEFANIAK (Minister for Education and Attorney-General) (11.47): Mr Speaker, there is a lot of strength in what Mr Osborne said and a lot of hypocrisy in what has been said by those opposite. For Mr Stanhope to come into this place and criticise this government in terms of education funding and not spending enough on education is hypocrisy in the extreme.

To my knowledge, Mr Speaker, there has only been one government that tried to cut education expenditure, and that was the government of Rosemary Follett, an Australian Labor Party government, back in, I think, 1993-94. We heard Mr Moore refer to that particular debate and the motion that you, Mr Speaker, moved in relation to that. Whether that was right or wrong at the time is perhaps not pertinent to my point, which is that it is hypocrisy in the extreme for the opposition to claim that we are not doing enough when they cut it when they were in government. Even organisations with as vested an interest as the P&C recognise that at least under this government education expenditure has gone up. Obviously they would like a lot more.

I point out to Mr Stanhope, too, that he seems to have his productivity figures completely around the wrong way. Indeed, the way they are measured leaves something to be desired. But even on those figures, Mr Stanhope, this government for many years, certainly in the late 1990s, was ranked a lot higher in terms of actual expenditure than most of the other states and territories. I think we were around about second. By the way, Mr Stanhope, I think the Northern Territory has always been on top in terms of how much it spends per student.

I suggest that Mr Stanhope look again at those figures. If he does he will find that during the time of the Labor government we were down to about fifth. Yes, there were recent figures which showed we were fifth again. Guess what. We did not build many schools then, so he has got his capital thing mixed up there. How effective is that as a measure of how good a system is? Well, we have some diseconomies of scale because, although we are small, we are compact. So there are a lot of factors in there.

One thing I dispute, Mr Speaker, is that he says the outcomes are down. I think you will find, even if you look at the productivity figures, that what we have spent has kept us towards the top. But in terms of the outcomes, the outcomes are excellent. The literacy outcome for year 3 was 94.8 per cent. I defy any other state to beat that. I don't think

anyone has. We were marginally behind on one strand—I think it was New South Wales last year—but we have certainly topped that. We are now in front there.

Many of our students get places in international competitions. Although a small system, quite clearly we are recognised as the best in the country. Our college system is clearly recognised as the best in the country. It is something that other people emulate. We have had some world class firsts in terms of IT competencies, for example, for year 10. New South Wales and other states are now starting to follow our lead. I think the list goes on there, so do not talk to me about outcomes, Mr Stanhope. We have delivered on those and we continue to deliver. If we happen to be re-elected at the next election we will deliver on more outcomes as well.

Mr Speaker, I am rather amazed to hear Labor say we should now be spending more on education. I will table it next tomorrow during the debate, but there was an interesting article by the union after we announced our kindergarten to year 2 program. They said that that sets the benchmark. The government has set the benchmarks for every other party in this Assembly. Are Mr Berry and Mr Stanhope trying to play a little bit of catch-up?

It is interesting to note, Mr Speaker, that they seem to have accepted all of our initiatives, which they say amount to \$40 million. Their figures are a bit wrong there because I think they only have us spending a bit more than \$3 million on additional capital and minor new works, when I think it is \$7.9 million, the additional \$5 million being put in just before the budget was finalised. Apart from that, they seem to have listed the initiatives and the money there fairly accurately.

Let's take their figure of \$40 million on additional initiatives. Total additional expenditure on education, and that includes the CIT, will be \$91.5 million over the next four years. In anyone's language that is a huge injection of funds, especially when something like \$417 million or \$420 million is the figure now in terms of a base. That is a very significant injection of funds.

In what sort of a climate did we manage not only to maintain education expenditure in real terms, as we have done during the term of this government, but actually increase it by about \$40 million over and above the CPI? Have a look at the KPMG report of last year, fellows, if you want to check that one. In what sort of economic climate did we do that? We did that in a fairly difficult climate for most of the time. We were left with a \$344.5 million deficit by these guys opposite. When the territory got self-government we were in surplus. The books were there. We actually had a bit of money in the bank. Well, they managed to whittle that down soon enough. What confidence can anyone have in terms of this opposition, if they come to government after 20 October, having the financial ability to do what they say they are going to do?

I will come back to Mr Berry's and Mr Stanhope's figures in terms of what they say they will do with this \$27 million. I might as well mention that now because it really is quite edifying. They make mistake number one when they say, "Right, \$27 million over three or four years. We can do lots of things there." They list a plethora of things. They seem to neglect the fact that \$7.98 million is capital for the purchase of additional buses.

Mr Berry: Yes, we are taking that out too.

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MR STEFANIAK: You can't lump that in.

Mr Berry: Yes, you can.

MR STEFANIAK: Wayne, you can do it as a one-off, old son, but you can't lump it in recurrently like that year after year. So in terms of the recurrent promises, what have we got here? Okay, they have indicated they will do the single zone bus initiative, at \$800,000 per annum. That is their figure. That is \$3.2 million. So we are down now, I think, to \$15.82 million.

Mr Berry: No, we are not.

MR STEFANIAK: After you take off your capital.

Mr Berry: I am glad they were not using you when working out the numeracy scores.

MR SPEAKER: Be quiet, Mr Berry.

MR STEFANIAK: Mr Berry has said on a number of occasions that they will extend our K to year 2 initiative to year 3.

Mr Berry: You would have dragged the average down, Bill.

MR SPEAKER: Mr Berry, if you want to be here to respond I suggest you keep quiet.

MR STEFANIAK: Thank you, Mr Speaker. They will extend our K to year 2 initiative to year 3. Okay. There is a fair bit of educational material asking whether that is necessary or not. Maybe you could use that better, but I am not going to go into that. He has promised that. That will cost him \$2.75 million a year. We have costed that. That is \$11 million over four years. So he is now down in terms of his available recurrent expenditure to some \$4.82 million. That is about \$1.2 million a year. That is not a lot of money to do all the other things they say they are going to do. So when you consider it, even on their figures, they are a little bit shonky really. When you look at their track record, can anyone have any real confidence in this lot doing what they say they will do?

Mr Berry: Is shonky allowed? Is it on the list?

MR STEFANIAK: Mr Speaker, I am not going to go through—

Mr Berry: Is shonky on the list or is it off?

MR SPEAKER: It is on the list.

Mr Berry: So maybe he should withdraw it.

MR SPEAKER: You should withdraw it.

MR STEFANIAK: All right, I withdraw that. On their figures, which have some real problems—

Mr Smyth: Rubbery.

MR STEFANIAK: Rubbery, says my colleague the Deputy Chief Minister. Rubbery is probably a reasonable and simple summary of their figures. I think they are distinctly rubbery. Indeed, I think they have a fairly rubbery record in terms of their ability to handle finances.

I am not going to go through the plethora of initiatives which they say they will adopt which we have put into this budget, all of which will greatly assist the education of students in this territory, many of which will assist students at risk, and many of which will assist students who have disabilities or who are in need of assistance. I will leave that until tomorrow and the budget debate. I think it is hypocritical in the extreme of this opposition, whose track record in government was, at best, maybe to keep up with what they had spent the year before, but who also had a record of trying to cut education expenditure, to criticise this government who, despite the incredibly difficult financial situation we had in 1995, actually managed to increase expenditure each year.

Mr Berry or Mr Stanhope mentioned that the other states are spending more. Some of them are spending a lot of money, and so they should, Mr Speaker, because they need to catch up. They need to catch up with the very high standard we have. Indeed, it isn't only money. Standards, outputs, outcomes and things like that are terribly important. We do have an excellent system, and I think they degrade that by their spurious arguments today.

My colleague Mr Moore asked why on earth are they picking on the buses, this great initiative for families. Yes, it is a form of tax relief for many families. This families initiative is not in the education part; it is in Urban Services. It certainly will affect a lot of battling families. Like Mr Osborne, who mentioned a number of families who approached him, I have been approached by a number of families. I have been approached by a number of people who say, "Please don't step back on your promise. Keep doing it. It's very important to us."

I have heard of battling families who are spending \$60 a month for kids to go to government colleges. It is money that is going to help a lot of battling families. I have had letters from people. Mr Smyth has had a letter from someone in his area saying that he has always voted Labor, but he will not any more as it is the first time he has got anything from government.

Mr Corbell: They always say that.

MR STEFANIAK: "They always say that," interjects Mr Corbell. Thank you, comrade. That's lovely. I am sure your former voter will really appreciate that.

This is also something that we promised. All right, we have not been able to deliver it until now, but now we are. Mr Berry or someone else mentioned the old perennial, Belconnen pool. If Paul Keating, Rosemary Follett and all those other people had not signed that competition policy thing in 1993, I do not think we would be discussing that, Mr Berry. So maybe that's another stuff-up. Certainly, there are a lot of people in the

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bush who do not like the effects of that, so perhaps that was not such a good idea in 1993 after all.

Mr Berry: The ones in Tuggeranong are okay. They are swimming in Labor's pool.

MR STEFANIAK: Mr Berry, I have already answered Mr Rugendyke's question on that so I will not go into that. You can just wait a little while there. It is unfortunate that we do have to wait. This is a government that does believe in attempting to abide by and honour its promises. Now, those opposite might not like it, but should they be putting up something like this bill?

Mr Moore asked why they are not saying we should spend on education the \$10 million which we are now giving back to motorists. That has a lot more strength than what Mr Berry is proposing. Or maybe we can spend some of that insurance levy. Even that might have a bit more strength than what Mr Berry is proposing. We are doing what we said we would do. It was a significant promise and, guess what, we got elected in 1995. I think the promise was conditional on the finances of the territory, which were shot to pieces then but which are in a much better state now, thanks to this government.

This is a highly inappropriate amendment bill, Mr Speaker, and I want to make a couple of points in relation to that. The Financial Management Act provides a framework for the sound financial management of the territory and mechanisms for appropriate levels of Legislative Assembly scrutiny and ministerial accountability. Specifically, the act provides for an appropriation bill to be prepared and tabled in the Assembly to approve the territory's budget. It is the executive's prerogative to develop and present expenditure initiatives as part of its budget. Members of the Assembly are provided with the opportunity to scrutinise the budget estimates, and we are doing that this week, not only in the Assembly but also through the committee process. Of course, they can ultimately vote on the Appropriation Bill in the Assembly, and accept it or reject it.

It is highly inappropriate to propose amendments to the Financial Management Act that require a higher level of scrutiny and approval for a specific appropriation. This type of amendment does not belong in the Financial Management Act. There are other mechanisms available to the member either to stop this initiative or to impose a higher level of scrutiny on free school buses. I think Mr Berry has said that if the free school bus initiative goes through Labor will campaign against it. I think he said they will change it if they get in. They can promise that. Let's see if they do that at the end of the day. That at least is a legitimate step for him to take should they wish to go down that path.

I have been advised too that if this bill happens to get up there are some effects which even Mr Berry might not realise. The following situation would exist: DECS would still have the capacity and authority to continue operating the existing free school bus pass program, but the new initiative, the enhanced transport scheme for students with disabilities, and that is \$700,000 for four years, would be affected by the operation of the amendment and would not be able to proceed. That is the advice I have. That initiative provides for the removal of eligibility criteria for the special needs transport scheme that required students to be assisted to the nearest appropriate school. The existing special needs transport scheme would have the financial capacity and authority under the proposed FMA amendments to operate.

There would be some unintended consequences if Mr Berry's amendment were to get up. This is a dangerous amendment. There are other ways that this member and his party can seek to change what the government is proposing to do in its budget. It is the government's budget. The government decides how it will spend money. We have done that in a wide range of areas.

It certainly could be argued, as Mr Osborne did, that rather than honouring this promise the money could be used in other areas. It isn't education money; it is Urban Services money. It might well be that that could go to more police, something to do with hospitals, roads, or whatever. There is any number of areas, just like there is any number of other initiatives which I think might be far more appropriate for the Labor Party to seize on in terms of wanting more education funding in some areas than they have. What they are doing, Mr Speaker, is a stunt. I think most members might well see through that. This amendment is not the way to go about it.

MS TUCKER (12.02): First I want to respond to Mr Stefaniak. It is really incredible when the government says they are providing money for free school buses for children who go to school in the free school buses and it has nothing to do with education. This is like me telling you black is white, and I will say it so many times that it will start to seem logical. Clearly, an amount of money that is spent on transport, on school buses for school children, in the minds of the community logically has something to do with education. It is about getting children to school. Children go to school to be educated. It is about education. It has to be related.

Mr Stefaniak: You can argue where you want to spend it, Kerrie.

MS TUCKER: This is not the car registration scheme, Mr Stefaniak.

Mr Stefaniak: Why not spend that money, Kerrie? Why not spend that?

MR SPEAKER: Order, Mr Stefaniak!

MS TUCKER: It is obviously of interest to people who have children who are being educated, because it is about how they get to school. Mr Humphries, in the first announcement of this initiative, said that this is about education. He said that. You have changed your mind. I do not know what Mr Humphries is saying now, but he said that to begin with.

The second thing to address is Mr Moore's comments on the nature of this piece of legislation. Mr Stefaniak referred to it a little bit as well. The Speaker obviously made a very clear statement about the fact that this bill was not out of order. This is not, contrary to what Mr Moore says, a major change to how money can be appropriated. Once again, if Mr Moore says something, he says it over and over, and he thinks that will probably mean people are convinced.

This bill is not a major change to how money can be appropriated. It is not proposing that the money cannot be spent. It seeks to insert a new step which in this situation requires the government to have a specific vote on free school bus schemes. This piece of legislation says that if this Assembly supports this free bus proposal at this time the

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appropriation can go on; the money can actually be spent. The money is appropriated and it is there, but this is a new step that is being added, and it expires on 20 October.

The reason why the Labor Party have chosen to do that is because they are so seriously concerned about the reckless way this government has initiated this proposal which will have ongoing implications for government spending into the future. We are not talking about a one-off. It is not like the one-off reckless expenditure to Impulse. It is not like the one-off expenditure on Bruce Stadium, or the many, many, many of them. That clearly will not be one-off. We know there is going to be an ongoing cost to the territory from that particular mess.

This free school bus idea has ongoing implications for government spending. We are looking at between \$4 million and \$5 million a year. We do not know. We know it is between \$4 million and \$5 million recurrent expenditure in the budget now. As has already been pointed out, the government has not done any analysis on how that amount could change or blow out, which is clearly what happened in New South Wales. We have had that debate in this place on a couple of occasions now.

Turning to the issue of the Assembly's position on money bills, there is already a grey area there. We know that this Assembly has the power, through disallowing instruments, to have an impact on the money issues of the government because a lot of those regulations that we can disallow set fees and charges. Mr Osborne supported a motion of disallowance regarding the Tidbinbilla entry charges. That has an impact. That has an impact on the government's revenue raising capacity. It happens. That is already happening to our government because of the method in which this Assembly is actually run. What Mr Berry is seeking to do today is still within that grey area.

It is totally wrong for Mr Moore or anyone else to say in this place that the Assembly can have no role at all on issues of money. We do it. It is there. We do it through disallowing regulations. It is already there to a degree. We do have a grey area. The ruling of the Speaker has shown quite clearly today that this bill is not out of order. It is in the grey area, but it is not causing a major change to how money can be appropriated at all. As for the reason for this amendment bill, I would be pleased, and I have to say I would be surprised, if the government showed the rigour and courage to honestly address the concerns that have been raised in this debate and previous debates, including the debate on the motion that I put, and the issues that have been raised across the Canberra community since the budget was first brought down.

There are basically three arguments that the government has put in regard to this free bus initiative. The first argument is the one of freedom of choice, and there are two more transparently specious arguments: that people already have applied for the pass, so they must be in support of the initiative, and that it is simply keeping an election promise.

On the first argument, if all government services were to be cut completely and everyone was to be given a cash payment instead, would people, even those opposed to the proposition, apply for the cash payment? Of course they would. Similarly, it is true to say that some people are putting in an application for free school bus travel, but that does not necessarily mean they are in favour of that scheme. To describe every application as a vote in favour of the scheme is an extraordinarily weak argument. Mr Smyth has done that in two question times now and I can tell you, Mr Speaker, that I have had numerous

phone calls and emails from people who resent the way Mr Smyth has misrepresented the fact that they have applied for this pass. It is in no way a statement of support. It is a statement that this is something that is happening now so they will apply, because why wouldn't they? But they would much rather have seen a more thoughtful approach to the expenditure of this money.

I will make the point again. If all government services were cut but everyone was given a cash payment, wouldn't people take it? Of course they would. But it does not mean they would think that was good government. If that is the strength of the government's arguments and if that is a demonstration of the sophistication of government understanding of community response, then clearly it is a government which is mean, tricky and very out of touch.

The claim that the government is merely keeping faith with an election promise exposes the government as entirely cynical and self-seeking. It demonstrates to the wider community and to us in the Assembly, although we are already pretty aware of it, that this government will always find significantly more funds for its pet projects and for its vote buying exercises than it will for proper community investment.

It is in fact a question of priorities. We could run through a countless list of election promises from 1995 that have not been kept. At the 1998 election the government promised that it would not sell Actew, yet we are well aware that it made absolutely every attempt to do so. I would have thought that any outstanding election promise from 6½ years before carries little weight compared to ensuring the principle that public policy is carefully developed and public money is not spent recklessly. I would think that that should be the overriding principle always of government decisions about expenditure of public money.

There has not been discernible ongoing community interest or agitation for the proposal, there was no discussion of the issue by the government in the past three years, and no mention of the scheme even at the last election which gave the government its mandate, if a minority government can be said to have a mandate, for this term. If an election promise is made, we do not expect the government to keep it in their back pocket for 6½ years and then whip it out to delight or appal us at the last possible moment. If the promise is important, we expect to see it implemented properly, and we would like the chance to appreciate the impact of that initiative before it comes time to vote again.

“We keep our promises” rings very shallow when the promise has lost its meaning for the bulk of the community, when the promise has long been confined to the dustbin of history, when the promise is simply a device to justify a fairly naked vote-buying exercise, and when the promise has been superseded by many other promises. The promise to consult with the community on major initiatives has to be mentioned

I will also briefly address this argument of free choice. There is an argument here, but unfortunately it is an argument which results in entrenching advantage and absolving the government of its fundamental duties to govern for all citizens and to put a fair go for all at the top of its agenda.

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At first glance, free school bus travel for all students may look good to a lot of Canberra people, and I know that for some parents across Canberra there will be savings on school bus transport. I know that some parents send their children to schools across the other side of Canberra, and I can understand why that might make a difference to how such people vote in the election. But when it comes to education it is the responsibility of government to ensure that above all else there is a viable, comprehensive, public education system in place which delivers a high-quality education for everyone in the community.

Mr Stefaniak: It does.

MS TUCKER: Mr Stefaniak interjects, "It does." Have we got that on the record? Mr Stefaniak says it does. Yesterday in question time Mr Smyth read out a letter. I would like to remind members that the letter that Mr Smyth read out—I will just read the last section—was in support of the free school bus scheme. I am not misrepresenting the letter. This is a person who sent their child to a Catholic school. This person said:

I am quite sick of having people say how "rich" kids benefit from initiatives for things like free school bus travel. I think you should consider this an equity issue.

This is the point; please listen.

You tell me where in my local area (within 2km) the state system offers boys a fair and equitable education with full access to the resource areas that boys need and I'll send them there.

That is what this person said. And do you know what Mr Smyth said of this government? He said:

I could not have put it better myself.

Mr Smyth agrees with this woman that our public system cannot educate boys.

Mr Stefaniak: Don't be dishonest, Kerrie.

MS TUCKER: Mr Stefaniak should have stood up and made a special statement after that question time, saying, "I'm sorry; I do not agree with that. I think our public education system is doing well." He is saying that today. He did not say it yesterday. Or he could have said, "Okay, is there an issue for boys? Maybe we need to look at that." No, that is not what is happening at all. I just could not believe it when I heard that yesterday and heard the silence from the government.

There is another issue here too. I keep hearing from this government how they are trying to target equity and disadvantaged people in our community. They think they have thought about this. This government has thought about targeting disadvantaged. They have told us that many, many times since the budget, so let's have a little look at that.

In the government's new free school bus scheme, which was supposed to provide free school bus travel for a broad cross-section of the community, it appears some of the people who genuinely need free school bus travel for social equity reasons will now have to pay for it. Children who this government has accepted, for equity reasons, warrant free

bus passes will not be eligible under the new scheme because they live within the specified distance of 1.6 kilometres from a primary school or two kilometres from a high school.

One of my constituents, a pensioner, will now have to find some \$100 a term for term student tickets for her two sons. She cannot afford this amount from the pension, yet she feels that the two kilometres walking distance is neither convenient nor safe for her children. In a bizarre twist, she could move her children to a more distant school and become eligible, but that would disrupt their education and social networks.

There are probably many more families in this position who may not have realised that their current free school bus passes will be useless after 3 September when the scheme is meant to start. It is clearly unfair that these low income people are losing their free school bus travel when people who can afford the bus fares to distant private schools will now get this for free under the government's new scheme.

The minister, in answer to a question from me, said that the children ought to go ahead and apply for a pass, and hopefully the department will sort it out. Unfortunately, very many of them have been told that they are not eligible and they were not given an application form, despite their requests. We are talking about families and children most in need, and these are the families which will suffer. If ever there was evidence that this government did not consider the equity implications of its actions before announcing this scheme, this is it. (*Extension of time granted.*) I thank members.

On the question of freedom of choice, I just want to address that again. I know I did do that yesterday in the budget debate, but I think it needs to be mentioned in the context of this debate once again. We have seen in this government and the federal government, and conservative governments all over the world in fact, this propaganda about freedom of choice and the reality of the choice that Liberal governments and conservative governments, and Labor governments to a degree as well, are offering. It is really choice for those who are already empowered.

If you care about inequity, if you care about social exclusion, if you care about trying to equalise our society and going back to the Australian idea of a fair go for all, if you care about those fundamental notions of equity and social cohesion, you cannot support this notion of choice as put forward by these sorts of right-leaning governments. It is clear, the evidence is already in, that they will encourage and entrench inequity. It is a superficial argument which is very dangerous in my view. If we are to find a way of moving into this century in some kind of collective way to deal with the issues that we have to deal with, then we have to focus on those issues of social exclusion and equity, and governments like this do not want to know about it.

MR QUINLAN (12.19): I would like to commence by referring to recommendation 29 of the Estimates Committee report. It says that the majority of that committee thought that the government should not commit or expend any funds on the free school bus service until November. That quite clearly is beyond the election date and will allow the people of Canberra to decide before financial commitments are made. One of the points the government has been debating is that some of the money is going to be spent anyway. That is the point we want to make. What has been clearly established in this

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place in relation to the introduction of this scheme is that there was no reasonable analysis. There was no analysis at all. It was a very quick decision.

The second claim I want to refute is that this was an election promise. No, it was not an election promise. It was an election promise in 1995. If it was not an election promise in 1998 it lapsed.

Mr Smyth: Why did Mr Hargreaves raise it in 1998 and 1999? Why did Mr Hargreaves throw it across the table during the debate on the new network?

MR QUINLAN: Just to demonstrate, Mr Smyth, how duplicitous you guys are. That is why. Once another election is held the election promises of the previous campaign lapse. There was no groundswell for this. Nobody would come before us and say there has been pressure from parents, from any part of the education system, or any part of the community, that they want free school buses, so why did this initiative arise?

I will tell you why it arose. It arose through the politics of divisiveness. This is a deliberate and cynical strategy to divide the community in the hope that you gain more than you lose. It certainly is based on a political motivation to divide the community. I fear that it will work on some electors, but I certainly hope and trust that it will not work on many more, and that they will see the value of investing in education as opposed to providing a political sweetener.

This government claims, even in this budget, that part of its thrust is innovation. We talk about the major resource of Canberra being its educated population. Where does that come from? That comes from having a decent education system, the best education system in Australia. Already, now, not only the ACT but also Australia generally is being criticised as falling behind the rest of the world in terms of keeping pace with technology and the changing use of information. If we do not have any other major resources in this economy, which we don't, it is quite clear that we do need to invest in that particular single asset that we have.

Mr Stefaniak made some claims in relation to the literacy rates in the ACT. I am sure that they can be confirmed by numerical analysis, but I also have to say that it does help if you have middle-class parents, and we have a very high proportion of middle-class parents in the ACT and quite educated families. That is probably far more likely to be the reason behind our better performance than our school system.

We have seen the Productivity Commission criticise this government for reducing the rate of investment in the education system. It is quite clear that there is a declining commitment to education for all. A couple of people have brought up in this place that this free bus travel is a relief for battling families. This same government is cutting back on public housing which is needed by the battlers. So what do you do to help struggling families? You introduce an initiative that favours some people regardless of their income status and regardless of their particular personal wealth. There is no logic to that claim. Maybe you are helping some battling families, but you also are helping families across the full spectrum, and with a high probability that you are helping more in the upper echelon who have the resources to send their children to private schools than you are in the lower socio-economic strata.

So it is humbug to claim that this is helping battling families. It is not about that. It is not about equity. There is no equity in the process. It is not an election promise. There was no community for it. The reaction of virtually everybody in the education system has been against it, save qualified—

Mr Smyth: Except for 16,000 students.

MR QUINLAN: Yes, certainly some people are going to be bought off. I accept, Mr Smyth, that some families will be bought off. That is exactly what we are saying. That is what you are doing. But you are not picking out the families of 16,000 students who really need it. This is random. It rather depends upon whether you are sending your children out of area to school or not. It is nothing to do with need. It is typical of you and your party.

As I have said, this is a cynical vote-buying exercise. Some of us are not in this place just to be in this place. Some of us are here for the improvement of Canberra. This is a cynical method of shoring up the electoral prospects of a handful of people. It is no more than that. It offers no equity. It offers no fairness. If you have this sort of money you should invest it in education. If you do not want to invest it in education you should distribute it to those who really need it. This same government is cutting back on public education.

The Estimates Committee has said, “Don’t go out there and commit \$8 million of capital investment in this scheme on the eve of a caretaker period when it is quite clearly an election ploy.” There is no analysis behind this. Why the rush? The rush is because you wish to divide the community, and you wish to buy votes. I think you stand condemned by this initiative. I think it is an eloquent commentary on the politics of the Humphries government, and it has a very high degree of parallel with the sorts of politics that John Howard invokes at the federal level. You seem to be a one-trick pony.

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 12.28 to 2.30 pm

Visitors

MR SPEAKER: I would like to recognise the presence in the gallery of the year 10 local government group from Canberra Girls Grammar. Welcome to your Assembly.

Questions without notice

Bruce Stadium—marketing contract

MR STANHOPE: My question is to the Chief Minister. The Auditor-General’s Report No 3 of 2001, tabled yesterday, catalogues another sorry tale of failure of the government in relation to the redevelopment of Bruce Stadium—this time over the marketing contract. Amongst a litany of failure, the report reveals that no formal contract was ever executed between the government and the successful tenderer. The Auditor describes the process as being this:

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On 8 July 1998 the selected marketing consortium was advised that their proposal for provision of marketing and sales services was successful. The period of the contract was established as being 8 July 1998 to 7 July 1999 ...

On 5 November 1998 the marketing consortium was provided with a draft contract ...

Attempts to conclude a contract continued to June 1999. Finally, as the period in which the services to be provided was about to end, executives determined that the contractual rights and obligations between the parties were those contained in the Request for Tender ...

The Auditor commented in relation to this in classic understatement:

It is sound contract management practice to negotiate and finalise contractual arrangements prior to, or very soon after, the commencement of contracted work. No formal contract document was ever completed.

Is the Chief Minister aware that the request for tender issued to interested parties in May 1998 contained a draft contract—a contract for “the design, development and implementation of a marketing campaign and sales program for the redeveloped Bruce Stadium”? Given that the request for tender document contained a draft contract, why was no formal draft provided to the successful marketing consortium until November 1998, four months after its appointment?

MR HUMPHRIES: Mr Stanhope has quite rightly picked up that the Auditor-General, in his report handed down yesterday, made some very critical comments on the handling of the contract with National Venue Management. I want to put very clearly on record that the government does not regard the way in which that episode was handled as a very effective example of good administration.

Mr Stanhope no doubt has read what the Auditor said, as have I and others in this place. I make no bones about the fact that the government handled that issue very badly. The way in which the process was handled up to the stage of selecting National Venue Management appears to have been satisfactory. The Auditor points out that the selection of NVM appears to have been an appropriate process. But after that point there were somewhat inexplicable breakdowns in procedure. There was a failure to properly execute a contract to embody the nature of the obligations that fell on the contractor to provide services in respect of the promotion and research of the stadium. Monitoring of the contract in particular did not occur appropriately.

I do not run away from those comments. I take to heart very seriously what the Auditor had to say. I intend to make sure that every lesson which is to be learnt from that experience is learnt by both government and public service. I intend to find out whether any further work is necessary in that respect and what steps need to be taken to ensure that those issues are not allowed to recur.

The report makes a number of recommendations on the processes from here. The Auditor recommends a number of processes, which are already in train, to provide for an effective change of culture—I do not think it is going too far to say that—in the public service in respect of such matters. He recommends more rigorous monitoring of

contracts entered into. Indeed, members will recall that the budget presently before the Assembly provides additional money for the Department of Treasury to permit closer scrutiny of those matters in respect of which in this instance Treasury was found to have had inadequate levels of monitoring.

I do not know why that ball was dropped in that way. My intention, as Chief Minister of this government, is to ensure that it is not allowed to happen again.

MR STANHOPE: I ask a supplementary question. Can the Chief Minister advise the Assembly which member of the government accepts personal or ministerial responsibility for the failings in relation to this matter, a failure that cost the ACT taxpayer at least \$2 million? Has he sought any explanation of why, at the time we entered into this arrangement with the contractors, we had also consigned certain rights over marketing to the major hirers of the Bruce Stadium so that there were competing efforts to sell whatever product there was available to sell at Bruce Stadium?

MR HUMPHRIES: The latter question is a matter which the Auditor also draws attention to. Again quite properly, he draws attention to the fact that there appears to have been a problem with the structure of the contract, in that it was expected to have NVM marketing corporate products in respect of the stadium while identical products were being marketed by other people with an interest in the stadium under other contractual arrangements. Again, that is a matter questions need to be asked about, and I intend to ask those questions.

Yes, I take responsibility for putting action in train to deal with those problems. They are historical in one sense, in that already many of the things which the Auditor recommends in the report are being actioned by the government. Indeed, he specifically draws attention to steps that have been taken by the government and commends the direction which has been taken. I am encouraged by that, and I hope that that will be incentive for government and for public service to continue to drive that process forward.

Canberra Hospital—surgical waiting lists

MR HIRD: My question is to Mr Moore in his capacity as health minister. Minister, have you been able to do anything in respect of the surgical waiting list. If so, can you inform the parliament of the outcomes?

MR MOORE: I am very pleased to take this question. Of course, the broad answer is in terms of waiting lists, but we distinguish between waiting lists and waiting times.

The waiting list is steady at just above the 4,000 mark and is coming down a bit. But that is not the critical issue. The critical issue is one of waiting times and the waits have been coming down. But waiting lists are also very good at the moment. You will remember that we have category 1, 2 and 3 patients. Category 1 patients are the urgent patients, category 2 are the semi-urgent patients and category 3 are the non-urgent patients. We try to complete category 1 patients within 30 days. The hospital has reported that for five out of the last six months no patients on the category 1 list waited longer than the required 30 days. In fact, the average has been close enough to 15 days. The hospital is to be congratulated for the fact that the people who have been most urgently in need of surgery have, with one exception, been able to have that surgery done

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within the required time frames. And that is not just one month—it is, with the exception of one person, in those six months.

I have to say that it is good news about category 2 patients as well. We are not where we want to be but we are heading in that direction. As at 30 April, 41 per cent of category 2 patients were what we call long-wait patients. They had waited longer than we had wanted them to—longer than three months. That compares to 54 per cent at January. So they are coming down significantly.

It is the same story for category 3 patients. As at 30 April, 23 per cent of those patients had waited for longer than is clinically desirable, and this is down from 27 per cent as at 31 January.

This is a positive result. It is not where we want to be and we are still working on it. The lists have come down. Each of the categories has improved. This has occurred because of the initiatives we have taken and, more importantly, because of the work that has been put in by the doctors and the nurses at the hospital in order to deliver a better service.

I have to say to you, Mr Speaker, and to Mr Hird in particular, as he asked the question, that this is effective delivery of patient care. What we are interested in doing is improving patient care. This contrasts so markedly with what happened when Mr Berry was the health minister. He started with something in the order of 1,200 or 1,500 patients and over three years later there were 4,567 patients—an extraordinary exponential increase.

Government contracts

MR QUINLAN: My question is directed to the Chief Minister. It follows on from Mr Stanhope's question in relation to the latest Bruce audit report and the claim of lessons learned. I think we have heard that claim a number of times. In light of more recent events, such as the partial sale of Actew on the promise of a power station, which now seems to be a unilateral choice held by AGL in which we have no say, and in light of a contract for a GMC400 car race, where apparently the promoters can demand additional expenditure and the taxpayer has to meet them, do the lessons learned and do the steps that you said were taken include examination of other exposures which seem to be coming up since that time?

MR HUMPHRIES: Mr Quinlan's question is unspecific about what other exposures he refers to.

Mr Quinlan: I would be turning over every rock I could find if I were you.

MR HUMPHRIES: I am well aware of the fact that many of the things that you characterise as being exposures and disasters and problems do not turn out to be such disasters and problems when closer scrutiny is devoted to those issues.

Mr Stanhope: Like a rock concert?

MR HUMPHRIES: Like, for example, the Lyneham tennis centre. The government has acted very appropriately there to protect the interests of creditors.

Mr Stanhope: How many of the cheques have been cashed?

MR HUMPHRIES: Does it matter, Mr Stanhope, how many have been presented? The fact is that if we simply refused to exercise call in power in respect of that matter those people who were creditors of that particular developer would have had no leverage—

Mr Corbell: And still are.

MR HUMPHRIES: No, some of them are not. Some of them are now no longer creditors, Mr Corbell.

Opposition members interjecting—

MR SPEAKER: Order! Mr Quinlan asked a question. He deserves an answer.

MR HUMPHRIES: I do not know what our guests in the gallery think of the interjections in these sorts of debates, Mr Speaker.

MR SPEAKER: They could not think anything worse than I do.

MR HUMPHRIES: I think they regard it as very rude.

Mr Moore: It is bad manners.

MR HUMPHRIES: Indeed, it is bad manners. The fact is that you asked a question and I want to give you an answer to it. The government has put in place a succession of changes arising out of the Auditor's report on the Bruce Stadium. Do not take my word for that. Look at what the Auditor has to say in the report handed down yesterday. He referred to those changes and he commended the direction that those changes have taken.

Mr Speaker, I made a major statement on this in February on public service renewal. That process is continuing, and it is a process which, I am pleased to say, is being recognised now by people such as the Auditor-General as a process which is necessary to provide for more rigorous standards of accountability and action in the public service. I think the processes we are putting in place will identify weaknesses in government contract making, which is precisely the sort of issue which Mr Quinlan was talking about. Although no government of any ilk can pretend that there are no problems with contracts from time to time, this process is more likely to produce a reduction in those sorts of problems.

MR QUINLAN: I have a supplementary question. In the area of public service renewal, as you called it, where the limelight has been taken from the government and placed on the administration—

MR SPEAKER: No preamble, please.

MR QUINLAN: I was trying to remind him of which public service renewal we are talking about, Mr Speaker. Will that include advice to public servants that having entered a contract they do not have to do the work themselves to cover up for the shortfalls of

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negotiations or the lack of strategic direction that they receive, because this report includes the fact that after there was no contract signed and the promoters were apparently supposed to be doing the job the public servants were also undertaking marketing activities?

MR SPEAKER: I am not sure whether that is a question or not, Chief Minister.

MR HUMPHRIES: I am not sure it is either, Mr Speaker. I will comment anyway. Mr Quinlan has drawn attention to something in the report. I remind you that the report is a comment on a process that took place in large part three years ago. It is a snapshot of what was taking place then, and it is not a very attractive snapshot, I have to concede, Mr Speaker. That is why the program of public service renewal has been initiated—to make sure that those incidents do not occur again.

Mr Quinlan: How about a program of politician renewal?

MR HUMPHRIES: I would be happy to accept these criticisms if I believed that you had a perfectly good record as a party on contracts. We know that you do not. We know that the Auditor has also had lots of things to say about the Labor Party's contracts when in government. The question is not whether we made mistakes. Governments unfortunately, consisting as they do inevitably of human beings, are fallible. It is not a question of whether governments make mistakes but how they respond to those mistakes and how they learn from those mistakes to ensure they do not recur.

I inherited government from a person who lost their position, who ceased to be Chief Minister of this territory, because of the mistakes that were attributable to her, for which she was responsible, with respect to the Bruce Stadium. She paid an extremely heavy price for that. My obligation to this community is that there should be change and renewal of the public service to respond to those problems so that they are not allowed to recur.

Namadgi National Park

MR KAINE: My question is to the Chief Minister. Chief Minister, I asked you a question yesterday about the so-called management agreement that you have entered into over the Namadgi National Park with a number of Aboriginal people. In your reply yesterday, you said, amongst other things:

The government's decision was that it would make an offer of leasehold, which is effectively the greatest title in land that we can confer or can offer, to Ngunnawal people who chose to accept the offer on the basis that the offer would be non-inclusive, that it would permit others to join at a later stage if they could establish their credentials to do so ...

Chief Minister, isn't that something of a like it or lump it agreement in which you are telling the Aboriginal community, "Those of you who are prepared to agree to my terms can join the party, while those of you who are not prepared to agree to my terms can stay out in the cold." Isn't it, in fact, a mean and tricky agreement on the part of the government?

MR SPEAKER: That is an expression of opinion.

MR HUMPHRIES: First of all, I think you said that I said that it was a non-inclusive agreement. I said that it was a non-exclusive agreement. I am not sure what *Hansard* has recorded, but I certainly said “non-exclusive”.

It is possible to attack this agreement because it necessarily has some people who have accepted it and some people who have not accepted it at this point in time. Let me say about those people who have not accepted it that they are not out in the cold, as you suggest, because those people retain the right to pursue a claim or claims in the Native Title Tribunal, a claim or claims which can lead and perhaps will lead one day to their obtaining much greater rights in respect of land in the ACT than the ACT government has, to date, offered in this agreement. It does not leave them out in the cold at all; it leaves them with the potential, the possibility, of very substantial gain if their claim has substance.

The government has made its offer to those who have accepted it on the basis that it believes that there is, in fact, a better course of action to deal with this matter. Why do I say that it is better? It is for one simple reason: I believe that reconciliation should be based on discussion, negotiation and agreement between black and white in this country, not on the basis of saying, “I have brought my legal claim in the court and my lawyer is tougher than yours and will beat yours in an open round in court.”

I would infinitely prefer for an agreement to be reached between the white community, the non-Aboriginal community, of the ACT and Aboriginal members of this community by virtue of sitting down around a table and working through our differences so that we can build on that as a basis for reconciliation in the future. That is the basis of the government’s approach, Mr Speaker. I make no apologies about wanting to take an approach which is designed to provide an option, an offer, which is open to Aboriginal people to accept but also open to others to reject, if they wish, and to pursue the same objectives in another way. Nobody is out in the cold in this arrangement; it is about finding a solution to a problem which deserves a concerted effort by all concerned, governments included.

MR KAINE: I have a supplementary question, Mr Speaker. Obviously, the Chief Minister does not regard it as a mean and tricky agreement. Chief Minister, consequent to the signing of the agreement and to an adverse reaction from some of the Ngunnawal people, you told the *Canberra Times*, as reported on 1 March, that you would be seeking meetings with these excluded groups of Aboriginal people later in the week. Have these meetings that you told the *Canberra Times* about actually taken place, with whom did you meet and what was the outcome of these meetings?

MR HUMPHRIES: I do not believe that I said that I would seek meetings later in the week. If the *Canberra Times* reported that, that was inaccurate. I have indicated to those people that I am quite prepared to talk to them about these issues.

Mr Kaine: The *Canberra Times* got it wrong.

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MR HUMPHRIES: I think it did, yes, quite frankly. I am sure, Mr Kaine, that you have encountered occasions when the *Canberra Times* has got what you have said wrong as well. I am sure that you would not pretend always to have been accurately represented in that publication.

I am quite happy to talk to all the people concerned in this matter. Indeed, I have had discussions with a number of people who have not tied up to the agreement to date. They were not formal meetings in my office, but they were discussions in the many encounters that I have with these people in a variety of settings around this community. In particular, I have discussed this issue with the Bell family on several occasions, despite the fact, I should point out, that, in respect of a claim which is still on foot in the Native Title Tribunal, it is, strictly speaking, outside the court process and potentially even a contempt of the court process to engage in discussions when there are court proceedings under way. There are difficulties in having those discussions, but it is my view that we should attempt to do so within the bounds of what the court rules permit.

School-based programs

MRS BURKE: My question is to the Minister for Education. Mr Stefaniak, we have heard in this place and through the media that the Labor Party and others are opposed to free school buses and are proposing that there should be additional funding for school-based programs. I am interested to know what the government has done to enhance and improve school-based programs since 1995.

Mr Stanhope: Not much.

MR STEFANIAK: I thank the member for the question. Mr Stanhope opposite interjects, “Not much.” What a lot of nonsense. I would ask him to listen. He might like to go back to the debate this morning, which I will not reflect on. I listed a number things in that debate. We have to put this matter in context, Mrs Burke. In looking at what the government has achieved since coming to office in March 1995, we need to look at what we inherited at that time.

As has been said before, we inherited a budget in chaos—a \$344 million deficit. By 1995 the ACT was burdened by high taxes, big spending, high and rising debt—proof that Labor could not manage money. Land was sold in the same way as the federal Labor government sold off the family silver to pay for its profligate spending. Qantas, the Commonwealth Bank and the Commonwealth Serum Laboratories were privatised to pay for recurrent activities. Labor in the ACT sold off large tracts of land, driving down prices—and we still had an operating loss of \$344 million.

Our priority therefore was to fix up the economy. I think we have pretty well done that. There might be a bit more work to do, but a big effort has been put in. However, we also promised that we would continue to spend on the educational future of our children, something the lot opposite did not do when they were in office from 1991 to 1995. We undertook to maintain funding in real terms, and we did. I am not going to go over that again. In summary, we not only maintained it but increased it by about \$40 million. I referred earlier to the report by KPMG last year.

Mrs Burke asked what has been achieved. Let us look at some of the achievements. We introduced literacy and numeracy testing for years 3, 5, 7 and 9. That is precisely what parents want. The results have been good. To cater for the 60 per cent or so of students who do not go to university, we changed the emphasis in our high schools and colleges by putting a renewed emphasis on vocational education and training. I am delighted to see that we have gone from about 300 or 400 kids in years 11 and 12 doing vocational education courses in 1995 to over 50 per cent of all students in both government and non-government schools in years 11 and 12 now doing those courses.

We provided a \$20 million package of information technology, including computers for teachers—I think that was a first in the country—IT grants for schools and software access for schools. These measures are continuing in the new budget the Treasurer has brought down.

We committed \$1 million over three years for a renewal program called High Schools for the New Millennium. We introduced IT competencies for year 10 students. We set up a range of new programs such as high school support centres to address the needs of students at risk, new initiatives for students diagnosed with autism spectrum disorder, new programs in relation to children with various other disabilities. We provided substantial increases to the non-government sector, including \$600,000 per annum for students with disabilities, and \$1.6 million per annum in general per capita grants.

I could go on and on, but I know Mr Speaker likes people to be concise. That is a thumbnail sketch of what this government has done.

Mr Stanhope: It is \$27 million short of what we will do.

MR STEFANIAK: These people come off a base of zippo—zero. In fact, they are the only government which has tried to cut education expenditure. I do not think people can have too much confidence in what might happen after 20 October should they move over here to the treasury bench.

MRS BURKE: I ask a supplementary question. I thank the minister for that response. Given that I am the new kid on the block, I like to know the background to these things.

MR SPEAKER: Order! No preamble, please.

MRS BURKE: Has the government put forward more initiatives for the future to build on these impressive achievements, Minister?

MR STEFANIAK: It has indeed, Mrs Burke. I think you were here during the debate earlier. We have not rested on our laurels. We have outlined a range of new initiative on which even those opposite acknowledge we will spend an extra \$40 million over the next few years—important programs such as lowering class sizes for the early childhood years of schooling in government schools. I am going to table an AEU newsletter stating that that set a benchmark for everyone, a benchmark that all parties in this Assembly are trying to catch up on now. Other programs include:

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- a comprehensive list of new and expanded initiatives for students at risk;
- new initiatives in the early intervention areas;
- family support initiatives for adolescents, youth connections and indigenous youth;
- programs of support for youth carers and learning for life;
- and further per capita and specific purpose funding for the non-government sector, and additional subsidy scheme expenditure

We are providing approximately \$91 million extra.

Mr Stanhope: That is \$27 million less than the Labor Party will spend on education.

MR SPEAKER: Mr Stanhope, are you training to be a parrot, by any chance? I suggest you be quiet. I cannot hear Mr Stefaniak.

Mr Kaine: I take a point of order, Mr Speaker. Was that comment about Mr Stanhope parliamentary?

MR SPEAKER: I am certainly sick and tired of constant interjections.

MR STEFANIAK: As I was saying before the interruption, we are providing some \$91 million extra over four years for education, \$40 million of which is for new and additional programs.

Ms Tucker said this morning that no-one asked for a free bus program. That was a promise we were elected on. No-one asked us for the K 2 initiative either, but people were happy when it came in. It is something that educationalists have been saying for a long time is desirable. The K 2 initiative shows exactly what you can do when you get the budget in order and can deliver on something as important as education. That is something I fear the lot opposite would never be able to appreciate.

2008 Olympic Games

MS TUCKER: My question to the Chief Minister relates to the ACT government's support for Beijing's bid for the 2008 Olympic Games. I note in the *Sydney Morning Herald* of 21 February an article about the atmosphere in Beijing as it busied itself about presenting well for the International Olympic Committee meeting. I quote:

Beijing is like a nervous debutante this week as it tries to convince 17 people—and through them the Olympic movement—that it should host the 2008 Games.

As members of the International Olympic Committee's evaluation commission arrived yesterday they were whisked into the centre of the city along boulevards beside which the brown winter grass had been spray-painted green.

Mr Hargreaves: Is that the result of your trip?

MS TUCKER: It is a photograph of the workers painting the grass green along the roadside. Considering that the ACT government also has dabbled with green paint and grass for Olympic venues, is painting grass green the particular expertise that the ACT government has offered Beijing in support of its Olympic bid?

MR HUMPHRIES: Mr Speaker, I will take Ms Tucker's word for the fact that the photograph, which is black and white, demonstrates that the grass is going from brown to green. I have to say that, having been there only a few weeks ago, I did not particularly notice any problem with the grass being brown. I thought the grass, such as it was, was quite verdant in its own right. I am not sure whether Ms Tucker is suggesting that the spraying of grass constitutes a real reason for not having the relationship that we do have with Beijing, or for not supporting the Beijing bid for the 2008 games.

I think there are some very important environmental skills which the ACT is able to impart to Beijing. There are some very important capacities which the Beijing government will require should it win the 2008 games, and the name of the winner will be announced in Moscow on the 13th of next month. This includes capacities to reduce their airborne emissions and to improve the quality of both their water supply and their sewerage and water disposal systems. Those are things that we do very well in this city. They are things that I think Beijing will benefit from if they are successful in being awarded these games. We are in a position to supply those services.

If they want us to advise them on painting grass, I am sure we could oblige them in that respect. But there are other rather more important skills that we can impart to them, which would be of great benefit to the ACT and, incidentally, to the people of Beijing.

MS TUCKER: Mr Speaker, I ask a supplementary question. I am interested to know what offers of assistance or expertise the ACT government has made to Beijing, what resources have been used and whether or not the advice and support relates to the issue of human rights. I would like the Chief Minister to explain this to the Assembly in more detail. Perhaps he could take the question on notice. I would also be interested to see any documents which detail this support.

MR HUMPHRIES: Mr Speaker, I am sure that was a question. I will produce a report on the work that we have done in China. Ms Tucker has already asked me at an Estimates Committee hearing a question about what issue was made of human rights. I have already answered her question in that respect. But if she wants me to repeat it I would be happy to do so and include it with the other information that I will table later.

Williamsdale quarry

MR BERRY: Mr Speaker, I have a question to the Chief Minister and it is about the Williamsdale quarry. Yesterday I was forced to table a letter in this place in relation to the government direction to Williamsdale quarry.

Mr Quinlan: You were cornered.

MR BERRY: I felt cornered. As usual I fell into line with the wishes of the Assembly. That letter, and it was signed by Mr Humphries, said:

I support the proposed venture as presented in Totalcare's Business Case for Williamsdale Quarry, September 1999, subject to:

Totalcare's holding no more than a 50% interest in the proposed unincorporated joint venture with Mitchell Mini-Mix and possible CSR Emoleum ...

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In fact, an authority to own less than 50 per cent, Mr Speaker. Yesterday Mr Humphries said in this place:

I repeat, for Mr Berry's benefit, what he already knows, which is that Totalcare's ownership of the Williamsdale quarry is 50 per cent. I have indicated very clearly I see no reason why that would change at any stage in the future.

Mr Speaker, section 17 of the Territory Owned Corporations Act allows voting shareholders of territory owned corporations to direct companies in certain ways. I will paraphrase this. You might get a little bit cross with me if I read it all. It says the voting shareholders of a territory owned corporation or a subsidiary requested to perform, cease to perform or refrain from performing an activity or to perform an activity in a manner that is different from the manner in which the directors intend to perform the activity, and so on. There is a full range to the direction. The voting shareholders may by written direction require the company to comply with that request.

Mr Humphries, my request to you is will you now direct Totalcare to refrain from any discussions about the further sale of Williamsdale quarry and prohibit them from doing so?

MR HUMPHRIES: Mr Speaker, Mr Berry again raises an issue in a completely dishonest way with the deliberate intention—

Mr Berry: I take a point of order, Mr Speaker. I think this—

MR SPEAKER: Very well. You do not like the word “dishonest”.

Mr Berry: No, I don't like the imputation. I think there is a place for the word dishonesty, but not with me, and I would like it withdrawn.

MR SPEAKER: Very well. I am sure Mr Humphries would be happy to withdraw it, although I must admit, Mr Berry, that the question appeared to be: “Have you stopped beating your wife?” But go on. Would you withdraw it, please?

MR HUMPHRIES: I will withdraw if that offended Mr Berry. I will say that the impression Mr Berry is creating with these comments, both here and—

Mr Berry: Well, will you issue the direction?

MR HUMPHRIES: You asked a question. I suggest you listen, Mr Berry. The comments are both inaccurate and designed to be misleading in the public eye. What Mr Berry is doing is running around saying, in effect, that the government is planning to sell some part of the Williamsdale quarry. The government already has addressed the question of whether there is any intention of selling Williamsdale quarry. There is none. I have made that perfectly clear.

Mr Berry: Will you issue the direction?

MR HUMPHRIES: I am not going to feed your flimsy story, the flimsy, inaccurate, mendacious story, which has been put about in this place.

Mr Berry: Oh, Mr Speaker, I think “mendacious” is on the list.

Mr Wood: I will check it. “Mendacious” was the very first word.

Mr Moore: Mr Speaker, I think Mr Berry is correct. You will need to check that. I remember Mr Whalan using “mendacious” regularly in 1989. My recollection is that it has not been ruled out.

MR SPEAKER: I can tell you, Mr Berry, that “shonky” certainly is on the list.

Mr Wood: “Mendacious” was the first word ever withdrawn in the old chamber.

MR SPEAKER: I am checking that. That is quite true. Thank you, Mr Wood. It doesn’t say that you used it.

Mr Wood: It was Mr Whalan who used it and the Speaker had to go to the dictionary to find the meaning.

MR HUMPHRIES: If it is a proscribed word, Mr Speaker, I will withdraw it. If it is not I will not. The fact is that Mr Berry is seeking to run a campaign in the public arena which is false.

Mr Berry: On a point of order, Mr Speaker: this is not about me. This is about whether or not the government will issue an instruction. I want to know whether they will or not.

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

MR HUMPHRIES: Mr Speaker, I have already indicated with absolute crystal clarity that the government will not be authorising any sale of Williamsdale quarry.

Mr Berry: No, will you instruct—

MR HUMPHRIES: I heard your question. As far as I am concerned, that is a sufficiently clear directive to all concerned to understand what the government’s intention is.

Public housing

MR OSBORNE: My question is to the minister for housing. I was approached recently by a constituent—a single mother with a disabled child—who was attempting to get an appointment with the housing department about going on the list and was told that the waiting time for an appointment was six weeks. Is that correct? If so, what are you doing about trying to fix it?

MR MOORE: I will take on notice the question about the specific time. I have to say that an urgent case involving somebody in strife is dealt with through emergency housing. If the waiting is to do with the list, there are still appropriate times for people to

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have to wait. The times have reduced significantly over quite some period. Mr Osborne, I will take on notice your specific question and get back to you.

MR OSBORNE: I have a supplementary question. She was also told that the best advice they could give her was for her to turn up every day and hope that someone would not turn up for an appointment, but I will speak to you about the specifics. Are you able to tell me whether it is correct that the waiting time for houses in Tuggeranong is six years; if not, what is the waiting time? I know that there are different classes, but could you give me a rundown for that part of Canberra?

MR MOORE: There are different waiting times, depending on where the particular person wishes to live. If the person is flexible enough, in need of housing and wishes to have a three-bedroom in any part of the city, the waiting time is much shorter than it is for specific places. For a particular area that is desirable in the community's mind, it is longer.

I think it is worth remembering that there has been a significant cut to Commonwealth funding of housing, which has made it much more difficult to deliver housing in the same way. That is why this Assembly passed legislation to make sure that we reprioritise the way we do housing. That is why it is, as Mr Wood has identified through a number of questions on notice, that there has been a reduction in the number of houses. That is combined with the issue of the redevelopment going on and a change in the style of housing in an endeavour to make sure that it is entirely appropriate. Right across the country—probably right across the world—there are always waiting lists for public housing and there always will be. We prioritise for people who have special needs. We set people with special needs against criteria and look after them.

Mr Osborne: Tuggeranong?

MR MOORE: I will give you a list specifically showing the waiting times in each of those categories.

Housing Advisory Committee

MR WOOD: My question to Mr Moore is also related to housing. Minister, the government's response to the final report of the ACT Poverty Task Group states:

The Minister for Housing currently receives advice on strategic aspects of housing in the ACT, and in particular on housing assistance issues, housing industry issues and related consumer issues, from a specialist advisory committee. The Housing Advisory Committee consists of government, business and community representatives. The role and responsibilities of the Housing Advisory Committee have recently been reviewed and a work program for the Committee is currently being discussed. The Housing Advisory Committee will consider the issues raised by the Poverty Task Group.

Minister, my understanding is that the Housing Advisory Committee has not met since November last year—before you were minister, I might say—and in fact it currently seems not to exist. It seems to me that the government's response to the Poverty Task Group gives an erroneous picture. Can you tell me what is happening or what is planned?

MR MOORE: Mr Wood, I have been given a list of names of the appropriate people for the Housing Advisory Committee. I have taken that through cabinet. I expect that, as is the normal practice, your committee will receive that list very shortly. I am not sure whether it is required that the list go through you but, as a matter of politeness, I would pass it to you anyway. As soon as that is done they will be meeting and discussing the issues that we foreshadowed in our response.

MR WOOD: Mr Speaker, I have a supplementary question. I do not know whether the minister has tacitly acknowledged that the committee has not been meeting. Let us assume that. Will he see to it that it gets the support it needs—perhaps a dedicated secretariat—and that it meets on a regular basis, whether monthly or quarterly or how ever that is determined? Can you guarantee that it will have a role in future and will not slip like it has?

MR MOORE: Mr Wood, I would not bother appointing a committee if I did not want it to have an important role. If that were the case, it would be much better for us to say that we were not going to have one. We have appointed the committee and that will be part of the task that the committee will consider.

ACTTAB—relocation of headquarters

MR CORBELL: My question is to the Chief Minister. I understand that ACTTAB is well advanced in its plans to relocate its headquarters from Dickson to Fern Hill Park in Bruce. Chief Minister, will you confirm that that is the case? If it is the case, will you explain to the Assembly why ACTTAB is relocating its headquarters to Bruce rather than to another location, such as Gungahlin?

MR HUMPHRIES: I am aware that ACTTAB have been looking for some time for an alternative base for their operations. I know that they are dissatisfied with the quality of the building that they use at the moment at Dickson and that they have been anxious for some time to locate elsewhere. I have not dictated to ACTTAB as to what decision they should make about an alternative home, but I understand that they are looking at moving into a building already built. If that is the case, they may not have a suitable building available for them in Gungahlin.

If a decision has not been made about that in terms of their own processes for resolving on suitable accommodation, I am certainly happy to raise with ACTTAB the prospect of them considering a location in Gungahlin. The government has made a commitment publicly that it will support the growth of an employment base in Gungahlin. I am surprised that ACTTAB would not be aware of that already. Nonetheless, I think that it is appropriate for them to make decisions about this matter in light of the government's views, but basically on the basis of their independence in such matters. I will discuss the matter with them, if they have not yet made a decision. Perhaps they have not been enlightened by the prospect of basing themselves in other parts of the ACT.

MR CORBELL: I have a supplementary question. I thank the Chief Minister for his answer. Can you confirm whether ACTTAB has entered into a land swap involving the site in Fern Hill Park, Bruce, and its existing headquarters in Dickson?

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MR HUMPHRIES: No, I cannot. I have not discussed this matter with ACTTAB for some time. I am not sure what the arrangements are. I will take that part of the question on notice and advise the Assembly.

Annual reports and audited financial statements

MR HARGREAVES: My question is to the Chief Minister. On 27 March 2001, you, Mr Speaker, tabled in this place Audit Report No 1 of 2001 in which the Auditor-General made recommendations about altering the timetable for the release of annual reports and audited financial statements in election years. The government made no response to this report.

On 3 May, not that long ago, the Chief Minister presented to the Assembly an instrument made under the Annual Reports (Government Agencies) Act setting out the timetable for release of those documents in this election year. The timetable made no change to the previous schedule, in spite of the Auditor's recommendations. At that time the Chief Minister said the Labor Party should note the timetable. He said:

This year, all reports will be tabled during the first six sitting days following the scheduled 2001 Assembly election.

Yet yesterday, in a somewhat hysterical media release, the Chief Minister said the government "would honour its commitment to bring forward the release of government annual reports so they can be scrutinised publicly before the October election".

My question to the Chief Minister is: when did the government make its commitment to bring forward the release of annual reports and audited financial statements and why was there no announcement of the commitment?

MR HUMPHRIES: Mr Speaker, there was an announcement of that commitment some time ago, in fact, when the Labor Party—in fact, Mr Quinlan—asserted that we intended to ignore the Auditor-General. I made clear that we intended to agree with what the Auditor had said about bringing forward these reports. That was the time at which the announcement was made. It will be on the public record, if you care to go and check it, Mr Hargreaves. If you are too lazy to do so, I will do it for you.

MR HARGREAVES: Ouch, Mr Speaker! My supplementary question is: when was the Chief Minister telling the truth about the government's intention in relation to the release of the annual reports and audited financial statements—in the Assembly on 3 May or yesterday?

MR SPEAKER: I am sorry; you will have to rephrase that, otherwise it will be out of order.

MR HARGREAVES: Thank you, Mr Speaker. I accept your guidance and will rephrase it. Which was the accurate statement—that the government wasn't going to release them, which was the statement on 3 May, or yesterday, when they were going to release them?

MR HUMPHRIES: I think the government said on 3 May it wasn't going to release them. I think the position of the government is quite clear. We indicated publicly that we intended to comply with what the Auditor had suggested. I am not sure what sort of conflict Mr Hargreaves is trying to construct over this. Our position is quite clear. We believe that the Auditor's recommendations are correct; we should have early release. Mr Speaker, wasn't it last night that we passed legislation to facilitate that?

Mr Stanhope: And you backed down.

MR HUMPHRIES: I see. It is the inconsistency. Backdowns are on.

Mr Moore: If we do what the Auditor-General says, it is a backdown.

MR HUMPHRIES: That is right. It is the usual line. If we accept what the Auditor says, it is a backdown.

Mr Stanhope: Look at the *Hansard* of 3 May. When did you resile from that?

MR SPEAKER: You be quiet.

MR HUMPHRIES: The Auditor recommended recently that the Assembly should, instead of having monthly reporting on the financial position of the territory, report every four months. We put that forward in a bill yesterday, and the Assembly decided no, it ought to be every three months. If you like, we backed down from what the Auditor had said. But the reality is that we engaged in discussion about that matter and decided to change our position. If that is such a terrible thing, Mr Speaker, I plead guilty.

Family Services—court unit

MR RUGENDYKE: My question, through you, Mr Speaker, is to the community services minister, Mr Moore. Minister, I have received information that the court unit of Family Services is losing experienced personnel and that in the near future it will be left with two people and will be run by a social worker. Can the minister confirm that this is the case? What steps are being taken to ensure that appropriate briefs are being presented to court on behalf of children in care?

MR MOORE: Mr Rugendyke, I do know there is some change in staffing. I have had a brief on it; I don't remember the exact reason. Therefore, I will take the question on notice and come back to you with an exact explanation.

MR RUGENDYKE: My supplementary is: does the department meet the requirement of representing the best interests of the child, particularly given that specialist resources and expertise are at such a low level in the court unit?

MR MOORE: I know that the department of community care and family services work extraordinarily hard to make sure they do meet best practice. There have been a number of changes of staff recently in that area and I am looking forward to a constantly improving service. That is what we are hoping to achieve. I will be very specific about answering your question as part of the question I take on notice.

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

Paper

Mr Moore presented the following paper:

Policy Advice—Key Note Speech—Copy of speech made by Michael Moore MLA at the Performance Measures for Policy for Advice Conference, National Convention Centre, 29 May 2001.

Auditor-General's report—No 2 of 2001

Paper

Mr Speaker presented the following paper:

Auditor-General Act—Auditor-General's Report—No 2 of 2001—Enhancing professionalism and accountability, dated 20 June 2001.

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

That the Assembly authorises the publication of the Auditor-General's Report No 2 of 2001.

Paper

Mr Humphries presented the following paper:

Chisholm Shopping Centre—National Australia Bank proposed closure—Photocopies of 681 signatures.

Petition—out of order

Mr Moore presented the following paper:

Petition which does not conform with the standing orders—Mr Hargreaves—Rejection of Symonston prison site (1415 citizens).

Ministerial statement

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer): I ask for leave to make a ministerial statement concerning the ACT digital divide task force report.

Leave not granted.

Financial Management Amendment Bill 2001 (No 2)

Debate resumed.

MRS BURKE (3.27): I have listened with interest to the points raised, Mr Speaker. Clearly, the free school buses proposal meets the criterion of addressing poverty, innovation and early intervention. I will go on to say why. On addressing poverty, this proposal will mean that hundreds of dollars will go back into the family budget and people will have a choice as to what to do with their disposable income. It will mean less wear and tear on family vehicles, which we have heard cost families a lot of money per year, and less impact on the environment. On addressing innovation, this initiative shows the government has the courage and fortitude to think outside the square. It is a bold step to assist the very people that the Labor Party and others purport to want to help. On addressing early intervention, education opportunities will be enhanced by giving parents of some students and those students on low incomes who choose to live away from home and who may otherwise struggle to find bus fares the ability not to have to make a choice between putting food on the table and paying bus fares, which could also have a positive impact on retention rates.

This initiative and promise will assist students at risk, I would have thought. In light of that, how can anyone seriously believe that spending \$27 million over four years on getting children to school is simply bad policy, as was stated recently by the Labor Party? Rather, I think it shows a sensitivity to the needs of parents and young people. I do not believe that the proposal to amend or modify the Financial Management Act is an appropriate mechanism to seek to change what the government is choosing to do with its budget. There has been much talk about students missing out. We are well aware that that was the case. However, it has been resolved by an appeals mechanism and those people who rightly qualify will not miss out. I think that this initiative is excellent and it gets my support.

MR RUGENDYKE (3.29): I will not be supporting this bill.

Mr Berry: Have you changed your mind, Dave?

MR RUGENDYKE: No, I have not changed my mind. The bill is an underhanded, sleight of hand way of tampering with the budget, as if we were in some sort of caretaker mode. It appears to be quite contrary to conventions recognised by this Assembly. I have said consistently that the government has the right to present its policy direction and its budget and live or die by that policy direction and budget at an election. I think that passage of this bill would set a precedent that neither party would be comfortable with. As a matter of fact, last week we had a similar debate regarding the blurring of the lines in relation to the separation of powers.

Mr Speaker, an analogy has been drawn between the last budget and this budget. It is quite easy for me to oppose a budget that includes money for a shooting gallery, but it is not as easy to reject a budget that provides tax relief for people. Let us not forget that in last year's budget process I made my intentions quite clear about five weeks prior to the vote. Also, two members of the government, effectively, crossed the floor and supported the Labor Party on the shooting gallery proposal. Let us not forget that my vote is only one of 17. I hope that puts the situation in perspective. The analogy between last year

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and this year just does not hold water. I have said that the government has the right to have its budget passed, particularly when it is in surplus. I will not be opposing this budget or tampering with it to set some sort of precedent.

I should mention that I have received quite a few form letters from teachers. I must say that those form letters were fairly simplistic in their nature and were all identical. They quoted selectively from a newspaper article that did not fully quote what I had said. I might say that I have a great deal of respect for those teachers who sent in these form letters. I know quite a lot of them and I would be happy to talk to any of them who choose to talk to me, rather than having the union's way of dealing with these sorts of matters through photocopied form letters. Mr Speaker, I will not be supporting this legislation. It involves sleight of hand and I will not be part of it.

MR CORBELL (3.34): Mr Speaker, from my perspective, there are really two important elements of this debate. The first is whether this bill is an appropriate mechanism to address the Labor Party's concern with the free school bus issue. The second is the substantive matter of whether it is appropriate to spend this amount of money on free school buses. I will address each of those in turn. Firstly, in relation to the procedure that Mr Berry has adopted on behalf of the Labor Party in relation to this proposal, you ruled, Mr Speaker, that there is nothing inconsistent with this approach in terms of the standing orders or the self-government act. It will be interesting to hear the comments of other members in this context, particularly Mr Rugendyke and Mr Osborne, because they have indicated that they believe that this is an underhanded way to try somehow to inflict damage on the government's budget. They have also suggested that it is simply not appropriate because the government is entitled to stand or fall on its budget. I ask Mr Rugendyke to cast his mind back 12 months.

Mr Kaine: That was different.

MR CORBELL: Mr Kaine interjects that that was different. What was different about it? We are yet to hear exactly what was different about Mr Rugendyke's approach then compared with now. What was different, except that he had declared his position? Is he really saying that it is different because he has not declared his position in this case? Is that what he is saying? I heard Mr Rugendyke's comments on ABC radio this morning. He argued that there was a difference. It seems to me that the only difference is that last year there was an issue that Mr Rugendyke felt passionately about and that is not the case this year. The approach by the crossbench members, particularly Mr Rugendyke, is inconsistent.

The government will say that this is the start of a slippery slope, that this is the start of the potential for other members and future oppositions or future crossbench members to inflict this approach on governments of either persuasion. The reality is that a government is not going to get any measure through this Assembly without the support of a majority of members and our electoral system, effectively, guarantees, except perhaps in very rare circumstances, minority government, which means that governments will have to command the confidence of members outside of their own ranks to get their legislation passed, including their money bills.

Mr Berry's proposal, effectively, is a test of the government's majority in getting its money bills passed, in getting this measure passed. I do not see anything particularly wrong with that. I do not see anything wrong with this approach in that regard.

Mr Smyth: You did four years ago.

MR CORBELL: Mr Smyth interjects. In government, my view would be that it would be incumbent on the government to convince the majority of members that it was an inappropriate course of action; not that they could not do it, but that it was an inappropriate course of action. That is not an unreasonable approach, in my mind. In terms of the purely procedural issues, there is absolutely nothing wrong with Mr Berry taking the course of action that he has taken.

In relation to the substance of the matter, I have listened to a lot of this debate and I have heard much said about how, from the government's perspective, the initiative is a tremendous one which will help people. I have heard the comments of other members and I have heard the comments of my colleagues. I am reminded of a comment by a former Prime Minister of Australia, Ben Chifley, in his very famous "light on the hill" speech to the New South Wales annual conference in June 1949. Chifley was talking about the Labor movement, but I think it is also applicable to this debate, if you will forgive me this indulgence, Mr Speaker. Chifley said:

I try to think of the Labor movement, not as putting an extra sixpence into somebody's pocket, or making somebody Prime Minister or Premier, but as a movement bringing something better to the people, better standards of living, greater happiness to the mass of the people.

Really, when you think about the government's initiative, it certainly is about putting sixpence into somebody's pocket, but is that bringing better standards of living, something better, to the great mass of citizens, in this case schoolchildren in the ACT? I would have to argue that it is not. As my colleague Mr Berry has pointed out, the benefit of this initiative to 75 per cent of all students attending government and non-government schools in the ACT is zero. Is that bringing happiness, is that bringing support, is that bringing something better for the great mass of people in the ACT, in this case the great mass of school students in the ACT? The answer has to be no. Therefore, it is not bringing something better to their families as well.

This initiative is simply an initiative designed to divide our community against itself and to appeal to that most basic of nerves, the hip pocket nerve, rather than aspiring for something better for the great majority of people in the city. As members of the Labor Party said last night in their speeches on the budget, it is a budget of lost opportunity, and this initiative is the lost opportunity of the budget. That is why the proposal put forward by Mr Berry is important. That is why we should be focusing on allowing the ACT community to judge this initiative when it comes to the election in October and, more importantly, why it is incumbent on the Labor Party to do everything possible to try to ensure that we have an initiative which truly does benefit the great majority of people who are involved in our education sector, not just one that benefits under a quarter of them.

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Mr Speaker, I have not yet had the experience of having a child of my own attending the education system in the ACT as my son is still too young, but when he does and when perhaps others do also, I will want to send them to a government system because I am a product of the government system in the ACT. I grew up in Canberra and I experienced the government system. I found the government system to be a superb system. Mr Speaker, I want to make sure that it is a superb system for my children. I want to make sure that it will be a system which, as Ms Tucker pointed out earlier, does address the needs of students and that does address the needs of those who have particular educational challenges or difficulties that they need to overcome. I think it is incumbent upon this Assembly to make sure that the education system is of the highest quality possible and that it is available free of charge to every student in the ACT.

The initiative announced by the government of free school buses is not something that delivers that result for me. The government cannot stand up in this place and argue that it is an education initiative, even though it did briefly for a while and then realised that it had to back off. I want to see an education system that delivers on issues such as literacy and good curriculum development. I was appalled to learn in the Estimates Committee before last that the department of education will no longer have any officer in its central office responsible for curriculum development, not one. I think that is disgraceful. The ACT used to be a leader in curriculum development and in the support it gave to teachers and schools on different curriculum issues. There is not one officer in the department of education now available for curriculum development. How can you have a top-quality system, how can you have a system that really delivers good educational outcomes for students, when the central support needed to deliver that outcome is no longer there? That appals me and it has to be rectified.

Mr Speaker, this initiative as announced by the government is flawed and does not deliver to the great mass of people in the ACT who are entitled to see better from the government when it comes to education services. I should stress that it is not just about seeing better in the government sector; it is about seeing better in the non-government sector as well. We all know that the great bulk of non-government schools are not elite schools. The great bulk of non-government schools are schools that cater for people on average incomes, people who choose for religious reasons or some other reason not to be in the government sector. The Labor Party's initiative actually addresses that. The policy announced by the Labor Party addresses the fact that we have not only to give support to our government sector, which so desperately needs it, but also to start to look at ways of addressing the inequity between the government and non-government sectors in terms of funding.

That is a debate that we need to have. It is a debate that we need to work through. At least the Labor Party has recognised that that needs to be done. What has the government done in this budget to do that? What has the government done to focus on those key issues? It has not done enough. The government chose with its single largest initiative of \$27 million not to direct it to education, but instead to direct it to an initiative that benefits barely a quarter of the entire school population in the city. That is selective. It may be tax relief, Mr Rugendyke, but it is tax relief only for some, not for all; nor is it tax relief based on need. It is neither of those things.

The initiative is poorly planned. It does not deliver to those who are most needy. If I live in Mugga Way and have a Rolls Royce in the driveway, I can get free school buses for my children if they are eligible; just as much as I could get free school buses for them if I lived in a government house in Lyons. The initiative is poorly targeted. It does not address genuine need and does not address the great needs of an overwhelming majority of students. For all of those reasons, the Labor Party must do everything it can to ensure that such an initiative does not take effect and that instead we see the money being spent where it should be spent, that is, on services that benefit the great mass of people in the ACT, the great mass of school students and their parents in the ACT.

MR WOOD (3.48): Mr Speaker, the Assembly would do well to examine the education debate in Canberra over the last six years, which is something that the Liberals have not done. They have not switched on to that debate. What are some of the issues that have been raised over that period? What have the parents, teachers and school groups been saying? I suppose the measure of class sizes would be pretty much at the top of that list and some action has been taken and more will be taken, whichever government is in power, on that issue. Perhaps a great deal more could be done.

I recall that there have been reading recovery programs. There have been very strong demands, repeated demands, for more counselling in schools, for more external support for teachers, and for special consideration to be given to children with learning or physical disabilities. Those are the sorts of issues that have been raised, along with the constant and proper theme about the need for high-quality programs in those schools. As Mr Corbell mentioned, it might be more difficult to provide for that since there are now no staff in the central office doing that sort of work. Those are the issues that have been raised, pure educational issues.

There has been one other. It resulted from the change in policy on buses generally when we went to a zone system. There have been complaints about the zone system and the increased cost to parents of that system. Nowhere in that debate have I heard calls for free school buses. Yes, I have heard comments, loud and clear, about going back to a one zone system, but I say again that in that time I have not heard a call for free school buses. The calls have been for activity within the schools. That is where the demand has been; there is no doubt about that.

If this government, or what passes for a government or claims to be a government, had attended to what the community was saying, it would have paid attention to that. If the government had put into effect any of its rhetoric about consultation, it would have gone out to the community. The answer it would have got is that the community wants programs in schools and help for teachers. That is what would have got back to the government.

Mr Moore: And we are doing it all.

MR WOOD: Mr Moore, they would have said to you, "If you have money to burn, put it into the schools. If you could, go back to a one zone bus fare system." There is no question about that: that is what this community would have called for, if asked. That is what the community are now calling for because it is in front of them. They want the \$27 million for free buses to go into the sorts of things that have been part of the education debate in Canberra over the last six years. It is about making good policy

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decisions, something this government has shown itself quite incapable of doing in recent times. Let us make policy decisions based on what the schools genuinely need.

With a little pride, I say that that is what the Labor Party has done. Attending to that debate, looking at the amount of money involved and bearing in mind the pressure on buses, we have a policy that I believe is firmly in tune with what the community wants and what the community needs. The next step is: how do we do that? What do we do? What has to happen in order to fit action into what is needed? Supporting Mr Berry's motion is the way to do that. It is as simple as that; support this motion and we will not be doing something that is seen, wrongly I believe, to be merely politically expedient. We will be doing something that is sound in policy terms.

MR RUGENDYKE: I seek leave to speak again briefly.

Leave granted.

MR RUGENDYKE: Mr Speaker, I think it is important for me to clarify my position in case members are uncertain about the difference between my position in relation to last year's budget and this year's budget, since members of the Labor Party would like me to help them tinker with this budget simply because I tinkered with the one last year. I will remind members of the reasons for blocking the budget last year. Firstly, it was over the shooting gallery proposal. As I have explained, it was easy to reject a budget with money for a shooting gallery in it. As I said, pseudo tax relief in the form of free bus travel is not an issue to reject a budget over or to change a budget over, just the same as the reduction in car registrations is pseudo tax relief for people who own cars. It will not suit everybody because not everybody owns a car. Not all families will benefit from the free school buses, but some people will save about \$400 a year by being able to get their children to school in that way.

Another point to make regarding last year's budget is that the shooting gallery proposal was not government policy. It was not a policy of the Liberal government. As I said, two members of the government crossed the floor to support the Labor Party on getting the shooting gallery notion through. I have made a very important distinction between this year and last year. Last year there were certain circumstances that required me to think carefully about the budget. Last year again, which is different from this year, those opposed to the budget actually voted against the budget. It is important to note also that when the health line came up in last year's budget I voted against it because of an \$800,000 appropriation, but there were sufficient votes in approval of the health line to get it through.

When we got to the end of the debate and there was a vote on the budget as a whole, I remained consistent with my view and voted against the budget. Surprise, surprise, there were insufficient yes votes to pass that budget. Not being government policy, two members crossed the floor and the rest is history. This year we have a different story. I am not prepared to tinker with a budget that provides pseudo tax relief for 25 per cent of the families.

MR KAINE (3.57): I did not intend to speak on this matter, but Mr Rugendyke's attempt to explain his inconsistency has compelled me to get to my feet and say a few words. This debate is not about education. It is not about anything except a bit of argy-

bargy about principle. The government is standing on its dignity and saying that the opposition does not have the right to change its budget and the opposition is saying that it does. Mr Rugendyke does not know what the hell he is talking about. He is just totally confused about the principle involved.

As I see it, the government is quite entitled to say that the opposition cannot change its budget. The government can say it, but it carries no validity because, as I understand what Mr Berry is trying to do, it is not improper in any way, it does not contravene any statutory limitation imposed on this Assembly, it does not contravene any standing order that affects the way we deal with budgets in this place, and it does not contravene any convention that is in place about the way we deal with budgets.

I challenge Mr Rugendyke to get to his feet after I finish speaking and explain to me under what principle he is taking the stance that he is taking. Last year, by his own admission, he was quite happy to tinker with the budget. Why was he quite happy to tinker with the budget last year? I will tell you why, although it is as obvious as the nose on your face: the last budget had something in it that he did not like and he was able to tinker with the budget because he is one of two members of this place who could have brought the budget down if the government had not buckled. That is why he tinkered with the budget last year. That is the principle on which he stood last year.

This year the only difference is that somebody else wants, to use his term, to tinker with the budget but, because he is in the position that he is in where the budget stands or falls on the way he votes, this year the principle is different. You are not supposed to tinker with the budget unless you are the government. He said that the government is entitled to its budget. He did not think that it was entitled to its budget last year.

Mr Rugendyke, on his own logic, should be supporting Mr Berry in this motion today because, as I said, it does not contravene any statutory limitation on us, it does not contravene any standing order of this place and it does not contravene any convention that is incumbent upon us in the way we deal with budgets in this place. The bottom line is that, for Mr Rugendyke, principle is a movable feast. I would submit that the only principle that Mr Rugendyke works to is that might is right. If you have the power to bring the government down, you can threaten them until they buckle. When that does not apply in your own self-interest, you do not do it, and I use the term "self-interest" advisedly. I want Mr Rugendyke to get to his feet and tell me under what provision of legislation, standing orders or convention he can say that what he did last year was okay and what Mr Berry is asking him to do this year is not. It is no good just saying that it is different, because in my view there is no difference, but I would like Mr Rugendyke to explain in what way he now justifies his position.

MR QUINLAN: I seek leave to speak again.

Leave granted.

MR QUINLAN: I will be very brief. I jumped up at the same time as Mr Kaine to respond to Mr Rugendyke. He keeps saying that two members of the government crossed the floor to support the Labor Party. That is not true. I think that he should have the integrity to stand up and withdraw that.

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Mr Rugendyke: What should I withdraw?

MR QUINLAN: You should listen, Mr Rugendyke. You keep saying that two members of the government crossed the floor to support the Labor Party. As I remember, at the time you went into the public forum and kept calling it Stanhope's shooting gallery. It was Michael Moore's initiative.

Mr Smyth: And you supported it.

MR QUINLAN: That is exactly right; the Labor Party supported it.

Mr Rugendyke: I stand corrected.

MR QUINLAN: It became a decision of the Assembly, and still you used the power you had on the crossbench to block the budget. That, to me, is far more serious than this attempt on the part of Labor to defer expenditure incorporated in the budget. Let the record show that Mr Rugendyke is leaving the room.

MR HARGREAVES (4.03): Mr Speaker, it is very difficult to put an argument on an issue which has not been canvassed sufficiently to people who have the so-called balance of power in this place if you are doing so to their backs as they are departing. I want the record to show now, if *Hansard* did not pick up the interjection from Mr Rugendyke at the time, that he said in response to Mr Quinlan, "I stand corrected."

Mr Smyth: On the issue of whose bill it was.

MR HARGREAVES: On the issue of whose bill it was, Mr Quinlan said that Mr Rugendyke had gone out and said that it was Mr Stanhope's shooting gallery. Mr Rugendyke has misrepresented the Labor Party in public, by his admission here today, and I look forward to a press release from him acknowledging that the main person putting forward the safe injecting room proposal was Mr Moore and that the Labor Party was supporting that proposal, in that order, but I may wait in vain, Mr Speaker.

I want to put on the record a couple of my views about this scheme. We heard it said in the Estimates Committee about how the consulting process to which this government holds itself so proudly was not done particularly well. Whilst it may be said that in 1995 it was part of the Liberal Party's policy platform, no-one had heard anything about it since. The most common theme of the Catholic Education Commission, of the associations for parents and citizens and for primary and secondary school teachers, and of my contacts in the school community, having spent many years on the Erindale College board, the Calwell High School board and a few other boards, was that the scheme was new to them; it just appeared at the last minute. This government did not consult the community widely on the issue before saying that the scheme was going to commence in September. It is going to commence a matter of days before the caretaker period is embarked upon. I think that is an appalling piece of work.

We remember the Bruce Stadium report. I do not wish to draw too much of a similarity with it, other than to say that the Auditor-General said that there were early warning signs that costs were going to blow out. One of the biggest things that he pointed to was

that the warning signs were ignored. Mr Speaker, there are warnings signs here. We are talking about a \$27 million scheme, not a \$100,000 program. I would like to say that, as with Bruce Stadium, we have a process that has been ill thought out. Indubitably, it will escalate in cost. All of that was known before the government embarked upon this scheme. It is irresponsible to embark upon it without a proper evaluation and proper consultation with the community.

Mr Speaker, earlier in this series of sitting days Mr Stefaniak tried to deflect attention from it as an education issue by talking about its being a public transport issue. You could argue the toss on whether that is so, but the fact is that what we have here is an alternative. The Liberal government is saying that it will spend \$27 million on the public transport system and Labor is saying that it will spend the same amount of money on the education system, so we have a conflict over a very large amount of money.

Labor is not saying that we should yank it out of the budget; it is saying, "Let's wait until after the election." If the Liberals are re-elected to office, they can do what they like. They will have a mandate to do spend the \$27 million however they like. The principles that Mr Rugendyke keeps quoting can then come into play. What we are saying, Mr Speaker, is that the implementation of it should be delayed until after the election. That would serve two purposes. Firstly, it would allow members of the community to decide for themselves in choosing which party to elect to government. Secondly, it would allow more time for the community to be better informed on it and more involved in the consultation process and for the poor bureaucrats who have to implement the scheme to work out just how they are going to do it, because it has bugs in it.

Back in the late 1980s when I was on the Erindale College board, I had an incident brought to my attention about a student trying to kill herself. Part of the reason she was nearly successful was that the school counselling services at her college had not picked it up. All the signs were there, but the counsellor was too snowed under to be able to do anything about it. It was not at Erindale College that this incident occurred; it was at Lake Ginninderra College. I spoke to the counsellor about what happened. The counsellor said, "Look, I am sorry, we missed it. We just do not have the resources."

I went to see the Minister for Education at the time, Mr Bill Wood MLA, and asked him to increase the number of counsellors in the schools. We did not have the money. We have now got \$27 million to spend and the number of school counsellors is still not enough to look after the students. Members have to ask themselves whether they want to put \$400 in the pockets of some people or want to start putting some resources into the schools—perhaps, in the words once of Mr Smyth, to save one life. I say that we should put it into the schools and talk about having some more counsellors. Let us go down the suicide prevention track with a little bit more conviction than we are displaying at the moment.

Mr Moore: You know that we did put money into that area.

MR HARGREAVES: I acknowledge the interjection from Mr Moore that the government has put more money in there, and I am very grateful to the government for doing that. I just think that if there is an opportunity to put a stack more in there, that is where we ought to put it. If it is a matter of choice between allowing a child to get on a bus for free and having resources to identify warning signs in children and advise the

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parents, colleagues, peers and fellow students of the need for support for these children, we should put it towards early intervention.

Mr Speaker, on the actual process, we have to remember that we are committing \$27 million and, when we get the system up and running, that will be the end of it. It would take an enormous amount to dismantle it if it needed to be dismantled and the money put into education. That is why the government is trying to introduce the scheme before the caretaker period. What we are asking the Assembly to do now is to delay its implementation so that the decision is not irreversible. We are not necessarily saying that the scheme should be pulled out.

The difference between last year's debacle and this year's request is that last year we had an all or nothing thing. Members will remember Mrs Carnell and Mr Humphries standing up and saying, "It is an all or nothing thing. Either you pass the budget line by line and the total or we will walk." what happened? The bluff was called and the very people over here who screamed convention at you all they screamed convention at you all—

Mr Osborne: You voted against it, too.

MR HARGREAVES: I am also speaking to the vacant chair beside you, Mr Osborne. I am talking to both chairs.

Mr Osborne: We were not the only ones to vote against it.

MR HARGREAVES: No, I acknowledge that this side of the house voted against it, too. Having done that, the government that was saying to the crossbench not to do it because that would be breaching the conventions did not honour the conventions and resign when the budget fell. I am asking the Assembly to delay the implementation of this scheme and not to listen to the spurious argument about breaching conventions. There is none and they have an abysmal record when it comes to honouring conventions in the first place.

Mr Speaker, part of the money that we are talking about is for operating costs and part of the money is for capital expenditure; it is for buses. The government says that these buses will be put onto the school bus routes. That just shows how much this government will stoop to smoke and mirrors to try to hide its own mistakes or its own inactivity. The truth of the story is that the rolling stock of ACTION has been allowed to run down and the government is buying buses under the guise of using them for school buses, because they are used only twice a day, but is planning to use them on ordinary runs during the day.

Why couldn't this government have been honest and said that it is just going to buy buses for ACTION, full stop, end of story? But no, they say that the buses have to go onto the school bus run because it is an educational exercise, although we have had the minister for education getting up and saying that it is not an educational exercise, it is a buses one. I don't know, Mr Speaker who is Tweddledum and who is Tweedledumber here, but they have not got the same message. I am getting conflicting stories here.

Mr Speaker, I think it is obscene to introduce a scheme which is going to cost the taxpayers of this town \$27 million a couple of days before the caretaker period begins. Had this government come forward at the beginning of the last financial year and said it was going to introduce a free bus scheme, we would have said that we did not like it, but we would have accepted the fact that the crossbench would have applied the principle that Mr Osborne often talks about and say that the government is entitled to its budget. We are talking about the government being entitled to a \$27 million budget for the best part of 16 weeks. As I said before, if it were a \$100,000 project, it would not be quite so much of a problem as we could undo it if we had to, but a \$27 million one would go too far past that. I urge everybody in this Assembly to consider that all Labor is asking for is to have it put off; not to pull out the money.

MR OSBORNE: Mr Speaker, I seek leave to speak again.

Leave granted.

MR OSBORNE: I have been upstairs listening to the debate and feel the need to make a couple of points. I will be very brief. Mr Speaker, I shudder to think what this place would have been like over the last six years if we had followed the convention of the Labor Party and other members of the crossbench. This is the first year that I have been in here that the Labor Party has been actually supporting a budget. I am not sure whether Ms Tucker is going to support the budget. That is obviously a decision that she will make tomorrow. There have been conventions that we on this part of the crossbench have followed. The decision that we face every year is simple: the government puts down its budget and we support it or we do not.

Mr Berry: Okay, you can vote with us against the budget.

MR OSBORNE: If members of the Labor Party want to talk to me about voting against the budget, I am always happy to talk to them about that type of thing, but I have never tinkered around the edges or tried to amend different lines in the budget. The temptation has been there for me, Mr Speaker. There have been lots of instances in the last six years where I would have liked to see the money being spent somewhere else. School buses are one example. There has been money forked out to some of the lobby groups that I think could have been better spent. I could go through the budget and find millions and millions of dollars about which I would like to move a motion like this one and have the government spend the money somewhere else.

Mr Rugendyke and I have to make a decision every year on whether to support the budget. We support the budget because we believe in stability. Last year, we were faced with a grave decision to make through the actions of others. The Labor Party and the Greens put their hands up and said, "We are going to block supply." Eventually, I had to make a decision on the whole budget over an issue on which I do not need to go over the details as it has been discussed many times in this place. But we have to decide whether to support a budget. I learned from Mr Moore during the time that he sat with me that, at the end of the day, you cannot force governments to change this or that on a whim.

Mr Berry: Oh, no, you didn't do that!

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MR OSBORNE: I did not do that. Last year the government was saying that it was all or nothing. I made a decision. I made that decision because I had a problem with a significant thing in the budget. The legal advice I had was that it was breaking every UN convention possible, blah, blah, blah. Mr Moore disagreed, but it was a life or death decision that I made last year.

Mr Speaker, we have a decision to make. I could stand up and do what Mr Berry has done. I am intrigued at the attitude of the Labor Party. This year, for the first time in a long time, they have actually got something that they can take to the people and say that it is what they disagree with in the budget, whereas last year we were criticised by some members of the Labor Party for not supporting them and creating a huge mess. When they were asked why they were not supporting the budget last year, they could not pinpoint anything in particular. It was just that they were philosophically opposed to the government on various issues. This year they have actually got a decent issue on which they can say that they are going to vote against the budget. I challenge them to be brave enough to do what they have done in the last five years. If they are really fair dinkum, if they really feel that this issue is big enough, they should be brave enough to back their convictions and vote against it. Mr Speaker, I am just one of 17 and Mr Rugendyke is just one of 17. We have been placed in this position through the stupidity of others in this place. We have to make a decision on whether to support this budget.

MR HARGREAVES: Mr Speaker, I seek leave to speak again briefly.

Leave granted.

MR HARGREAVES: I want to make one point to Mr Osborne on this issue. If he wants to support the budget, as he has done before, that is fine. There is nothing in this bill that says he cannot support the budget. I think he has missed the point. He thinks that in supporting this piece of legislation he has to knock back the budget. He does not. He can support them both. I am disappointed that he has decided that one is cause for effecting the other, whereas that is decidedly not the case.

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (4.22): Listening to the cant from the Labor Party, you would think that the education system of the ACT was some sort of wasteland starved of funds and initiatives over the last six years.

We must start with the budget of 1993, when the Labor government, of which Mr Berry and Mr Wood were sitting members, sought to reduce the number of teachers in the ACT. That is the only occasion when the education budget has been reduced. That is their record, and it is a record they seek to walk away from. If I were them, I would attempt to walk away from it as well.

As Mr Stefaniak outlined during question time, the number of initiatives this government has put in place over the last six years and the fact that we have honoured our commitment to raise spending on education every year, audited by KPMG, indicate this government's commitment to education.

I pose the question: who said that the single most important educational initiative since self-government was the reduction in class sizes proposed in this budget? Those opposite will be mute on this, because they know that it was the education unit. Because of good financial management and making up for Labor's \$344.5 million deficit, this government is in a position to put into this budget for years to come another \$91.5 million, of which \$40-odd million is for new initiatives.

Labor seek to ignore that. They do not want to talk about it. They talk about buses. The buses are with the urban services portfolio. They are a transport initiative. It is important that we put in context all the things that we have done in education. I will run through the list quickly. We have introduced literacy and numeracy testing for years 3, 5, 7 and 9. We have changed the emphasis in our high schools and colleges to cater for the 70 per cent of students who do not go to university.

We have introduced a \$20 million package of informational technology benefits, including computers for teachers, IT grants for schools and software access for schools. We have introduced a renewal program for high schools, the High Schools for the New Millennium program. We have introduced the ICT competencies for year 10 students. I believe that is a world first. We have set up a range of new programs to address the needs of students at risk, and we have provided substantial increases for the non-government sector, including \$600,000 per annum for students with disabilities.

Those opposite simply ignore those initiatives. They ignore the fact that there is \$91 million over the next four years—\$40 million for new initiatives—in this budget. We have managed it properly. We have got into a position where we can now address those things the public tell us are important, including education.

What of the \$40 million to be spent on new initiatives in the coming years? It will go to lowering class sizes for early childhood years of schooling and a comprehensive list of new and expanded initiatives for students.

Mr Stanhope: That is \$27 million less than we will do.

MR SMYTH: Mr Stanhope interjects, "That is \$27 million less that we will do." Why are we in a position to have this argument over \$27 million. It is simply because this government has managed so well after the mistakes of Labor. We have put this territory into a position where we can spend money on initiatives without putting them on the bankcard or flogging huge land masses at cheap prices and destroying the house market in the ACT, as Labor did from 1991 to 1995.

Earlier in the debate, Mr Quinlan said that if you did not promise it or say it at the last election it does not count. They are going to say, "You only have to judge us over the last three years. Look at the government; look at us. Forget the past." The public do not forget the past.

There are new initiatives in the early intervention arena. There are family support initiatives for adolescents. There are programs of support for youth carers, and further per capita and specific purpose funding for the non-government sector and additional interest subsidy scheme expenditure. Labor do not want to talk about those, because they are embarrassed. If I were in their position, I would be too.

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They talk about process. They say, “You did not consult.” Ms Tucker also said, “You did not consult. You did not talk to people. You did not look at the impact. You did not do a study.” I challenge them to stand up and say that in the lead-up to the coming election, before they make a promise, they will consult. They might do a regulatory impact study. They might do a business impact study. Before they make the promises, and before they go to the election, they will have to tell the community which of their promises are sworn promises, because they have done the study, and which of their promises are bodgie promises that will disappear in light of analysis after the election.

If they are true to what they are saying here today—that you cannot make a promise unless you have done some analysis, done some work to know what the impact is, consulted with the community and understand what might happen—then in the lead-up to the election they should not make a single promise that they have not put through the same process. But they will not. This is just a charade. It is just a charlatan’s game they play. If they are elected, they will not have the guts to take this initiative away. That is the bottom line.

Mr Speaker, it was curious to hear all the words of Mr Wood when they are the party that has been missing in action on policy over the last couple of years. They are the party that have put forward not a single concrete idea on how the ACT might be improved. Instead they have spent the majority of their time talking of gloom and doom, crying wolf and driving the economy down.

Mr Hargreaves said, “There was no consultation. How dare you go out and do this? It is not a promise anymore, because it was made in 1995.” Yet when we put forward the reforms to ACTION, Mr Hargreaves is the man who constantly interjected across the chamber, “When are you going to honour your promise to put in the free school buses?” The answer is: on 3 September. Why can we do it now? Because we have got the territory into a position where we can afford it. That is because of the good financial management of this government.

Mr Hargreaves seems to be confused about the buses. Nineteen new CNG, compressed natural gas, buses will be purchased over the next four years for use in the territory. Some buses will also be hired in the interim as we work out which routes require more services and which do not. The new buses will be good for the environment. The new buses will also be accessible, as we work towards honouring our agreement to get the entire ACTION fleet accessible. When they are not being used for the school routes, they will be used to provide accessibility on those routes that need it the most—the routes that serve the major shopping centres, the hospitals and the educational institutions. These buses are a tremendous transport initiative.

If Labor object so much to us giving away \$27 million because supposedly not enough people in the ACT will benefit from the free school buses, because 75 per cent of students will supposedly miss out, will they also say that they will renege on the reduction in registration? Not everybody in the ACT owns a car. Only those who own a car would get the benefit of reduced registration. Will they put that \$10 million into education as well? It will be interesting to hear their arguments on that.

The standard line is that it is piecemeal; that it is a scattergun approach to budgeting. This budget had three major themes: early intervention, innovation and addressing the needs of poverty. Those three themes extend across each of the portfolios and address needs for the long-term benefit of Canberrans. If this is a cheap political grab for votes, as they are so convinced that it is, why did we not this year spend all the money in the early intervention pool for simple political gain? The answer is that we have a long-term view. We have a plan. We have a vision to make Canberra an even better place to live than it already is. We will allocate funding as we see fit to achieve that aim. That will take time. Addressing poverty will take time. But we have made a start by addressing the poverty report as it was put to us, and we will address those needs as we can. It is a good line to say that the budget is piecemeal and scattergun. They are the only two adjectives they could come up with, because they know that, across portfolios in a coordinated way, we put together an excellent budget to meet the needs of the people of Canberra.

Mr Stanhope spoke about a total lack of understanding of the needs of education. If there is a total lack of understanding of the needs of education, Mr Stanhope can stand and tell us which of the \$91 million worth of programs over four years and which of the \$40 million of new initiatives over the next four years we should not go ahead with because we do not understand.

Mr Stanhope: The \$27 million less than we are providing?

MR SMYTH: No, Mr Stanhope. You interject glibly. You have one line. You are like a scratched record, constantly interjecting across the chamber because you cannot come up with something original. Ask Mr Berry and he will give you a new line to interject with.

Given that we have this total lack of understanding of education—Mr Stanhope's words—Mr Stanhope can tell us which of the \$40 million worth of new initiatives show that total lack of understanding? Which of those will they not go ahead with? If one of those is not knocked off by Labor, then we have at least a tiny understanding of education, which refutes his case.

Mr Stanhope: We will accept the tiny understanding.

MR SMYTH: When we point out the inadequacies of his case, we go from a total lack of understanding to a tiny understanding of education. The ground shifts. We get this movement from Mr Stanhope. I would not let him speak either. What we need from Mr Stanhope is an indication of whether or not they will consult, do an analysis of their impacts and give us a regulatory impact statement, a business impact statement and maybe a poverty impact statement as well before they make their election promises. He should tell the electorate which of those commitments they will honour in light of further information when they come to government. I bet you he will not.

Mr Stanhope has to stand and tell us which of the initiatives in the \$91 million the Minister for Education has to spend on education over the next four years and the \$40 million worth of new initiatives show our total lack of understanding—sorry, our tiny lack of understanding—of education so that we know exactly which of those initiatives will not go ahead. I bet we will not hear from Mr Stanhope on that either.

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Ms Tucker said that in the reckless way in which we were spending this money we were abandoning disadvantaged children. It is not the intention of the government to disadvantage any child. I have spoken to Mr Stefaniak, and we have agreed that those children who might possibly fall through the net should not be disadvantaged. There is a process whereby they can appeal to the Urban Services Department to make sure that they do not fall through the net.

If Ms Tucker is so concerned about consultation when she tables her new policies come the election, will we see a list of groups consulted, the impact on the budget, an analysis of effectiveness and regulatory impact statements that show that they are good policies.

We heard from Mr Corbell we apparently missed two important elements. One was procedure. If you do not like the outcome, you go after the process or the procedure. Before Mr Corbell makes any commitments on any of the areas that he is the policy spokesperson for, perhaps he will tell us whom he has consulted, what the impacts are, where his analysis is and where the regulatory impact statement is. Otherwise, we will have to disregard all those things that he might put forward as policy.

Mr Corbell quoted Ben Chifley. He was inspired by Mr Chifley's famous "light on the hill" speech. Somebody has been out polling. How do we know? Because they have rung people, and those people have told us what the questions were. One glib little question was: "How would you feel if the government was to give you a book educational allowance as a little one-off bonus to help you over the hump of the new education year?" There was a little bit of potted spending to different people all over the place. What a shame that Mr Corbell has extinguished the light on the hill on education. This is about getting them elected. This is not anything to do with what we have achieved in the last six years.

We had attacks on Mr Moore, with allegations that Mr Moore had changed his story. he has changed his story. The government also has changed its story. In 1993, through the present Speaker, Mr Cornwell, the government attempted to amend Labor's budget. Since that time we have said that we got it wrong.

Mr Stanhope: It was another mistake.

MR SMYTH: Yes, it was a mistake. But unlike you, Mr Stanhope, we fessed up and said we got it wrong. It is incredible that everybody in this place except the Labor Party is allowed to make mistakes. We own up when we make a mistake, and we apologise. Those opposite apparently have never made a mistake. (*Extension of time granted.*) I guess it was just an accident that when they were ousted from office in 1995, when I guess the electorate of the ACT betrayed them, they were \$344 million in debt.

This is not the way you do it. The precedent is that governments get their budget or they fall on their budget. That is the precedent that Mr Osborne and Mr Kaine used last year. Those opposite tried to twist that, as they always do. They twist everything. They voted against the entire budget. They did not attempt to amend it. They are saying that they can do whatever they want in opposition. They are saying, "We do this, because we are the Labor Party and that is the way we operate." But then they try to discredit others who have acted along the lines of the convention and acted honourably. They said that the government would fall, and we changed our minds. Those opposite are throwing out

a longstanding convention. Should they be elected in October, God forbid, it is something they will regret.

They may throw out the 1,300 disadvantaged children who already benefit from free school travel. We have rolled both schemes into one and are working towards the delivery of one scheme. If they stop this, they may also take out the free travel benefits that 1,300 Canberra students already receive. In that, they would do those people an immediate disservice, because they do not understand what they are doing.

More than 16,000 students have said that they will be expecting to receive free bus travel. They have applied for it. They are entitled to it. It is a commitment the government has made.

Labor will also deny the people of the ACT the benefit of 19 CNG buses for ACTION. Not only are those buses more environmentally friendly and not only do they create less greenhouse gas but they give us the opportunity to increase CNG refuelling facilities in the ACT. We are investigating making our refuelling facility open to the general public so they can go to the site—more sites if we build more—and fill CNG cars. That would increase access to CNG, increasing the benefit. But those opposite would put that on hold as well, as they always do.

We need to get into the contract so that we can start the production of those 19 buses. They will have a low floor that will dramatically increase accessibility for those with a disability in the ACT to access the bus fleet—something that those on this side of the house are dedicated to, something that those on that side of the house constantly ignore.

There are also environmental benefits. It is curious that Ms Tucker will vote against the government's introduction of new CNG buses. She has obviously not consulted those people she holds dear, groups like the conservation council, which saw this as a very worthwhile step in improving public transport in the ACT because it would encourage children to get on buses and learn about using buses and what a good way of travel they are and because it would reduce the impact on peak hours at schools in the morning and in the afternoon. We are getting a large amount of clutter with parents making single-destination trips to and from school to drop off or pick up students. The 19 CNG buses will be slowed down by those opposite.

What we have from those opposite is simply an attempt to stop the government from honouring a promise. It is an attempt to deny more than 16,000 school students in the ACT free transport. It is an attempt to stop the environment from benefiting from CNG buses and extra refuelling sites. It is obviously an endorsement of traffic at schools early in the morning and late in the afternoon, because they will not allow us to improve the bus services to schools.

Ms Tucker called for the government to buy CNG buses after we had made our announcement. It is curious that she happened to miss that one. It was fairly prominent in what we offered. The other thing that was missed in the reading of the budget was our promise of a one-zone flat fare for all school students. Oddly, after the budget, the Labor Party said, "What about a flat fare?" If you want to be idle, just read the press releases. It was all highlighted there. It is just a shame.

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The school transport scheme is a fantastic initiative by the government. I commend it to the Assembly. We will be voting against this bill. For all the reasons I have outlined it is a silly way of going about stopping an initiative. The government is entitled to its budget. That is the convention. If they want to stop the budget, vote against all of it.

MS TUCKER: I seek leave to speak again.

Leave granted.

MS TUCKER: I want to respond to a couple of points. Mr Osborne and Mr Rugendyke presented their picture of what happened in last year's budget process. I remind members that I did not support this Liberal government. I did not support a Liberal Chief Minister. After three years here, I worked out that that was a bad idea. What happened last year was a problem with the Liberal government and the coalition they had set up with Mr Rugendyke and Mr Osborne. They had an internal problem amongst their ranks.

I did not think Mr Smyth would bring the environment up, because it is such a superficial argument. Of course I have consulted the conservation council. Of course I have been supporting the natural gas buses. I have also been trying to prod this minister to do something about converting the fleet to natural gas. I have been strenuously opposing the government's very lacklustre approach to developing a public transport system that works. Mr Smyth is the man who builds freeways. I am happy at any time to persuade this government, if they want to listen, how they can reform the public transport system. This is a very ad hoc initiative. In the midst of the rest of their protestations about why they need to build more freeways, they are suddenly trying to claim green credentials. It is totally ridiculous.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (4.45): Mr Deputy Speaker—

Mr Berry: You are not going to speak?

MR HUMPHRIES: I have not spoken before, and I am the Treasurer of the territory, so I think I am entitled to speak, Mr Berry.

Mr Berry: You are taking the night off. It is all right for you.

MR DEPUTY SPEAKER: There are no problems, Mr Humphries. You have the call.

Mr Berry: You are going out on the grog.

MR HUMPHRIES: Mr Deputy Speaker, I ask for that to be withdrawn.

MR DEPUTY SPEAKER: Yes, I think so.

Mr Berry: How about "He is going out to dinner"?

MR HUMPHRIES: I am not going out to dinner.

Mr Berry: He is going somewhere. He is not going to be here.

MR HUMPHRIES: I spend my time here working in this building, Mr Deputy Speaker.

Mr Berry: He is staying here now? Sorry. I withdraw that and apologise.

MR HUMPHRIES: Thank you. It is a measure of the hypocrisy that passes for fact in this place that there has been a huge amount of changing of mind about these issues in this place. I should say at the outset that, as far as I can discern, the only person who throughout their parliamentary career has taken a consistent position on amendment of budgets in this place is Ms Tucker. When this issue was debated in 1995, Ms Tucker maintained that it was quite all right for government budgets to get amended, and she maintains that position again today. As far as I can see, she is the only person in this place who has consistently maintained that position.

The Liberal Party, it has to be conceded, in 1993 argued for the right to be able to amend the budget of the then government, as you, Mr Deputy Speaker, will be well aware as you were education minister at the time. In 1995 it indicated that it believed that that was a mistake and moved a motion in this place that that not recur.

The Labor Party has also had a road-to-Damascus-style conversion but rather more recently. Its position in 1995 was very strongly that amending the budget was completely and utterly inappropriate. None of the qualifications which have been mentioned in this debate today were mentioned in 1995.

Let me quote what the Labor Party had to say about the prospect of amending a budget in November 1995 when we were debating the first budget of the Carnell government. Mr Connolly led the debate for the Labor Party on this matter. He spoke at length and he spoke in these terms:

... we said then, as we say now and have said throughout, and we are the only political body that has said throughout, that the government is the only body that may introduce or amend a budget, that non-government members can exercise control over the government of the day in a minority situation by voting against individual measures within the budget, by voting no.

That is, by voting against the budget as a whole.

Mr Berry: No, voting against individual measures.

MR HUMPHRIES: No, that is not what he was saying.

Mr Berry: Are you sure?

MR HUMPHRIES: Yes, I am, because other members went on to speak on this matter, including you, Mr Berry. I will quote what you had to say on this subject as well if you like. You were quite eloquent on the subject. On the same day Mr Berry talked about the problem of 1993 vote in favour of amending the budget. He said:

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We should never have arrived at this position. If those who in the past might have criticised the Labor Government over education had any spine, they would have threatened the Government. That is what it is about. If you do not like what is delivered up in the budget, you take your chances at changing government.

That is not voting against the government of the day, not voting against the budget line, but changing the government. You went on to say, Mr Berry:

It comes down to this: It is a most inappropriate course to try to develop these sorts of amendments to a government's budget when you give them your vote of support on day one when you elect the Chief Minister. You say, "Chief Minister, you have your hands on the levers. We understand your philosophy, and away you go."

The opposition was saying very consistently and persistently throughout that debate that amendment of the government's budget by anybody, not just by crossbenchers but by anybody, was inappropriate. Mr Deputy Speaker, you spoke in that debate as well in similar terms.

The Labor Party argued hard at that time that they believed it was inappropriate to put governments at risk of having their budgets changed. They said, "The government's budget as a whole stands or falls. If you do not like the budget, vote against the government and bring the government down."

Ms Follett in particular drew attention to the precedent of what happened in 1941, when the first Menzies government was brought down by an amendment to its budget which reduced the budget by one pound. An amendment was moved to reduce the budget by one pound, and the government fell. It was a device that was seen as a way of bringing the government down. That is the precedent for amending budgets. It is a symbolic trigger for bringing a government to its knees, for removing a government from office. That has always been the accepted understanding of that matter outside this place.

Mr Deputy Speaker, obviously this place has the capacity to develop its own precedents in this respect, and perhaps to some degree we have, but until this year the Australian Labor Party has been consistent, more consistent than my party has. In 1993 we succumbed to temptation, at a time of very considerable public angst about the Labor government's cut to the education budget, and we said that we would protect the budget by removing the capacity of the government of day to use its appropriated money to remove teacher jobs, to sack teachers. At that time 80 or 90 teachers were being sacked by the then government.

Last year Labor was consistent with this approach, this view that oppositions do not amend budgets. If I may for a moment defend Mr Rugendyke, who perhaps also has been consistent—I do not venture an opinion about Mr Rugendyke—Mr Rugendyke last year said that he was opposed to what the budget contained and he therefore voted against the budget. He did not vote to amend the budget; he voted against the budget as a whole, as of course did the Labor Party. The Labor Party was very annoyed that the crossbenchers had done what it had done for a number of years, which was to vote against the budget of the government of the day. I am still mystified as to why it was all right for the Labor Party to oppose the budget but not for the crossbenchers to do so. But that is another debate.

Mr Rugendyke has been consistent between the two years. He declined last year to amend the budget but agreed to vote against the budget as a whole. This year he has also declined to vote against the budget, but I gather he will be supporting the budget as a whole. The Labor Party, I understand, is also supporting the budget as a whole but is seeking to amend it this year. There is no consistency whatsoever in their position from year to year.

I want to put on record today, for the sake of utmost clarity for those who come after us in this place, that what this amendment to the Financial Management Act amounts to—and it is to be supplemented by amendments tomorrow to the appropriation bill—is an amendment to the budget. By moving in this way to amend the budget, the Labor Party has established—or, if you like, revived—a precedent which we all thought had been nailed into its coffin in 1995.

Incidentally, the major parties combined on that occasion to vote 13 to 4 in favour of the motion which I moved at that time to preserve the financial initiative of the Crown, which is that only the Crown can move to amend its budget.

I say to the Labor Party that if they pass this bill today that principle will have been revived, that precedent will have been revived, and it will not so comfortably and easily be forced back into its coffin after today.

I concede that we made a mistake in 1993. It was argued in 1995 that that was the case, and the Assembly collectively agreed that that was so and that we would not repeat that incident. The Labor Party's view has changed. They seek to make fine distinctions between what happened then and what happens now, but if members study the minutes of 1995, when a series of amendments similar to those being moved today were put to the Assembly, they will see that the Labor Party on every occasion voted against them, expressing support for the financial initiative of the Crown. There is no distinction between that case and the case today.

What I am saying is that the Liberal Party is not going to live by a standard which other people in this place are not prepared to live by. If we support the position that only the government can amend the budget, but every other member in this place supports the view that it can be amended, we are not going to be Robinson Crusoe any longer.

When the Labor Party finds itself in government at some point in the future—they tell us it will be in October of this year—and they face amendments to their budgets from some point after October, I do not want to hear them come back and say, “But you have defended the financial initiative of the crown.” There is no point defending a principle that is already in tatters and has died a painful death in this place.

I will deal with a few brief issues in the time remaining. I will not seek an extension of time. The Labor Party says that they are champions of education; that they are going to fight for the education system. I would ask only that members consider what the Labor Party did in government. I hold up these headlines from the *Canberra Times* in 1993: “Teachers to fight Follett cuts”, “Up to 550 public sector jobs to go in new plan”. I quote:

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The government tabled a budget which will cut public sector employment and increase petrol taxes. In education, 90 jobs will go, 80 of them school based and the bulk of them in the colleges.

It is ironic to see today the opposition defending the move to have smaller class sizes, when their actions were to attempt to increase class sizes during the time it was last in office.

Let me address the wisdom or otherwise of having free school buses. We are told that the majority of students will not benefit from this move. Indeed, I concede that. They will not. But if one were to attack or repudiate an initiative in the government's budget on the basis that it did not benefit the majority of the population, almost all of the budget would fall. There is no doubt that the money we are putting into this budget to reducing dental waiting lists does not benefit the majority of the population. It benefits a very small minority of the population.

The cervical cancer register initiatives do not benefit the majority of the population, because only half the population are women and only a minority of them contract cervical cancer. So the majority does not benefit from that measure. In particular, the programs to benefit Aboriginal people in the ACT—and there are many of those programs in this budget—axiomatically, do not benefit most people in the community. I hope we are not going to hear the argument that those programs should not be supported because they do not benefit most people in the community.

You, Mr Deputy Speaker, have called for activities within schools to be the focus of budget funding. There is a range of ways in which we can assist people to meet the burdens, the costs, of education of their children. If it is true that the Labor Party is exploring in its polling a parents allowance payable to parents not in the context of schools but as parents, without any accountability about how it is actually spent—on education matters or other things—then that argument is a hollow argument indeed.

Ms Tucker says that the argument that free school buses benefit the environment is superficial. Obviously it must come as a surprise to the Conservation Council of the South East Region and Canberra, which issued a press release last month saying that they welcomed the government's budget initiative relating to transport. They said:

The [suite] of measures announced in the budget yesterday represent a step, or should I say, bus ride, in the right direction. The free school service ought to ensure that at least a portion of the journeys many mums and dads are making every day in the car ferrying their kids from one thing to another will instead be made by bus.

Obviously, Ms Tucker does appreciate that distinction that the conservation council appreciates.

Finally, Mr Corbell talked about sixpences not being worth giving to the community. I believe that there are lots of ways of providing support and assistance to the community. I believe that there are 16,000 to 18,000 people already who appreciate that education is not merely about what takes place in classrooms but that education is also about the things that parents do, and that support and assistance to parents, as represented in this budget initiative, are more than a worthy goal, not just in pursuit of education but in pursuit of the needs and interests of the general community of this territory.

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 BERRY (5.01), in reply: The first thing I want to do is demolish the little web of deception that has been created by the Chief Minister in relation to history. Let us start with the majority arguments he used in relation to various programs of the government. He said that if we applied the same rule as we are applying to education, where he conceded that 75 per cent of the students are going to miss out, to other initiatives of the government or other portfolio areas then they would collapse as well.

It is completely disingenuous to try to draw those sorts of comparisons. For example, if they had different access for indigenous people, it would then be something you could compare with what is happening in relation to school buses. For example, if they had different standards for various groups within the free dental scheme, then you might be able to draw the comparison. But generally the same level of support is given to members of the community throughout the government's various budget areas. That is the argument we put in relation to education. The money should be more evenly spread across the education community.

Mr Humphries: You have to be poor to use the dental scheme.

MR BERRY: I go back to the dental scheme again. There are not different standards for everybody in the dental scheme, and different standards should not apply across education insofar as you can avoid it. We are putting up a proposal by which we can avoid it.

Let us go to the 1995 motion that was passed in this Assembly. Mr Humphries moved:

That this Assembly reaffirms the principles of the Westminster system embodied in the "financial initiative of the Crown" and the limits that that initiative places on non-Executive Members in moving amendments other than those to reduce items of proposed expenditure.

What we are doing today is entirely consistent with that. There is no attempt to interfere with the financial initiative of the Crown. We are not trying to force the government to appropriate. We are not moving to appropriate, because we know that that offends the financial initiative of the Crown. If one likes to refer to authorities on this issue, as Mr Humphries seems keen to, one should refer to Erskine May's *Parliamentary Practice*, 22nd edition. It talks about provisions involving the reduction of expenditure:

No special form of procedure applies to proposals to reduce existing expenditure or the scope of existing purposes of expenditure, and such proposals may be moved in the House or in Committee without recommendation from the Crown.

A proposed reduction of expenditure may consist in lowering a stated amount—

that is what we are doing—

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restricting the objects of the expenditure, inserting limiting conditions, or shortening the period—

that is what we are doing—

during which expenditure is to be incurred. The transfer of expenditure from the Consolidated Fund to ‘money provided by Parliament’, ie its transformation from indefinitely continuing to annually renewable expenditure, may be regarded as an instance of reducing the duration of expenditure.

What we are doing is entirely consistent with precedents. As Mr Kaine rightly said, it breaks no conventions and no laws. If one can add to that a final endorsement, the Speaker decided that it could not be ruled out of order. In a very short space of time we have demolished all of the claims that have been made by Mr Humphries with his re-creation of history.

I apply those same comments to the contribution that Mr Moore made to this debate. It is quite clear that Mr Moore wanted to talk about anything except the issue of principle which applies in relation to this matter—whether or not expenditure on free school buses is a good education expenditure or not. The same rules apply in relation to Mr Moore. No conventions have been broken; no laws have been broken. The financial initiative of the Crown is preserved. We are conforming with convention. I have demonstrated that any bleatings to the contrary are quite phoney.

Mr Stefaniak talked about capital expenditure. I think Mr Smyth referred to it also in his comments in relation to the buses. If Mr Stefaniak takes a look at the bill, he will note that it is our intention to make sure that none of the money which has been allocated for the free school bus system in the budget, including the expenditure on new buses, will be allowed to be spent. It will be unlawful to spend the money for the new free school bus system if the bill passes. That is the intention of the bill. Mr Stefaniak is just trying to confuse the issue by saying that it is not open to this Assembly to change the budget in relation to the expenditure which is intended for free buses. Of course it is, and it will apply and the full \$27 million will be put into education to ensure that the 75 per cent who miss out under the government’s scheme do not miss out in future. That is the aim of the amendment to the Financial Management Act which has been put before the place today.

Mr Humphries: How is this amendment different to the one in 1993? What is the difference between this one and the one in 1993?

MR BERRY: Mr Humphries says, “What is the difference between this and what happened in 1993?” I do not recall the amendment in 1993 having anything to say about the Financial Management Act. Mr Humphries might recall that too. I think that is pretty clear.

I come to the Osborne and Rugendyke position. I heard Mr Osborne say that he thought that this was some sort of tax relief for parents. He characterised it as tax relief, to try to avoid debating the worth of the free school bus initiative. If this is tax relief, then so too was the support that was being offered to drug-dependent people by way of drug injecting rooms, and Mr Osborne moved to take that tax relief away from them. They could not afford to buy themselves a place to have a supervised injecting room, so the

government, if we use Mr Osborne's analogy, was providing them with some tax relief to provide them with a safe place to inject heroin. It is a silly analogy and Mr Osborne cannot rely on it.

When he saw that argument starting to fall to pieces, he came back into this place and said, "You can support the budget or vote against it. You cannot alter parts of it." I have just referred to practice and precedents which demonstrate that it is quite open and proper, and indeed required of an opposition, to make these sorts of moves when the government makes mistakes as this one has. This is a monumental mistake. It is unjust and it is a misdirection of funds. This deserves to be undone.

Mr Osborne and Mr Rugendyke agree with Labor that this is silly expenditure and it would be better directed in another way, but neither of them want to do anything about it. Mr Rugendyke, in an article in the *Chronicle*, described the \$27 million free school bus plan as blatant electioneering strategy that appeared to be a higher priority than a range of other pressing proposals. He went on to say:

If the Government is serious about addressing the real deficiencies in the education system it could use the \$27 million currently allocated for free school buses to finance the school counsellor/student welfare worker proposal put forward by the ACT Council of P&C Associations, purchase specialised buses for special schools and special learning units across Canberra, or decrease class sizes across school years.

That was on Tuesday, 29 May, but when Mr Rugendyke found out that Labor was intending to alter the budget, the very next day there was an article in the *Canberra Times* which made it clear that Mr Rugendyke had changed his mind:

Mr Rugendyke said that while he saw the free bus scheme as blatant electioneering by the Government, they had worked hard to create a surplus and had the right to spend it as they saw fit.

On 29 May it was not a good idea; on 30 May it was a good idea. He said that they could spend it how they liked. Mr Rugendyke and Mr Osborne were prepared to take away from drug-dependent people a safe haven for injecting drugs and claimed they were doing the right thing to tear down the budget to do that. We accept that they did not like that. Now they agree with Labor, but they deny that they have the right to delay this spending until after the next election. Let us make it an election issue for all of us here.

Of course the government do not want to do that, because they know that they have picked a loser and that they are not trusted on this issue. They made a promise in 1995 which they promptly forgot, and it was no longer a promise after it was forgotten. It was not mentioned in the 1998 election, and now they have seized upon it as some sort of salvation for themselves in light of poor polling.

This amendment to the Financial Management Act which has been put by Labor is intended to delay the expenditure of this money until the election or until a motion is passed in this place authorising the expenditure. It is as simple as that.

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Mr Osborne and Mr Rugendyke have been pathetic, weak and insincere, and the message is getting out. I will tell you how it is getting out. A campaign was started today. It was announced outside this Assembly. It said:

Send our politicians a message.

\$27 million extra spent in schools over the next four years will provide 60,000 students:

- with further class size reductions
- support for student welfare and counselling
- support for students with disabilities
- support for students at risk
- support for literacy and numeracy
- support for information technology.

The only thing that is consistent with the position of Mr Osborne and Mr Rugendyke is that they are taking something away from somebody. They took away the support for people who might need the protection of a safe injecting place, and they are taking away initiatives which Labor would provide for students in our schools.

I want to see how they are going to explain to the 75 per cent of students who are going to miss out under this proposal why they voted in this way. According to an announcement this morning, 45,000 students will miss the bus. I seek leave to table a couple of documents which explain that position and seek leave to have them incorporated into *Hansard*.

Leave granted.

MR BERRY: I present the following papers:

Education expenditure—Copies of posters (2).

The documents read as follows:

\$27 million ticket.

45,000 students miss the bus!

Send our politicians a message. \$27 million extra spent in schools over the next four years will provide 60,000 students:

- with further class size reductions
- support for student welfare and counselling
- support for students at risk
- support for literacy and numeracy
-
- support for information technology

MR BERRY: We heard some analysis of the figures which have been prepared by the government in relation to the kids who will miss out and the kids who will not miss out. Mr Smyth misquoted me by saying that I had said that this was only for private schools. What I actually said was that 75 per cent of children in our schools will miss out from the \$27 million electoral sweetener. Only 7,000 of the 40,000 government school students will have access to this. Sixty per cent of kids in the non-government sector will also miss out. If you have a look at the figures collected from primary schools, you will find that 90 per cent of kids in primary schools will miss out. They are not going to get anything out of this initiative. That is where we stand poles apart. That is what I want to hear Mr Rugendyke and Mr Osborne explain. (*Extension of time granted.*)

I would be interested in how Mr Osborne and Mr Rugendyke will ever explain how they have abandoned 75 per cent of the kids in schools. They have missed an opportunity to provide them with some support, given their support for Labor's position. Their pathetic, weak, insincere position here compared their last attempt at upsetting a budget does not wash. It will never wash anywhere, and everybody knows it. Even they know it. Thrashing around as they have a couple of times tonight will not help them much either. It just digs the hole deeper. It is up to them to find their way out of the mire. The fact of the matter is that they are being extraordinarily weak in relation to this matter.

Mr Rugendyke went through the motions of conducting a survey of all the schools in Ginninderra, with the approval of the government, so that he could prepare a report and present it to government. As you would expect at this time of the electoral cycle, one would be entitled to promote one's interest in education as a result of that. I agree. He is entitled to promote his interest in education as a result. He is entitled to come to the conclusion that the \$27 million bus scheme is dumb.

He is entitled to come to the conclusion that the money ought to be spent in other ways. But you would like to see a little bit of guts to make sure that it does happen. I think all of his work to demonstrate that he was interested in schools, especially government schools, in the ACT has gone to waste, because nobody will ever believe a word he says on education again, for good reason.

For Mr Osborne to continue to say that he thinks this is bad and do nothing about it demonstrates a lack of courage of his stated convictions.

Mr Smyth dared Labor to say what it would do about this issue after the election should we occupy the benches opposite. I may be paraphrasing him, but that is essentially what I think he meant. We have said that, as a priority, we will reallocate any money left over and put it into schools. That is our position. We will move for the reallocation of the free school bus funds to education in a shared arrangement between the government and non-government sectors. These funds will be used on a needs basis for priority programs as reduced classes in K to 3 years and on support services for the students up to year 12, together with any additional class size reductions which are achievable and appropriate. We will immediately move for the introduction of a single-zone school bus fare system.

Mr Humphries: We are doing it already.

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MR BERRY: Yes, after our announcement. We will put the money back in parents' pockets. Those parents who had to pay double when this government ripped them off will get some relief from Labor. As well, 60 per cent of the kids in the non-government sector who are missing out under this initiative will get some help, as will the 80 per cent in the government sector who are missing out. They will get some help as well. Under your initiative they miss out, and you think that is smart. That is not smart, in my book. If you think that is smart, you have another think coming.

The government says, "All of these people have applied for this, so they must support it." I do not think you can bank on that. I have a letter in my office from a woman who complained that she had all these additional costs because she sent two of her kids across two zones to school and it was costing her \$400 a year for each of them. I explained what Labor was doing. I said, "We will reduce that by half, and we will put the rest of the money into the kids." Thumbs up, mate.

Mr Humphries: You did not tell her that we were doing it already.

MR BERRY: She first of all complained that we were undoing what you were doing with your silly free school bus scheme. When I explained what we were doing, thumbs up, bro. That is the general attitude of people out there.

This was a mistake by this government. They know it. They know that our idea is a better one. We will be putting \$27 million into schools if our plan succeeds. No matter what they do, we will be putting \$27 million more back into schools if this succeeds. No matter what the government says, Mr Moore can never escape the full understanding that he has abandoned education. He is not interested anymore. He did not want to talk about the free school bus scheme here today. All he wanted to talk about was a distorted view of the principles of members introducing legislation in relation to these measures. Mr Moore is totally discredited.

I go back to Mr Osborne and Mr Rugendyke. I think their position is pathetically weak. It lacks sincerity. I do not believe that they will ever recover from the hypocrisy of their actions in relation to this matter.

Question put:

That this bill be agreed to in principle.

The Assembly voted—

Ayes 8

Noes 9

Mr Berry

Mr Stanhope

Mrs Burke

Mr Osborne

Mr Corbell

Ms Tucker

Mr Cornwell

Mr Rugendyke

Mr Hargreaves

Mr Wood

Mr Hird

Mr Smyth

Mr Kaine

Mr Humphries

Mr Stefaniak

Mr Quinlan

Mr Moore

Question so resolved in the negative.

Auditor-General Amendment Bill 2000

Debate resumed from 29 November 2000, on motion by **Mr Osborne**:

That this bill be agreed to in principle.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (5.25): Mr Speaker, the government has concerns with elements of this bill, but believes that there are also elements of this bill which may be supported. Acceptance of Mr Osborne's amendments would change quite substantially the functions of the Auditor-General, the powers of the Auditor-General, the penalties which can be imposed by the Auditor-General and a number of other aspects of the way in which the Auditor-General conducts his task. Broadly speaking, the government's view is that much of what is provided for in this bill goes a considerable way towards changing the understanding that the community and, I think, the Assembly have of the role which the Auditor-General plays.

There are a number of things about the bill which the government does not support and others which the government does support. I want to indicate that the government believes that proposed new section 17 (5) of the act with respect to the publication and circulation of the Auditor-General's reports when the Assembly is not sitting is a supportable provision. If this amendment were in place, a report of the Auditor-General would continue to attract absolute privilege under the Parliamentary Privileges Act 1987 of the Commonwealth.

As I have indicated, there are other provisions that the government does not support. I will just run through them briefly. It is proposed that the Auditor-General should have the power to determine the breadth of his own inquiry. That comes under proposed new section 17 (1). The Auditor-General already has broad powers under sections 10 and 12 of the Auditor-General Act 1996 to determine which sorts of inquiries he or she should conduct. The Auditor has the power to review or examine "any aspect of the operations of a person, body or thing" in the course of a performance audit. To expand those powers would be to take the Auditor's powers beyond those of other governments in Australia, other acts for auditors in Australia, and I do not believe that that is warranted in the present circumstances.

It is also proposed in the bill that there should be a capacity to refer all reports of the Auditor-General to the public accounts committee. I refer to proposed new sections 17 (4) (c) and 18. I do not think that there is justification for mandating legislatively the referral of all reports to the public accounts committee and binding future Assemblies to only one course of action. The current practice for the referral of the Auditor-General's reports and a more appropriate way to address the referral of the Auditor-General's reports to the public accounts committee is through the standing orders of the Legislative Assembly, particularly under section 21 of the self-government act. It is not necessary to amend the act to require the Auditor to appear as a witness before the public accounts committee to discuss each report, as this amendment foreshadows. The committee already has the discretion to decide when it wishes to call witnesses under the standing orders. I think it is inappropriate and unnecessarily inflexible for the committee to have this discretion removed, which is what the effect of the amendment would be.

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It is also proposed that there should be additional funding for the Auditor-General, proposed new section 22A. There is no reason why the government should provide greater budgetary flexibility to the Auditor-General than to any other budget-dependent entity. Under current processes, the Auditor can request additional funding through a Treasurer's Advance and, to my knowledge, that has never been refused when it has been sought. Certainly, it has not been refused by me. Alternatively, the Auditor can apply for a supplementary appropriation that would require Assembly scrutiny. I suspect that, if an auditor were knocked back by the government, that would be what would occur. Mr Speaker, I have doubts about that provision. I am happy to listen to debate about that, but I have serious doubts about whether that would be supportable.

A change in the term of appointment of the Auditor has been suggested. No evidence has been provided to demonstrate that the act's existing provisions have in any way reduced the impartiality of the Auditor, particularly to warrant the inflexibility inherent in the proposal. The current provisions of the act provide that the Auditor can be appointed for a period of between five and seven years, with eligibility for reappointment. I would argue that those provisions are better than those that have been put forward. The current provisions allow for the reappointment of an Auditor-General if that person is the most suitable and experienced potential candidate.

There are other things in the bill, but I do not think that I should go through them in detail. I think the government's position is fairly clear. Obviously, we are going to need to return, probably more than once, to the powers and role of the Auditor-General, which have been the subject of much debate in recent years, but I do not think that overall the direction of this bill is the way to achieve the desired improvement in the position of the Auditor-General.

MR QUINLAN (5.31): I have to say that, by the time we took out of this bill those things that we do not like, there would not be a whole lot left and that which would be left would be, effectively, a restatement of the conditions that prevail right now. I think the government has stated that it would support proposed new section 17 (5). I may as well give notice here that we will not. This provision relates to the tabling of reports out of session. In much earlier days, I spoke to the Auditor-General about this proposition and, in fact, had some legislation drafted; but, after consultation with the Clerk, I was talked out of pursuing that proposition, not so much because there is a clear picture as to what would follow, but because the picture in relation to privilege and the attaching of privilege has never been tested, as I understand it.

This type of provision exists elsewhere. I understand that it exists in the federal Senate. Nevertheless, I was not willing to push forward with it because of concern about not only the immediate attaching of privilege, but also the secondary flow on to other users of privilege. I am happy to be convinced otherwise tonight that we are sure and certain, should we have these provisions in place, the particular act is then, effectively, black and white, but I have been advised otherwise and I would lean towards the sounder approach of not allowing a situation where a third party, effectively, could inadvertently breach parliamentary privilege without knowing it, or would lose an action brought against them because they had sought to use privilege under this particular act and that privilege did not stand up to testing.

As I said, there would not be much left in the bill after those things were taken out. We do believe that the powers of the Auditor to set his agenda, to a large extent, are pretty well in place now. I have to agree with the government on the additional funding question. I have been doing that a little bit lately and I feel uncomfortable with it; nevertheless, I agree with the government. We do not think that we should legislate for that power to rest anywhere other than with the government. We have, in fact, negotiated with Mr Osborne's office for a watering down of that provision—from "the Treasurer must" to "the Treasurer may"—in order that the Auditor could have an avenue for sensibly applying for additional funding if the need was there and for a committee of the Assembly to be aware of his particular needs and to make representations on his behalf once they had assessed those needs. But at the end of the day the expenditure and the power of approval must rest with the Treasurer, which is rather consistent with most of what we have been saying here as we have spent a lot of time today violently agreeing with each other as well as violently disagreeing with each other over principles applying to matters financial. On balance, I do not think that we can support the bill; but, if it gets to the detail stage, we will be happy to work through the difficulties we have.

MS TUCKER (5.37): I understand that this bill arose after Mr Osborne had discussions with a former New South Wales Auditor-General, Mr Harris, regarding the audit report on Bruce Stadium and that, in those discussions, a number of deficiencies in the Auditor-General Act were identified and are addressed in this bill. I understand that the legislation for the New South Wales Auditor-General was used as a model.

There are four main parts to the bill. The first part clarifies that the Auditor-General may comment on anything that he believes should be brought to the attention of the Assembly in relation to an audit. This is in response to the claim made by the government that the Auditor-General's inquiry into the Bruce Stadium redevelopment wrongly included comments on whether the redevelopment represented value for money. I certainly appreciated the Auditor's comments on that and I would not want to have those types of comments limited. I listened to Mr Humphries' argument. He did not seem comfortable with having those powers increased at all in terms of what was looked at and I do not think that Mr Quinlan was comfortable with it, either. I have not heard a really good argument about why the powers should not be increased. It seems a reasonable thing to me to do so. I will be supporting that, unless I decide otherwise as a result of debate in the detail stage.

Secondly, the bill allows for the Auditor-General's reports to be presented out of session and for all reports to be referred to the public accounts committee. There is also provision for the Auditor-General to appear before the committee to discuss the contents of each report. These inquiries already happen by convention, but there is currently no statutory requirement for them to occur. I understand that there is a complication with the tabling of reports out of session and that that part of the bill is going to be omitted in the detail stage. Once again, I will listen to what happens there in the detail stage, otherwise it sounds reasonable.

The third part allows for the Auditor-General to seek additional funding if he takes on performance audits and finds that he has not got the funds to complete the audits in a reasonable time. That was an issue with the Bruce Stadium audit, which took up a huge proportion of the Auditor's resources. I understand that this provision is to be amended so that the Treasurer will still have discretion over what additional funding is provided to

the Auditor. If I have misunderstood what is happening there, I will find out about it in the detail stage, but it seems as though a compromise may be reached there.

Fourthly, the bill changes the employment arrangements of the Auditor-General, such that he or she will have only one term of seven years and will not be eligible for reappointment. That is to remove the possibility of an Auditor-General moderating his or her comments regarding government performance to protect his or her future employment. As we know from experience, the Auditor-General has a very important role in this Assembly and in the ACT community in promoting public accountability in the administration of the territory. It is very important that the Auditor not be unduly restricted, constrained or influenced in the performance of his or her functions by the government of the day. It seems that these amendments are reasonable enhancements of the existing act, with the qualifications that I have already spoken about.

MR KAINE (5.40): I will be quite brief. Quite frankly, Mr Speaker, with the amendments that Mr Osborne proposes to move to his own bill, I believe that what will be left is no matter for legislation. The things that are inherent in this bill are, in fact, what happens now. Why do we need to build that into concrete by making it law? I just think that the bill is unnecessary. As I have said before, often we pass legislation which does very little but constrain the way that people act. Once you set something in concrete, it is very hard to change it. I just do not see any good purpose being served by adopting the bill before me, particularly after three-quarters of it is being removed by the original author. I just do not see any merit in it. Unless Mr Osborne can convince me of the merit of his bill, I will be voting against it in principle.

MR MOORE (Minister for Health, Housing and Community Services) (5.41): Mr Osborne brought forward the Auditor-General Amendment Bill at a time when the importance of the Auditor-General to the Assembly was being put up by some and in some ways challenged by others and there was, more important than anything, a thrust of argument that said that we had to make sure that the Auditor-General was even more powerful as he looked into complicated and difficult circumstances surrounding, in particular, the Bruce Stadium redevelopment and issues there.

Mr Osborne decided at that time, as I see it, that he would jump on the bandwagon and make an effort to strengthen the powers of the Auditor-General. My recollection is that he consulted a former Auditor-General from New South Wales, Mr Harris, in coming up with some of these ideas. The issues that are attractive to me are the ones about the appointment of an Auditor-General. I have come to a view about people who are in powerful positions that enable them to hold a democratically elected government to account. The Auditor-General does that in an important way. We see it with ICACs, we see it with the Criminal Justice Commission in Queensland, and we see it in a range of other places.

I have come to the view that these people should have a single term. The reason is to do with the fundamental importance of democracy. We have recognised the need to have an independent person looking at what governments are doing, in this case checking and double-checking financial issues, although the Auditor-General's powers seem to be going beyond financial issues to looking at some social and environmental issues and a range of other things. These appointments ought to be for a single term.

Mr Osborne suggests that this appointment should be for seven years. I think that is somewhat too long. I would favour a five-year term. The reason behind the five-year term is to ensure that there is a fresh view and a fresh look at what is going on. The reason for not reappointing somebody is actually double-bladed. On the one hand, the person who has been appointed would not be seeking to please government in order to get another appointment. We certainly do not see that from the current Auditor-General, I think most of us would recognise. On the other hand, if the person who is there has been particularly critical of a government, it may well be that that will not continue when the change occurs. If the issue is significant, it will continue. I think that is a fundamental issue.

It is interesting what people perceive an Auditor-General to be. Some members of this Assembly, particularly members of the opposition, take as gospel every comment that the Auditor-General makes. For them the reports on Bruce Stadium were absolutely accurate, without question, as the Auditor-General had said what was in them, it was gospel, but when it comes to the \$344 million that the Auditor-General has identified as being the operating loss that Labor left as part of its legacy, it is said that that is different, that the Auditor-General cannot be right there, that he has not done his job properly, that he did not say that, that it was not about Labor, and so on. It is interesting to see how selective we can be in this place about the Auditor-General. It is not about the particular individual, of course; it is about the particular office.

The Auditor-General Amendment Bill also talks about reports to the Legislative Assembly. A fundamental part of the role of the Auditor-General is to make sure that the reports he does go directly to the Legislative Assembly. That does happen at the moment. Mr Speaker, you table those reports and we go through a process to ensure that they have the protection of parliamentary privilege. I am not convinced that the requirements that Mr Osborne is seeking to put into the legislation really need to be put into the legislation because they are, in fact, the very thing that happens already. I would like Mr Osborne in his response to explain why it is that he needs to do that, if he is intending to continue to pursue that issue. I think Mr Osborne's bill contains some good ideas, but I would like to see some modification of them in the detail stage if the bill passes through the in-principle stage.

MR OSBORNE (5.47), in reply: Mr Speaker, I have no idea of the questions that were asked by Ms Tucker and Mr Moore.

Mr Moore: Don't worry; I will sort them out later.

MR OSBORNE: We will sort them out after the in-principle stage. I have just been in discussion with Mr Quinlan and Mr Humphries in an attempt to move forward with this bill. They have a number of concerns. One is in relation to privilege, which Mr Quinlan spoke about. I think they intend to seek some advice from your office during the break, Mr Speaker. Mr Humphries is seeking some advice on a number of issues within the legislation.

I understand that they are prepared to pass the bill in principle, which we will do, and then I will adjourn the debate at the detail stage, coming back to it later tonight. There seems to be general support for proposed new subsections 17 (1), (2), (3) and possibly (5). Mr Speaker, it appears that I do not have the numbers for the insertion

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about the Auditor-General appearing before committees. Turning to proposed new section 22A, which relates to additional amounts for certain audits, my understand from discussions with the government and the opposition is that they are prepared to support an amendment which would change the word “must” to “may” in subsection (1). Mr Humphries was concerned that that would prohibit the Auditor approaching the Treasurer first, which I thought was fair enough. In subsection (3) the word “must” is to be changed to “may” to leave the discretion with the Treasurer. The period of appointment of the Auditor-General is something that it is hoped will be resolved after the in-principle stage.

I do thank members for what appears to be their support for this bill. I hope that over the dinner break we will be able to resolve what will be left. I am confident that we will be able to come up with some legislation which strengthens the role of the Auditor-General and the very important function that he has in keeping this place, and governments in particular, accountable.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail stage

Clause 1.

Debate (on motion by **Mr Osborne**) adjourned to a later hour.

Student bus travel—new flat fare

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services): Mr Speaker, I seek leave to make a short statement.

Leave granted.

MR SMYTH: Mr Berry, in his closing remarks in the debate on the amendment to the Financial Management Act, indicated that he felt that we had not advertised the fact that a new flat fare system would come into place as part of the school transport scheme. I refer him to a press release I put out on 1 May. The appropriate line reads:

The new flat fare will enable students to travel across Canberra for the equivalent of a single zone fare, Mr Smyth said.

Also, in some of the information that was provided for public use there is in the section about how the scheme will work a reference to a flat fare for school tickets applying, based on a single zone fare. Indeed, there is another section about changes to students' fares which talks about a flat fare for all students. That information went to the school transport liaison committee as well. The information certainly was out there. Again, what we have is laziness from those opposite, who ignore the information that we put out.

Sitting suspended from 5.51 to 7.30 pm

General Agreement on Trade in Services

MS TUCKER (7.30): I move:

That noting that the expansion of the General Agreement on Trade in Services (GATS) currently under negotiation has the potential to impact directly on the powers and responsibilities of State and Territory legislatures, and on local communities, the Assembly calls on the:

(1) ACT Government to table in the Assembly all papers produced that detail the development of the ACT Government position on the World Trade Organisation (WTO) and/or GATS;

(2) Chief Minister to ensure there is an independent and thorough assessment of the known and anticipated impacts of the expansion of GATS on democratic processes, including on ACT laws, powers of the ACT legislature and ACT Government service provision, and to report on this assessment to Assembly Members;

(3) ACT Government to consult fully with the ACT community in finalising the ACT Government position on the GATS and to seek the endorsement of the Legislative Assembly for that position in the first sitting week of August;

(4) ACT Government to ask the Federal Government to conduct an inquiry into the regulatory and constitutional effects arising out of the internationalisation of policy making through the GATS and other agreements of the WTO, that this inquiry ensure as wide a constituency as possible is involved and that the results of such an inquiry are publicly available.

Mr Speaker, this motion calls on the government to table documents which detail the development of its position on the WTO and/or GATS. Secondly, it requires the government to ensure that there is an independent and thorough assessment of the potential impacts on governance. Thirdly, it calls on the government to consult with the wider community on the matter. Lastly, it asks our government to request the federal government to ensure that an independent assessment is done of the impacts of the internationalisation of policy making through GATS and the World Trade Organisation, particularly the impact on the ability of state and territory governments to create policy and regulation which protect the environment, citizens' health and public interest standards.

Until recently, the management of national and global financial systems has proceeded with very little interference or comment from anyone other than those closely involved. Politicians made announcements after agreements were signed. The media may have covered the story briefly, probably as a business item, but not much notice was taken. It had little meaning for the average citizen. Now, however, communities are increasingly expressing concern about the impact of these agreements. They are doing so because they now understand that trade agreements have an impact on everyone. They know that it is primarily the corporate agenda that informs trade agreements and that this has shown itself to be a flawed approach.

Consideration of the environment, social equity, economic justice, cultural identity and democracy has been seriously inadequate. A strong civil society movement has emerged and, to an extent, its growing strength can be attributed to the fact that citizens are feeling powerless to change what is occurring. A growing number of people in our community are becoming ill at ease with the subtle shifts in how the concept of citizenry

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is framed by major parties. In Australia, we are no longer citizens; we are consumers, or sometimes clients. Democracy is thus reframed in the language of the market, where public benefit is assessed in terms of consumer benefit and democratic rights become the right of the consumer to choose a product. The responsibility of government has thus changed from one of promoting the common good of the whole community to facilitating market choices, while the actual range of choices has been steadily narrowing as smaller companies have been bought up and transnational corporations have amalgamated.

The free market approach has been tested in Australia through competition policy. The rationale is that, through deregulation, consumers will benefit from goods being cheaper and that this equates to general public benefit. The society is seen as a collection of individuals who are motivated by self-interest. The idea of collective responsibility and the common good or the public interest is acknowledged, but very narrowly defined and marginalised.

Deregulation of the milk industry in Australia is a good example. Under the new arrangements, it is estimated that we will lose over 3,000 dairies and be left with a few big retailers and producers who have a very strong negotiating position. There has been an increase in the number of intensive farming feedlots, with the associated environmental problems; millions of dollars have been lost to rural communities, with the associated social costs; and milk is not that much cheaper anyway, if at all. Australians are now asking whether it was worth it. That is a good question and it deserves a thoughtful answer. Even if there have been small gains for consumers, there has been no account taken of the broader social and environmental costs. When the impact on rural communities is taken into account, it looks like a bad move.

Politicians from the major parties are now moving into damage control and speak of bandaid measures such as collective bargaining for the farmers and further compensation. Interestingly, even the Prime Minister, previously a passionate advocate of competition policy, has recently considered that it may not be quite the unqualified success predicted. Polling could have something to do with that. Too many Australians are not enjoying any public benefit. The power of the voters is starting to have some effect in Australia in terms of domestic policy and competition policy, but behind the scenes the federal government is still pushing this policy through the World Trade Organisation and currently through the General Agreement on Trade in Services, or GATS, and not many citizens are aware of that.

What is GATS? It was agreed as part of the Uruguay round in 1994. It is one of the international trade agreements administered by the World Trade Organisation. The specific aims of GATS is to remove barriers to trade in services. Because most trade in services occurs within a country, rather than targeting external barriers such as tariffs, it targets all internal domestic laws, regulations and policies that may possibly discriminate against foreign service providers or even limit their profitability. The argument put is that this is levelling the playing field, so no-one gets a special deal. The GATS rules describe what measures governments are allowed. Government measures are defined broadly as “any law, regulation, rule, procedure, decision, administrative action or any other form” and include subsidies and grants.

The issue of concern at the moment is the extent to which disciplines will apply to the provision of funding for public services such as health and education. The concerns are about not only the impact on service delivery and quality, but also the impact that these agreements have on the capacity of governments to respond to local conditions with the good of their communities in mind. In other words, this is a threat to democracy. To allow the powers of legislatures to be diminished by the influence of trade rules is to take a very serious step, and we need to know that we are taking it and we need to involve the broader community. There has been very little public debate or even awareness in Australia and the other communities round the world. The threat to democracy is only just being realised and has started to enter the debate.

Pressure is now on governments to progress the General Agreement on Trade in Services in full and current rules seek gradually to phase out all government “barriers” to international trade and commercial competition in the services sector. Every service imaginable could be included—the environment, culture, natural resources, water, health care, education, transport, construction, social security, and so on; in fact, everything except services supplied in exercise of government authority, and several critiques now express grave doubts about how even that exception will hold up. The move to apply national treatment rules to government purchasing and subsidies strikes at the heart of the right of governments to regulate in the public interest.

The current government of Australia has attempted to reassure the community by claiming exemptions, but this argument has to be challenged, not only because the exemptions are vague, but also because in accepting the notion of exemptions we accept the norm from which we are to be exempted, opening the way for increased pressure from other governments, transnational companies and their lobbyists through the World Trade Organisation disputes settlement system. In the view of the Greens, it would be better for the norm itself to be challenged by governments at this year’s WTO ministerial meeting in Qatar, even though in some respects it is already too late since GATS is well advanced in the WTO. Australia has already signed on to sections of it, even though we have not had the debate.

The WTO is potentially more powerful than any elected legislature. Once countries have signed up, the trade rules apply and there will be severe penalties for non-compliance. Already countries have had their nationally agreed laws overruled as trade restrictive. It appears that only the United States, Japan and the European Union have the resources to easily access the WTO dispute resolution process to their advantage. It is too costly for most countries. Even the Australian government admits that it has trouble keeping up with it.

Legislation or regulation on environmental standards must not be “more trade restrictive than necessary”. The obvious questions are: where does the precautionary principle come into it? How is the decision about what is necessary made? What is the role of the local community and the legislature in deciding what is necessary? If the WTO rules are challenged, the accusation of protectionism is made, but that is much too simplistic. Worthy objectives and well-founded caution have been labelled trade restrictive and laws directed to public health, such as the asbestos and petrol additives ruling, environmental protection, such as the shrimp and turtle ruling, and economic development, such as the banana ruling, have been overruled.

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The power of the WTO can have very serious consequences for the constitutional and regulatory powers of democratically elected legislatures, for the balance of power between different levels of government, and for the balance of power within a parliament and within the executive itself. The trade minister will be making decisions which go well into all areas of domestic policy and we can have no confidence that the diverse range of considerations of the executive will inform the trade minister's position when trade and business concerns are likely to be the primary influence. In any event, trade agreements are usually put as a package and there is little scope for debating the detail. The parliament itself will be significantly excluded.

Most parliamentarians know very little about trade matters. When the multilateral agreement on investment was being debated in Australia, which was only after it was brought into the public arena by citizen campaigns, it was clear that even ministers did not understand its implications for democracy and for government's ability to control the economy. Other levels of government, such as our own, will be even less able to influence the process.

Currently, Australia's constitutional arrangements ensure checks and balances exist through the various levels of government. Different areas of government have particular responsibilities and power is prevented from being too centralised. Local government is particularly important in ensuring local knowledge informs policy decisions, but global trade rules may not fit with local community building initiatives. How does a local community respond to a proclamation from afar that their appropriate local response is actually seen as trade restrictive and is therefore basically illegal? How will further disempowerment affect communities already fragmented and socially excluded?

Local governments, even state governments, are not adequately consulted as the Commonwealth sets its trade agenda. The creation of laws at an international level means that these checks and balances are eroded. It may well suit advocates of deregulation to hand over responsibility in this way—buckpassing has been developed to a fine art in this country—but for the rest of us it is dangerous. It is clear that, once agreements are made with the WTO, legislators may find themselves unable to progress particular policies and programs that are in the interests of their communities. There is, as well, some competition with United Nations conventions. It is impossible to know the effects of WTO rules on established UN treaties and conventions until they are fought out in the disputes settlement process.

Another important aspect of this discussion is how the WTO itself rates in terms of democratic process. Unlike the United Nations, there is no public debate or majority voting. In Seattle, over 60 developing country governments refused to be steamrolled into supporting decisions in which they had no effective voice. They did, at least, have the capacity to resist by blocking consensus.

The WTO has no formal process for non-government observers, although business representatives are often included in government delegations. The dispute-settling process is closed. The burden of proof lies with the party complained against to disprove the complaint. Disputes are often the result of governments imposing standards of environmental protection, public health, labour and so on. However, disputes are settled, not on the merit of these regulations, but on whether they can be proved to be trade discriminatory. There is, of course, an additional serious problem for even the devoted

advocates of free trade, that is, that the rules are not complied with by the most powerful countries when they do not suit their domestic agendas.

The federal government tries to reassure the community with claims that essential services will be excluded from GATS; in particular, it refers to the exclusion of services that are supplied “in the exercise of governmental authority”—article 1.3. However, there is a lack of exhaustive interpretative materials on what exactly this exclusion means, as well as a lack of decisions by trade panels on the meaning of the government authority exclusion.

The question of what this exclusion means has been well analysed by the British Columbia government’s ministry of employment and investment. It concluded that the exclusion at first appears to broadly protect public service systems and the authority of member governments to regulate such systems. However, this exclusion for “services provided in the exercise of government authority” is defined very narrowly. As a result, GATS appears to bring many public service systems and their regulation within the sphere of the WTO authority. The problem is that in most countries “public services” are rarely delivered exclusively by government, and the article defines them as services which are supplied neither on a commercial basis nor in competition with one or more service providers.

We know that vital public services are delivered through a mixed system that is funded and regulated by governments at the federal, state and local level. Health, education and other social services consist of a complex and shifting mix of public, not for profit and private delivery. An effective exclusion for public services must therefore be broad enough to protect government’s ability to deliver services through the mix it deems appropriate and to preserve its regulatory authority over all aspects of these mixed systems. This exclusion should be a priority issue for debate. It is also important to understand that GATS treats public and private service providers as “like”; similarly, GATS treats private non-profit and private for profit service providers and delivery identically. (*Extension of time granted.*) I cannot, at this point, go into the full analysis of GATS as provided by the British Columbia government, but I recommend that members read it. It shows what a responsible government can do in terms of providing a thoughtful assessment of an issue.

There is a standard position from the major parties that, even though there is some debate about whether services are best delivered publicly or privately, the decision-making authority over these issues should stay with their respective governments. There is a commitment still that essential health and education services should be publicly delivered and that the exclusion will protect them. This motion calls for the ACT government and the federal government to provide an analysis of how signing on to further liberalisation of services will impact on that position and to do some real work on the issue. They should have already done it, of course, but it appears that they are content just to assert what is basically an ideologically-driven position without supporting analysis, and often hurl abuse at anyone who challenges that position.

If GATS disciplines are applied to all public services, that could have serious implications for public services such as health, education and the ABC, because public funding will be seen as a subsidy and GATS will see subsidies as unfair competition or barriers to foreign providers. As the WTO secretariat has said, an obligation to give out

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subsidies on an equal basis to foreign and domestic providers is a powerful inducement to get rid of government subsidies altogether.

As GATS poses such a serious threat to democracy, I do ask members of the government, particularly, and the Labor Party to treat this motion seriously. If we are going to let these agreements undermine democracy any further than they have and if we are not going to talk about whether we have to try to pull them back in some way, we are handing over power to an organisation that is currently definitely determined by the corporate agenda. What will be lost as a result of that is any capacity for governments at all levels in this country to take the responsibility of ensuring the welfare of the community they are elected to represent. If that is not a serious matter for legislatures, I do not know what is. I think it is pretty sad that no-one is even listening to this debate.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (7.49): The government notes the concerns that Ms Tucker has raised in this motion and does not in the least denigrate them. I think she was describing us as having an ideological position about GATS. I have to say, to be perfectly fair, that I do not think the government has a particularly strong position about GATS. The government has been in the position of being consulted, like other governments around Australia, on negotiations that the Commonwealth government conducts for Australia as a whole. The ACT is consulted and from time to time makes comment. I would not say that at this stage I could describe particularly clearly the government's position about GATS, although in due course, as the Commonwealth asks us to express an opinion about these things, advice will be sought and a position will be adopted. But I will say some things about the general process which has been used with respect to the GATS issue.

Concerns about expansion of the GATS agreement and the impact of the treaty-making powers of the Commonwealth as far as they impact on the states and territories have been, I think, understood better by this federal government than by any federal government before it. In the past it was the practice of the Commonwealth to make decisions on international treaties and then, on occasions, to use that power to impose a view on Australia's states, and to some degree on the territories as well. What the present federal government has decided to do, which is a position that has not been the case before, is to allow there to be debate or discussion both in the federal parliament and between states, territories and the Commonwealth about the implications of treaties. So it is fairly easy, I think, to be able to say that what we have today is a position whereby we have a much better chance to be able to comment constructively on these things. I suspect that, if a federal Labor government had been in power, we would not have this opportunity to contribute in any way to this debate, much less determine a position of the kind that Ms Tucker is taking.

The Commonwealth has acknowledged the wide community interest in this treaty and is actively seeking submissions from a large number of parties. I think that that very much goes to its credit. For example, a notice seeking public comment on the World Trade Organisation's 2001 ministerial conference in November in Qatar, in the Middle East, and future multilateral trade negotiations was published in the *Australian* newspaper on 7 April this year and on the website for the Department of Foreign Affairs and Trade.

The government is well aware that Australia's involvement in treaty making has been the subject of widespread debate in recent years. In particular, there have been issues raised in a number of areas which are important to put on record here, issues such as the effect on Australia's sovereignty, Australian business and economic security, and state and territory parliamentary responsibilities and autonomy, and the impact on local communities. Of course, as members well know, the states and territories have no power to make treaties, much as perhaps we would like to. Therefore, that Commonwealth responsibility is exercised in a way which allows the Commonwealth to share with the states and territories as much consultation and discussion about these matters as the Commonwealth deems appropriate.

We are all aware of occasions in the past when the Commonwealth, having enacted an agreement with a foreign country, has used its power acquired under the Constitution thereby to enact legislation in respect of matters that are perhaps thought of as the responsibility of states and territories and, in doing so, has changed the nature of federalism in this country. As I say, it is to the credit of the present federal government that it wants to change that dynamic by having a debate which allows there to be more involvement in those decisions before they are finally and irrevocably made.

Mr Speaker, reforms to the treaty-making process were put in place in 1996 by the Commonwealth and the Council of Australian Governments. Those reforms helped to improve consultation with the states and territories and provided for a greater role for the Commonwealth parliament in treaty scrutiny. The reforms allow any concerns about international treaties to be raised by all Australian governments as well as by the public and other interested parties. It is also important to recognise that treaty making is a fact of international life. The growth in treaties reflects the increased internationalism of world affairs in areas as diverse as multilateral trade, the environment, industrial relations and human rights.

Some issues affecting Australia's interests can only be resolved through international cooperation and agreement. Also, many treaties have conferred economic, social and other benefits on Australia that otherwise simply would not have been attained. Australia's participation in key international treaties such as GATS must therefore be expected and even encouraged, I would submit, if we are not to be left behind or to suffer from missing out on potential benefits.

GATS was an important outcome of the Uruguay round of multilateral trade negotiations and entered into force in 1995. It provides a framework of rules for international trade in services and a timetable for progressive liberalisation on a multilateral basis. Although the November-December 1999 WTO ministerial conference in Seattle failed to launch a new round, services and agricultural negotiations are now under way.

GATS can have important and positive results for the ACT, given that it is primarily a services-based economy. In a media release announcing the launching of the Chief Minister's export awards, I reported that services exports from the ACT last year were approximately \$688 million, compared with merchandise exports of around \$28 million. Obviously, not all of that \$688 million is for overseas, but an increasing amount is and that growing level of exporting of services means that the ACT does indeed have a stake in an appropriate direction for the GATS process.

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The ACT has strong competitive advantages in areas such as e-government services, which are now starting to find markets in the United Kingdom and the USA. Our education institutions are also working to expand the export of their services, with places like China included. Clearly, moves to liberalise this trade under GATS is in the best interests of this region and of this city in general terms.

The ACT government, via the Chief Minister's Department, is represented at the national trade consultation meetings hosted every six months by DFAT. At these meetings, DFAT consults with the states and territories on a range of trade-related issues. The last meeting was in Canberra on 10 May this year, where GATS was one of the issues presented. No request for a submission has been received to date. As to the issue of an assessment of the anticipated impacts of the expansion of GATS on democratic processes, I have to advise the Assembly that, while we can advise the Commonwealth of our views, it is they that have sole rights to enter into treaties on Australia's behalf.

I draw on a paper delivered at the seminar on international treaties in Brisbane on 14 August 1998 by the Director-General of the Queensland Department of Premier and Cabinet, Dr Glyn Davis, who reported:

It is now beyond doubt that the external affairs power confers on the Commonwealth almost unlimited authority to legislate in the areas of State responsibility, where these areas are the subject of international instruments ratified by the Commonwealth.

He went on to say:

This situation has been established by the High Court in a series of legal challenges brought by Queensland and other states over the past two decades.

Given that, having an independent assessment could be said to be pointless.

In terms of consulting with the ACT community, I advise the Assembly that the consultation process has been begun by the Commonwealth on this matter. DFAT is embarking on a series of non-government organisation roundtables. The first was scheduled for 4 May in Canberra. DFAT has also invited written submissions from the public, with a deadline of 1 July. The ACT government should not be duplicating that process. In any case, the ACT government when invited to lodge a submission would follow its usual process of consulting with peak industry bodies and, where appropriate and relevant, would put the resulting document to the Assembly.

As the government is generally supportive of the direction proposed for trade negotiations and as all interested other parties have an opportunity to respond directly to the Commonwealth, the ACT government has responded to the Joint Parliamentary Standing Committee on Treaties advising a nil initial response on Australia's relationship with the World Trade Organisation. A call on the federal government to conduct an inquiry in addition to that by the joint standing committee, firstly, would not benefit the ACT and, secondly, would be, frankly, ignored.

I remind the Assembly of my point regarding the value to the ACT economy of services exports. It is reasonable to expect this figure of \$688 million in services exports from the ACT to increase in future years as a result of liberalising the trade in services, an

increase that would logically lead to more investment and more jobs and an increase that could only be good for the ACT. Ms Tucker, no doubt, is looking at the interests of jurisdictions in other places, perhaps other places in the world, and how the liberalisation of trade might affect them. I think that there is at least an obligation on us to consider the effect on the ACT community of such a liberalisation process.

Mr Speaker, I am aware of an article on globalisation in the *Canberra Times* last month, written by Tom Connors. I recommend to members that they take a look at. In it he debunks a number of myths about the so-called oppressive nature of trade liberalisation. He points out that, in fact, it is an extremely important part of the process of improving the standard of living of people all over the world, particularly the standard of living of people in the poorest countries. I want to quote a couple of bits of that article. I think my colleagues will be returning to this issue, so I will not completely denude this article of its value, but I will say that there are a few things that are worth quoting here. In the first two paragraphs of the article, he says:

The rich are getting richer and the poor are getting richer although the gap between rich and poor continues to widen. The frequent comment that globalisation is making the poor poorer is not true despite its repetition by spokespeople for some international organisations.

The Australian Treasury, in the latest edition of its *Economic Roundup*, presents a detailed assessment of global poverty and inequality and argues that over the past 30 years the majority of the world's poor have achieved income growth faster than in developed countries for the first time in two centuries.

He goes on to talk about the impact in places like China and India and how those countries have changed. From personal experience, I can confirm that in places like China the change in the last 15 years has been absolutely staggering. He goes on in another part of his article to say:

A major role for the developing countries is to ignore the Hansonite rumblings about the evils of free trade and ensure that the products of the poor countries get easy access. This is the best possible form of aid we can give.

Mr Speaker, I quote those comments only to reinforce the sense that there is no black and white response that is appropriate to globalisation. Globalisation is now being pursued by every industrialised nation on earth and is being viewed in a positive way by many non-industrialised nations or by many developing nations for the reasons I have just referred to. I would strongly urge the Assembly not to get into the business of starting to react in a knee-jerk way to the things that people have been saying in places where violent protest has occurred about the inherent intrinsic evil of this process. People are not setting out to liberalise trade for the sake of oppressing the world's poor.

I have no doubt that the efforts of the nations of the world which are involved in this process, including Australia, including in particular the involvement in this process of governments of both the Liberal and Labor persuasion at the federal level, have been focused primarily on being able to improve the position of every community in the world, including those which are the poorest. The evidence that I have cited here tonight would suggest that that, indeed, has been a successful enterprise, given that the change in the last few decades has been very positive for them.

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MR QUINLAN (8.04): The opposition will be supporting this motion. The speech of the Chief Minister was worthy of note in this place for the capacity of the Chief Minister to get up with such a bundle of detail on this subject. It is something of a commentary on where some of our administrative resources might be going. It was refreshing to hear from the Chief Minister that the federal government can do no wrong in this regard. I will rest easier tonight.

GATS is generally regarded as a matter for national governments as it regulates international trade. However, it seems that some of the World Trade Organisation trade panels are holding that GATS applies to the provision of services as well, which could have repercussions for state and territory governments in, for instance, the areas of education and health. GATS does have an exclusory clause that appears broadly to protect public service systems. However, the exclusion clause for services provided in the exercise of government authority is being interpreted narrowly, so that many government services are not being excluded as intended.

If these services are being excluded, there will be no problem, at least no problem for us. If they are not being excluded, there will be implications for state and territory governments which wish to regulate these areas to deliver particular outcomes. The thrust of GATS is against regulation and in favour of a free market. I think that that illusion of a perfect market is being challenged these days.

It is conceivable that the World Trade Organisation will be able to extend its influence to what have been until now entirely internally domestic matters. This is a matter of concern for government round the world and we should join in the debate, rather than just letting it happen to us, so it is reasonable for Ms Tucker to seek information from the government and to inform the debate. Therefore, we will support the motion. We had a little bit of concern when we looked at paragraph (3) of the motion, which is quite prescriptive, but, since it placed obligations on the current government to refer the matter to the Assembly by August next, we are quite okay with that provision. We support the motion.

MR BERRY (8.07): Mr Speaker, Labor recognises the importance of international trade for the improvement of living standards. I have long been associated with the fair trade argument and I think that the motion that has been put by Ms Tucker will assist us and the community to understand better those issues which give rise to the concern which is being expressed louder and louder in the community. The more the community comes to grips with these issues and the better the understanding that it has, the more likely we are to be able to change some of the unfair practices which have developed with globalisation. We all recognise that globalisation is here to stay. As I said earlier, international trade can improve living standards, but it is not right to say that everybody round the world is concerned about improving living standards. Many people round the world are still prepared to exploit poor labour standards, poor environmental conditions and child labour.

MR SPEAKER: Excuse me, Mr Berry, but I do think that the mover of the motion should be present while you are addressing this matter.

MR BERRY: I am sure that she is listening; she always does.

MR SPEAKER: I trust that she is, but I think it would be courteous to listen.

MR BERRY: That is okay. I think you should leave Ms Tucker alone, Mr Speaker. He is picking on you.

Ms Tucker: Why?

MR SPEAKER: I shall pick on anybody who leaves while they have a motion before the house. Please continue, Mr Berry.

Mr Wood: Under which standing order is that?

MR BERRY: It is a new one. It is the prerogative of the Speaker at work early in the evening.

I have worked with officials of the Clinton administration—only briefly, I admit—from the embassy in the ACT. We ran a seminar here in relation to fair trade. An official from the embassy was here and we had a good turn-up and a fair discussion about the issue. We need to make sure that trade is about employment growth, improving social protections, discontinuing the exploitation of poor labour standards, which I mentioned a little while ago, implementing sustainable environmental standards, the elimination of forced labour, child labour and so on, and adherence to human rights and democratic values. I think we have to put the community and the civil society at the centre of the economy. There must be values that guide and underpin the trading system so that it provides the mechanisms, incentives and opportunity for all nations to engage in what has been described as a race to the top rather than a race to the bottom.

Some people who worship free trade decry anybody who suggests that there ought to be fair trade and try to hang on them the label of being a Hansonite or something akin. If I can adopt a bit of a label-hanging attitude myself, I will call them, for the purposes of the argument, the free trade absolutists. There is a strong group of people who are so protective of free trade and have so much of themselves and earlier decisions invested in it that they react very badly to any challenge to the free trade dogma. I think that it has to be challenged. I do not expect that this Assembly is going to be at the centre of change in the WTO or GATS, or that we are going to be able to claim massive success with changes to world trade arrangements, but we have an obligation as a legislature to adopt motions like this to push us in that direction.

We have seen a marked change in the American administration, with President Bush now in the chair. We have seen him undoing many of the Clinton initiatives, especially in the environmental field. With the change in the administration, all of the government officials, secretaries, diplomats and staff will be changed all round the world, so the Bush agenda will be the agenda which is pursued round the world. That, to me, is quite disturbing. We have heard about the undoing of some environmental issues involving Alaska, I think it was, because of the Bush agenda. It is rather sad that the Democrats are not in power in the US. Whilst they might have been small by some people's standards, some of the issues were taken up by the Clinton administration in a more progressive way round the world.

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The results of the last election tell us that we all have a bit to learn about American politics. I do not want to confront the ACT Greens too much, but I think it has to be acknowledged that, but for the campaign that was run by the Greens in the US, we would still have the Democrats in power. I am sure that at this point we will hear cries of Tweedledum and Tweeldedee, that Gore would have been the same as Bush and that the Senate has voted by 90-plus to adopt Bush's position, but you could not say that a Senate with a considerable number of Democrats in it would abandon a new Democrats presidency and wipe out his agenda in one fell swoop. I think that we have to understand what is happening in the US. There has been a change and Bush's agenda is starting to permeate through the international community. I trust that with these sorts of motions we will be able at least to get a better understanding in the ACT about the road we should tread in the future. I urge members to support the motion. I will not be taking extra time, even though I am sure that the Assembly would give me an extension.

MRS BURKE (8.15): I would like to make a couple of comments. The General Agreement on Trade in Services, GATS, was an important outcome of the Uruguay round of multilateral trade negotiations, according to a Department of Foreign Affairs and Trade document that was put out. The purpose of GATS, as we all know, is to progressively liberalise global trade in services. It does provide for the first time a multilateral framework of rules for trade in services.

I have a couple of comments further to those of the Chief Minister in reference to Tom Connors' article in the *Canberra Times* on 31 May. He states that globalisation has helped the rich get richer, but has also lessened the poverty trap. He went on to say that over the past 30 years the majority of the world's poor have achieved income growth faster than in developed nations for the first time in two centuries. That is pretty impressive. It is understood that wage rates in undeveloped countries are very low compared with those in Australia, but it must be argued that there are more people employed and, as a result, they have a better lifestyle, while the relatively poor in Australia are buying clothes, shoes and other products at lower prices.

To paraphrase a letter in the *Canberra Times* on 8 May, over the past 20 years the people who have enjoyed the fastest growth in real living standards are those on lowest incomes. It must be noted also that even the poorest of low income earners have received a 160 per cent increase in weekly income since 1982. We cannot allow the narrow and shallow thinking surrounding free trade to ensure that the products of the poor countries round the world do not get easy access. We must allow for that to happen, not block it. Surely this is the best possible form of help and assistance that we can give to emerging poor countries. How else will these countries ever be free from the poverty cycle?

As is said, feed a man a fish and you have fed him for a day; teach him to fish and you have fed him for life. Whatever we do, we must ensure free trade for those countries to grow and thrive. We must give dignity to those seeking to help themselves, not keep them suppressed and oppressed. Richer, more affluent economies round the world surely have a responsibility to come to the aid of poorer countries in this very practical way. I wonder what solutions those on the far left of politics have for resolving world poverty. Campaigning against free trade will not help those who are in greatest need of liberty and freedom from the oppressive bondage of debt. I will not be supporting this motion, which only seeks to hamstring the poorer countries from moving forward into the 21st century.

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (8.18): There are a few points worth making in this debate. The Tom Connors article that both the Chief Minister and Ms Burke referred to actually uses as its basis the Treasury's latest *Economic Roundup* document. There are two points in the document that I would like to refer to. Firstly, it says that the majority of the world's poor have achieved income growth faster than in developed nations for the first time in two centuries. That is Treasury's assessment of the situation that we see globally. Tom Connors went on to say:

The proportion of the world's population living in extreme poverty has declined from about three-quarters in 1820 to about one-fifth today. The decline continued at a slow rate over the 1990s. But in extremely poor countries economic growth was not fast enough to outpace the birth-rate, keeping high the number living in gross poverty. This is the big challenge of the new century.

The real challenge is to provide jobs for that huge growth in population, and jobs come with the ability of poor countries to supply goods to larger countries. A point can be made here about anti-trade groups like the Greens. It was interesting to hear Mr Berry referring to some of the policies of the Americans. One could actually put a case that groups like the Greens have been shamelessly manipulated by the American union movement in protecting trade barriers. Why do they keep those trade barriers? They do so because it stops the inflow of cheaper goods from underdeveloped countries. In effect, some of the policies that Ms Tucker would put forward are stopping what she is trying to do. It is a very good point that they also seek to protect the jobs of those in the richer countries.

A dilemma that we face as developing countries is whether we are genuine about the way that we look after the poor and the developing nations. We have had laughter and cackling over there from the left about putting up trade barriers, yet they espouse the evils of the Americans because they are protecting what they want. There is a dilemma in there to which there is no easy answer, but the answer is not to have more trade barriers. The point here is that free trade will, in fact, benefit developing nations more.

MR RUGENDYKE (8.21): I must admit that this is not my area of expertise. I have listened to much of this debate to try to ascertain what any of the speeches have had to do with the four points within this motion. When I hear about the World Trade Organisation my mind immediately jumps to the demonstrations of anarchy that we see at its meetings round the world. I do not think I have ever heard of the General Agreement on Trade in Services, GATS. I just wonder what the motion is about. I look forward to Ms Tucker's closing speech to clarify it all for me.

MS TUCKER (8.23), in reply: Mr Rugendyke wants to know what the motion is about. Is that an invitation to start all over again? Perhaps I should go over the whole lot again, even though I had to seek an extension of time to explain what the motion was about. I will try to explain it again.

I thought that Mr Rugendyke started off quite well in saying that he did not think a lot of the speeches actually addressed the four point of this motion, and I agree with him. I have focused on the seeking of information and the impact on democracy of the expansion of the General Agreement on Trade in Services. What does that mean for the

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constitutional balance in this country and in other developed countries as well? What does it mean for the relationship between the balance that occurs within the federal government in this country, between the executive of the federal government and the broader parliament, and the relationship between the trade minister and the cabinet, because what we have here is a situation where decisions made by the trade minister will go very deeply into all areas of domestic policy. We are talking about trade in services in all areas.

You have that balance there being disturbed and then you have the balance between what is happening between the federal government and the state and territory levels of government and then again local government. Mr Humphries and his colleagues are using Tom Connors, apparently, as their main source of information in this argument. I have no comment about Tom Connors in particular. I referred to a very detailed analysis by a ministry of the British Columbia government in Canada and hope people will read it. I have highlighted as well as I could in the time available the particular concerns that they have about the so-called exclusions for what we consider to be sacred public services in this country. They have not been addressed.

I have upstairs a file containing many articles by journalists from newspapers all over Australia and the rest of the developed world, and developing countries, which would challenge that article, but I do not particularly want to refer to newspaper articles in this argument. I could tell you that there is now a series of motions being put across the UK about GATS. It might be argued that certain people in the UK are evil because they are trying to challenge the free trade agenda in some way. They are doing so because they care about the people they represent.

Mr Humphries fascinatingly said that he did not have a particular position on GATS, but went on to praise the whole concept of free trade under the World Trade Organisation and told us that it has been proven to be the case that it is going to make everybody much better off. I am sorry, it has not been proven to be the case. Very serious concerns are being expressed right round the world about the impact of the current form of economic globalisation. Poor Mr Smyth likes to see it as the Greens saying that there should be no trade. I have never at any point in time said that there should be no trade. What I have said and, I think, made quite clear in debate is that I am concerned about a trade rule system which is just informed, at this point in time, by the corporate agenda. It is not informed by social or environmental concerns. That is the point I am raising. It is not informed by concerns for democracy. It is not informed by any of those considerations which this government, when it stands here and talks to the people of the ACT, says it cares about it. This government says that it cares about democracy, social issues and the environment. All the members of the Liberal Party say that.

Mr Kaine: They like to talk about social capital.

MS TUCKER: Thank you, Mr Kaine. They talk about social capital. The point of the debate today is about how those considerations are being integrated into world trade rules. They are not. I gave examples of how they have been proven not to have been taken into account. Interestingly, last year when I was at an international social policy conference, and I have been to a number of social policy conferences in my time in this Assembly, for the first time the economic dimension and globalisation were keyed into every session. This conference was in South Africa. The majority of people there were

from developing countries and they were extremely concerned about the impact of globalisation on poor, marginalised and socially excluded people in their countries. They were saying that economic globalisation as it exists now is having a very bad effect on the environment, on social justice and on democracy. I am talking about marginalised countries with huge poverty, such as South Africa and Kenya.

If members read the transcript of the proceedings, they will get a bit of an idea of what the reality is. Mary Robinson spoke on human rights. Last time there was a discussion on racism in South Africa. For the first time the economic dimension was in there. The gender issue was discussed. I have upstairs piles of papers which I would be delighted to move around this Assembly if people want to read them and look at what the analysis, where occurring, is showing about the impact of the current form of globalisation. I am not saying that there should not be any kind of trade rules. I am saying that I am very concerned, as are most informed commentators, about the way the current economic globalisation trade rules are being developed.

I was interested to hear Mr Humphries say that he does consult; he consults with peak industry bodies. He has just supported everything I have said: the agenda is one that is informed by the corporate sector. That is why it is out of balance and that is why people are concerned. Mr Humphries talks about treaties as if this is an ordinary treaty. It is not an ordinary treaty; it is an extraordinary treaty. There are very severe sanctions tied up with these rules. When we have disputes about other treaties there is an open process. The United Nations is a fairly democratic body. I went through in my speech how undemocratic the WTO is in its dispute settlement processes. I have explained all that and I will not go through it again.

Not only do we have a situation where we are having internationalised rules being developed which will stop governments at all levels being able to have a different view into the future, but also the way that they resolve disputes is not democratic and is not open or accountable. That is a very serious situation. That is why I have moved this motion. Why is it that so many governments round the world are now asking these questions? There is an agenda, the free trade agenda, that people like the Liberals are pushing. We have just heard from members of that side of the house the usual ideological rhetoric. But it is just not the case, I am afraid, that that view is being shared across the world. What we are seeing is much greater concern round the world.

This motion is not against GATS. I have not done what the UK councils are doing. The series of council motions now being put in the UK are actually anti-GATS motions. I knew that that would not get up here. I know that people need time to think about these issues, so what I have brought to this place today is no more than a request to do some work, a request to do more than read a Tom Connors article in the *Canberra Times* or look at the web page of the Department of Foreign Affairs and Trade, which is supporting a government which has an agenda of free trade, even though locally and domestically they are saying that they are pulling back from the concept of free trade because they know that they would get voted out over their ridiculous approach to these matters. They are now saying, "Maybe competition policy is not quite that good. Maybe we need to look at the public interest again. Maybe we did not get it quite right." By signing up to GATS, forget the public interest argument. I have already explained in this place how it works. There will be no capacity in Australia to have that public interest argument once we have signed these agreements. That is why people are worried. That is

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why you are going to see more and more people at different levels of government, not only in Australia, but also in other developed countries, such as Canada, saying, “Hang on, this is looking very dangerous.” It will be disappointing if we do not have that acknowledgment and a preparedness by the government of this Assembly to take on this work.

Question resolved in the affirmative.

Dual occupancy development

MR CORBELL (8.33): I move:

That this Assembly:

- (1) recognises the extent of dual occupancy development in Canberra and the widespread community concern relating to the impact of inappropriate dual occupancy development in Canberra’s established suburbs;
- (2) calls on the ACT government to allow dual occupancy applications to be referred to Local Area Planning Advisory Committees for their comment consistent with the approach adopted for all other notifiable development applications.

I am pleased to rise this evening to speak to this motion. This motion highlights an issue of growing concern for many residents across Canberra, but particularly, I have to admit, in my electorate of Molonglo. The older, more established areas of the city are in Molonglo, and it is in Molonglo where we have seen the bulk of redevelopment activity and revitalisation activity occurring. I receive many letters, phone calls and other comments, and I am sure other members have experienced similar representations, from residents concerned not about dual occupancy development per se, usually, but about the inappropriate nature of some of the development activity that is occurring at the moment.

I want to stress from the outset that this is not a motion about the evil of dual occupancy development per se. It is not about saying dual occupancy development, as a type of redevelopment activity, is completely unacceptable. There are numerous good examples of effective dual occupancy redevelopment in our city, but there are far more poor ones. In moving this motion this evening, I want first to highlight the level of community concern about inappropriate dual occupancy development.

Let me elaborate on that a bit. Dual occupancy development, by its very nature, involves the placing of two dwellings on one block. In doing so there is the capacity to create extremely crowded blocks—blocks with poor provision of private open space, blocks with poor provision for green areas, and almost certainly the loss of at least some established vegetation, if not all established vegetation, on the block.

That sort of impact as a one-off on just one block in one street probably does not have a particularly significant impact on the overall character or amenity of a suburb or neighbourhood. It certainly has an impact for those residents who live immediately adjacent, but it does not have the same sort of wide-ranging impact on the whole suburb. But when you see dual occupancy development occurring in a piecemeal and shotgun way throughout a suburb you start to have a slow, creeping and incremental impact on the overall character of the suburb. We have seen this in suburbs such as O’Connor,

Lyneham, Ainslie, Dickson, Braddon and, south of the lake, suburbs like Yarralumla, Griffith and Deakin.

Dual occupancy can result in loss of tree cover, loss of an established treescape, and less private open space for the occupants of the dual occupancy development. It also has significant impact on the overall character of the suburb if it is not well planned.

I imagine that in this debate the government is going to stand up and say they are hoping to address some of these issues through the implementation of a new ACT code for residential development, or ACTCode 2. But ACTCode 2, from my reading of it, does not appear to do enough in this direction. Let me highlight a few points. ACTCode 2 proposes a plot ratio level of 35 per cent for dual occupancy development.

Mr Temporary Deputy Speaker, 35 per cent may sound reasonable, but you have to look at what is not included in the 35 per cent plot ratio. You have to look at the fact that driveways, carports, and other hardstanding areas, non-porous surfaces, are not included in that plot ratio control for dual occupancy development. The plot ratio control relates solely to the dwelling and any associated garage which is under the roof line or is fully enclosed. So there is significant potential for a very large amount of hardstanding to be included in any plot ratio in any dual occupancy development.

That level of hardstanding has a number of implications. First of all, it does result in a loss of vegetation, a loss of tree cover, and a loss of capacity for the re-establishment of vegetation cover in that dual occupancy area. Secondly, it increases the level of stormwater runoff that flows into our stormwater system as opposed to that which is naturally taken up by normal ground surfaces. Those sorts of impacts are incremental, but they start to have a more significant impact not only on the micro-climate of our suburbs but also on the capacity of our stormwater systems when we see dual occupancy development occurring in a higgledy-piggledy shotgun way. So I would argue that there are very serious concerns relating to that sort of dual occupancy development.

The second part of my motion today calls on the ACT government to allow dual occupancies to be referred to local area planning advisory committees for their comment. My motion goes on to say that this is consistent with the approach adopted for all other notifiable development applications. Let me elaborate on those couple of points.

The government itself lauds its commitment to what it claims is effective community consultation on planning issues. It argues that the establishment of local area planning advisory committees is a key element of receiving community feedback and concern and input on planning issues in their local area. To that end, the government does encourage publicly notifiable development applications to be referred by the development proponent to the local area planning advisory committee for their comment. This is a voluntary process, and it is not part of the formal statutory approval mechanism.

But there is a contradiction here, Mr Temporary Deputy Speaker, because of all the publicly notifiable development applications which are referred to LAPACs, or encouraged to be referred to LAPACs, such as multi-unit development, commercial development or retail development in a suburb, dual occupancy development is not encouraged for referral to local area planning advisory committees. In fact, it is explicitly not in the terms of reference of LAPACs.

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Why is this so? Why is it that the government believes that dual occupancy development, of all the types of development that are publicly notified and are available for public comment, that can be appealed against and can be arbitrated through the disputes mechanism under the land act, is not considered worthy of referral to local area planning advisory committees? Perhaps the government took the view that there were too many of them and it would be too considerable a task. Perhaps the government took the view that individual dual occupancy development would not have a significant impact on the character or amenity of a suburb and therefore it was unnecessary to have LAPACs comment on them.

I would argue, Mr Temporary Deputy Speaker, that on both points the government is wrong. Certainly, dual occupancy development can have a considerable impact on the character and amenity of our local suburbs, perhaps not on a one-off basis but on an incremental, almost creeping, basis, particularly if the quality, character and design outcome of those dual occupancies is of a poor or low standard.

The government is also wrong to suggest that it would be too onerous a task. In fact, it is probably fair to say that LAPACs already have more work than they can handle. I note that this is more a function of the government's refusal to properly resource LAPACs to undertake their terms of reference than it is of the capacity of people on the LAPACs to do that job well.

For that reason I think it is time that we encouraged debate about the quality of dual occupancy development in our city. Labor thinks it is time that LAPACs, as representatives of communities affected by redevelopment activity, have the opportunity to comment on dual occupancy development and start giving PALM and the minister some feedback on exactly what their concerns are about the nature of dual occupancy development in our city.

I would like to draw members' attention to a resolution and a subsequent letter of the Manuka LAPAC. The Manuka LAPAC wrote to the minister for planning on 7 May this year calling on him to establish a moratorium on in-fill development in the inner south of Canberra pending a full independent inquiry into the planning process. They outline the fact that there were particular types of development activity occurring in their area which they had considerable misgivings about. Of note, they urged the minister to recognise that their residential areas were, in their view, being radically changed by a virtual free-for-all in dual occupancy development. They are their words. They went on to write quite a considerable letter of about five pages.

The Labor Party does not agree that a moratorium is the way to go, but we do agree that we need to have a debate about the quality and the nature of redevelopment activity that is occurring in our city, particularly the impact of dual occupancy development. I think we need to look again at exactly what dual occupancies achieve. Do they provide a wider range of housing choice, or do they restrict the options for a suburb as it revitalises over time to have a good range of housing choice within it?

Dual occupancy in the city started out as a way of allowing people with extended families, people who wanted to move to smaller dwellings but to stay on their own block, to do so. But dual occupancy has become more than that. Dual occupancy has become in

some respects—not on every occasion by any means, but on some occasions—a speculative activity, a way of capitalising on the value of the land, and any investor will take that approach if they think they can get a return on it. But does it deliver a good planning outcome for our city? The Labor Party's view is that it does not. The Labor Party's view is that, on balance, dual occupancy development needs a serious looking at, and the way to start looking at dual occupancy development and the way to start having informed and reasonable debate about it is to allow the local area planning advisory committees, the government's own consultative mechanism, to start commenting on dual occupancy development.

I should stress to members that this proposal is not one which by its very nature will result in further delay in the planning approval process. Indeed, it is difficult to see how it would. The government already encourages much larger developments worth much more money to go to LAPACs for their comment, so why can't we do it with dual occupancy development which is a cause of concern in our local communities? It will not be part of the statutory approval process. Proponents will be able to choose not to take their proposal to a LAPAC if they do not want to, and they will still be allowed to have their development approval considered through the normal mechanisms. But what it will do is engender better community debate about the impact and the style and the quality of dual occupancy development in our city.

I note that the minister announced recently a range of initiatives in relation to encouraging high-quality sustainable design. Those measures are welcome, but they are not, on their own, the solution. We need to be looking at a range of measures to encourage debate, and one way to do that is to make sure the government's own consultative mechanisms are involved in all aspects of redevelopment activity in our city. I commend the motion to the Assembly.

MS TUCKER (8.48): I am happy to support this motion on dual occupancies. There is no doubt that there are increasing numbers of dual occupancies appearing in Canberra's inner suburbs which are causing anxiety and uncertainty to existing residents.

I should remind Mr Corbell though that the floodgates for dual occupancies opened under the former Labor government. Before 1993 the only form of dual occupancy allowed in Canberra was the so-called granny flat, or flats attached to houses that were owned by the same householder. The reason for this was that it was not legally possible to subdivide a single residential block and sell off each part separately.

In 1993 the then Labor government, as part of its 50/50 urban renewal policy, amended the Unit Titles Act to reduce the number of units permitted to have unit titles from four down to two. This enabled dual occupancies to be owned under a unit title and thus allowed the separate sale of the two dwellings. This opened up the financial attractiveness of dual occupancies considerably, and the possibility of speculative development.

This led to a rush of dual occupancies even in the subdivisions, such as in Tuggeranong. The resulting public outcry about this and other controversial urban consolidation programs such as the B1 zone in North Canberra led to the Lansdown review of residential redevelopment. Mr Lansdown recommended that dual occupancies be excluded in new subdivisions for five years, that unit titling not be allowed, that there be

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a minimum block size of 700 square metres, and heightened design and siting conditions to protect neighbourhood character.

The Labor government implemented most of these recommendations, apart from stopping unit titling, but it did impose a 100 per cent betterment tax on dual occupancies. This slowed the rate of dual occupancies for a while, but after the Liberal government came in the betterment rate was reduced to 50 per cent and conditions applying to dual occupancies were loosened up, leading to the steady increase in the number of dual occupancies in existing areas that we see now.

Dual occupancies were certainly an issue when the LAPACs were established in 1995, but the government specifically excluded dual occupancies from the range of applications that were referred to LAPACs for comment. This was despite the fact that applications for dual occupancies are publicly notified and third party appeal rights are available, because there was recognition by government that dual occupancies can have a significant impact on their neighbourhood. In theory, individual members of LAPACs could provide comments to PALM on particular dual occupancy proposals, but the committee as a whole could not.

In speaking to members of the original LAPACs who queried the exclusion of dual occupancy, it appears that the key reason for their exclusion given by the planners was that there was a concern that it would have generated too much work for the LAPACs and the support staff within PALM because there were so many applications for them.

I certainly would not claim that the LAPACs are an ideal consultation mechanism on planning issues. There are some real problems with them in terms of the balance of their membership, the amount of work they have been given relative to the meagre resources they are provided from PALM, the lack of time they are given to review applications, and the minor effect the LAPACs have on the final decisions of PALM. One gets the strong impression that the government set up the LAPACs as a tokenistic attempt in public consultation to reduce public disenchantment with the developer-driven planning in this town. However, I think the concept of LAPACs is sound and can be redeemed with increased resourcing and commitment from government. I will certainly be pushing Mr Corbell, when he is planning minister at the end of the year, to revamp the LAPACs.

In the meantime, though, I think it is quite valid to refer dual occupancies to LAPACs because they are a controversial type of development and there are many examples of poorly designed dual occupancies that are quite intrusive on surrounding houses. It is not only individual applications for dual occupancies that need to be reviewed, but also there is a need to monitor the overall number and distribution of dual occupancies across particular suburbs.

The Lansdown review raised the idea that there could perhaps be locational restrictions on dual occupancies—for example, only within a certain distance of local centres or only allow a certain proportion of dual occupancies within neighbourhoods that are predominantly single houses. These ideas have not been progressed by PALM, but I think they still have value in the development of more sensitive urban consolidation policies.

Dual occupancies came into fashion because of society's historical liking for the proverbial quarter acre block and big backyards. Some people who did not share the desire for large backyards thought this vacant space could be better used for more housing. This is a reasonable response where vacant land within particular parts of the city is scarce and the space available on the block is big enough to accommodate a second dwelling. However, dual occupancies do have a potential for upsetting the privacy of adjacent dwellings and for causing overshadowing.

I also do not think that dual occupancy should be regarded as a key part of an urban consolidation strategy. What seems to be happening is that an old house that may have been for a family of four or five is being replaced by two dwellings with maybe a couple of people in each. There is not much increase in population, but usually a doubling of garages and driveways, a reduction in tree and vegetation cover, and a big increase in hard surfaces which leads to more stormwater run-off.

The Greens believe it would be much better to target urban consolidation in specific locations where there is the capacity for such development, and to do this as integrated well-designed developments across a few blocks, rather than encourage these ad hoc infills of backyards across the suburbs. We believe that the whole policy on dual occupancy needs to be reviewed and greater restrictions placed on it.

I will be supporting this motion, but I do have an amendment that acknowledges the difficulties under which the LAPACs operate. I do not think it is fair to impose extra work on LAPACs in reviewing dual occupancy applications without giving them an equivalent increase in the level of resources and support from PALM. Otherwise they could just get flooded with more development applications than they can reasonably handle and end up in a worse position than they are in now. We have to remember that these LAPAC members are volunteers who give up a large proportion of their spare time for this work because they believe it is important. The government needs to repay this commitment with its own commitment to provide LAPACs with sufficient support for them to properly do the job they were appointed to do. I move the following amendment which was circulated in my name:

Add an additional paragraph:

“(3) calls on the ACT Government to increase the resources and support provided to the Local Area Planning Advisory Committees to allow them to effectively manage the increased workload of reviewing dual occupancy applications.”

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (8.56): Mr Temporary Deputy Speaker, what Mr Corbell today describes as widespread community concern about the impact of dual occupancy development in Canberra's established suburbs mirrors the discussions that inevitably occur in all growing and changing cities. Issues associated with the quality of development and the rate of change in residential communities to strike the right balance between the interests of conservation and development are, and perhaps always will be, part of the community discussion in significant urban areas like inner Canberra.

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As we all know, there are always at least two sides to the story. The fact that there is heightened community interest in the quality of development and design generally in the city at the moment is a very positive thing. It strongly reinforces the policy commitment and the leadership position that this government has taken in relation to high-quality design and sustainable development.

There is a lot of discussion about the nature of development and change in our communities, and there are some genuine legitimate concerns about some aspects of some developments, including dual occupancy. I have been clearly on the record as saying that industry, the community and government together must lift the bar of quality of design. On this point, Mr Corbell and I have some agreement. Where I am afraid we disagree is in our response.

Mr Corbell today suggests a greater workload of dual occupancy applications for an already busy LAPAC system. The government, however, has been listening closely to the community and closely monitoring the trends and has placed a very clear policy program in place. Mr Corbell's motion, as it turns out, provides a very good opportunity for me to reinforce for members of this place what measures have been put in place or are being put in place and what role the Assembly can play. I am sure we all come in contact from time to time with members of the community who are interested in these topical issues, and we would benefit from a better knowledge of what is currently being done.

Mr Temporary Deputy Speaker, there is no doubt that across the city there are some examples of development, particularly dual occupancy development, which have not been sufficiently sensitive to the existing or desired character of the particular area. There are also some areas, often suburbs of popular interest, which are experiencing the inevitable twinges that come with change. But I am quite sure that the majority of members here do not believe that all dual occupancy development is inherently wrong or is of poor design, or that the remedy is to refer all proposals to the LAPACs. On the contrary, most would appreciate that there are some very good examples of sensitive design which have been well accepted by local communities.

Dual occupancy development is one of the appropriate urban management policies to meet contemporary challenges and housing requirements in modern cities, but, like all policies, it needs to be moderated. What basis is there for dual occupancy or other styles of multi-unit development? The ABS household and family projections 1996 to 2021 indicate that the number of households in Canberra will increase by 38 per cent between 1996 and 2021 compared to a population growth of only 23 per cent. The greater growth in the number of households is because of the decline in household size.

The number of couple families without children is projected to increase from 25,600 in 1996 to 41,700 in 2021. The changing housing demand of the population is, in part, being met through dual occupancy developments. The number of dual occupancy applications has increased from 67 in the year 1997-98 to 179 in 1999-2000. Of the applications in 1999-2000, three-quarters were in central Canberra. The suburbs with the highest activity were Ainslie and Turner, each having 23 applications, and O'Connor, 18 applications.

Mr Temporary Deputy Speaker, on 4 May last year I formally directed the ACT Planning Authority that the paramount considerations in all planning and development in the ACT would be high-quality design and sustainability. In response to that, PALM, in close association with the professional associations, the architects, the designers, the landscape architects and the engineers, have very carefully negotiated the best way to lift the bar of quality of development in Canberra. This has included lifting the bar of quality for dual occupancy and other multi-unit development and redevelopment.

In October last year a trial phase was implemented, and I recently announced a detailed package of reforms, including the mandatory requirement from 1 July this year of site analysis and design reports considering the context of developments to be submitted with development applications. For the interest of members, I now table copies of that kit for their use. I present the following papers:

Designing for High Quality & Sustainability—Copies of pamphlet and booklet.

Later this week I intend to announce on behalf of the government some further details of incentives and rewards for excellence in design. Other work that we have done has included the recent workshops conducted as part of the review of the heritage precincts.

The community, not surprisingly, has expressed a wide range of views on dual occupancies during this review. The community recognises that any large addition to an existing house could have as much impact upon the precinct as a dual occupancy, thereby identifying the primary concerns as the size and nature of any proposed development, including its design, scale and impact upon existing mature landscapes. The issue of how many titles existed within a block was not as critical as the physical nature of the development, noting that a dual occupancy may involve a negligible change, such as the conversion of a garage into a teenager retreat or a granny flat.

However, many members in this place and the public generally may not be aware of how PALM has taken a very positive but firm approach in the difficult challenge of pursuing my policy direction. Planning and Land Management has refused some recent dual and triple occupancy applications which did not meet quality objectives or satisfactorily resolve significant community concerns, even though the application may have met the technical criteria. On this score, PALM should receive the strong support of the community, but the reality is that PALM's role cannot, and should not, be expected to be able to satisfy all parties.

A further but very important initiative of the government over the last 12 months has been the institution of a program of biannual quality audits reviewing the outcomes on the ground of recent developments. An expert panel involving industry representation has used the quality criteria adapted to Canberra from the prime ministerial urban design task force of 1995. The things that have not been working as well as our design review panel and some sections of the community would like have been modified in response to this, or are being adjusted. They are reflected in the policies I have discussed already, as well as the revised residential development policies of ACTCode and some recent directions to PALM staff by the executive of that organisation. The recently elected LAPACs should be, and are being, involved in consideration of these more strategic issues, yet I would like to invite the Assembly to consider its possible role in this.

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PALM has decided to expand the program of quality audits so that they can incorporate LAPAC or community representation, and particularly address some of the sensitive issues associated with dual occupancy, such as the scale and type of design, the bulk of the development, overshadowing, the overlooking, the density of development, and the number of dual occupancy or multi-unit developments in a particular section. Recognising that there was a high level of interest in the issue at a community and LAPAC level, PALM has within the last month invited one of the most interested LAPACs to participate in a field inspection and evaluation of recent developments of concern. Whilst the workload of the LAPAC may immediately make it difficult for the community representatives to accept this invitation, I am very hopeful that they will ultimately be able to do this.

Mr Temporary Deputy Speaker, I have been listening to a wide number of community groups on this issue. I expect that one of the outcomes of this evaluation and review process will be a clearer understanding of the appropriate and strategic locations for dual occupancy development. All of us can point to what we think is inappropriate development, and we also know that there will be other competing views whose proponents often do not get equal space in this argument. (*Extension of time granted.*)

One side that Mr Corbell appears to speak on behalf of is a section of the community who are interested in playing a more active role in assessing applications. However, another view, for example, is found in an unsolicited letter I received this week from a local architect. It reads:

I recently attended my first LAPAC meeting ... I was appalled by the negative, anti-development attitude of most of the committee. I refuse to believe their views are representative of the broad community.

As a member of the Manuka local community I must applaud your position on the non-referral of dual occupancy proposals to LAPAC. The dual occupancy developments in the Red Hill, Forrest, Griffith areas are, admittedly, not all top quality examples of design, but already they are adding to the diversity of housing types in this area. They, in the main, are providing a breath of fresh air to what are, at best, average to pedestrian runs of existing housing. There are already good examples of dual occupancy developments appearing in several suburbs, and this type of infill development needs more gestation time to allow the good solutions to dominate and hopefully be accepted.

I appeal to you not to succumb to pressure and curtail this small-scale redevelopment as I am sure in the longer term Canberra suburbs will be richer places from the maintenance of this policy.

There is a differing view there. Mr Temporary Deputy Speaker, LAPACs do play a very valuable role, and it is one that I appreciate very much. They should increasingly be involved in considering the strategic issues for Canberra. PALM, in conjunction with what the Commissioner for Land and Planning and other professional associations have been doing over the last 12 months or so, is conducting structured field evaluations in as objective a way as possible. Frankly, it would be invaluable for all Assembly members with an interest in this subject to participate at the same level in the process of field evaluation. Enhancing our understanding of design and planning issues, and developing a consistent basis of understanding for members, can only be to the good of the

Assembly and the city. We really need to continue evaluating the community debate on the sort of city that we want to be in the future and that we need to be in the future

Dual occupancies per se are clearly not the problem. This form of development contributes to the variety of housing stock across Canberra. The challenges are related to the quality of design and the sensitivity to neighbourhood character and strategic location issues. Rather than abdicate these issues to LAPAC in the hope that they will be able to fully address them on a case by case basis, I suggest that the Assembly support the very process which PALM has already put in place. Take up the challenge and be part of it.

Mr Temporary Deputy Speaker, I have an amendment to Mr Corbell's motion. Rather than refer dual occupancy applications to the LAPACs for assessment on a case by case basis, we have a review of the importance of and the need for dual occupancies and come up with a clear picture of what position they should take in the future urban landscape of the city. With that in mind, I will move the amendments that have been circulated in my name.

MR TEMPORARY DEPUTY SPEAKER (Mr Hird): Thank you. I will call on you at the appropriate time.

MR RUGENDYKE (9.10): Mr Temporary Deputy Speaker, I have some sympathy with this motion. I certainly recognise that there are problems with some dual occupancy developments around town. I think the impacts on some existing premises are unnecessarily heavy and involve overshadowing, overlooking, closeness to boundaries, and apparent over-development of available land in some places. Some of it may well be inappropriate, and I have seen a couple of examples of that.

The second part of Mr Corbell's motion refers to LAPACs. In the Belconnen area, in the electorate of Ginninderra, there are two very good LAPACs, the Ginninderra LAPACs and the West Belconnen LAPACs. I have a great deal of appreciation for the work that they do. I am in touch with those LAPACs as often as necessary. I am aware that they do some very good advisory work, although they are not always notified of things that they think they ought to be notified of. Perhaps that is due to a breakdown in communication between PALM and the LAPAC. Perhaps there is a cynical view that government can easily say that they have a consultative body that they sometimes consult with.

The Belconnen LAPACs, although they work hard, would probably appreciate this proposal, but I understand, and correct me if I am wrong, that there are no LAPACs in the electorate of Brindabella.

Mr Corbell: That is right.

MR RUGENDYKE: So why would we burden the existing LAPACs for some dual occupancies when there are no LAPACs to refer Tuggeranong's dual-occupancy developments to? For that reason I think it is not appropriate to support either paragraph (2) of this motion or Ms Tucker's amendment. It appears that Mr Smyth's foreshadowed amendment is a reasonable amendment to complete the motion. So, Mr Temporary Deputy Speaker, I support paragraph (1), and when it comes up I will support Mr Smyth's proposed amendment.

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MR CORBELL (9.14): I appreciate members' support for the motion, albeit there are some differences of opinion on how best to address this issue. I will go first of all to the point Mr Rugendyke raised in saying he will not support paragraph (2)—that there are no LAPACs in Brindabella. That is really not my fault, Mr Rugendyke. There are no LAPACs in the electorate of Brindabella because the government has chosen not to establish any. Perhaps they chose not to do that because the level of redevelopment activity is not significant enough to warrant the establishment of LAPACs. I would assume they feel that other organisations such as the Tuggeranong Community Council do a sufficient job in terms of getting comment—do not raise your eyebrows, Mr Smyth—on planning issues. I do not think that is a reason for Mr Rugendyke to oppose the motion.

The bulk of dual occupancy development occurs in the inner north and the inner south. Yes, there is some in Belconnen; yes, there is some in Woden and Weston Creek; yes, there is some in Tuggeranong; but the bulk occurs in areas where there are LAPACs. I think the minister would probably concede that point. So that is not a reason for saying paragraph (2) is not appropriate.

The minister has foreshadowed an amendment which would replace my paragraph (2) with his own proposal. I do not have a problem with the minister's intention, but I do not agree that his proposal should replace paragraph (2). So I am foreshadowing my own amendment to Mr Smyth's forecast amendment which will make Mr Smyth's proposal paragraph (4) of the motion, following on from Ms Tucker's proposed paragraph (3).

I do not believe that a review of dual occupancy development is mutually exclusive from allowing LAPACs to comment on individual applications. I take the minister's point that the review is about the policy setting, and I welcome that initiative. It is not an initiative I was aware of before now, but I welcome it and I certainly would be interested in participating in it. But I do not believe that is a reason to say that LAPACs should not be permitted from engaging in individual development proposals about dual occupancies.

For example, I think there are some benefits that can flow from allowing LAPACs to comment. LAPACs certainly will be looking at the micro level of particular dual occupancy applications as they come to them, but they will be able, through their comments, to give PALM an additional source of advice on the sorts of issues that they are concerned about with dual occupancy development applications. You can be sure that similar themes will reoccur as they comment on individual development applications for dual occupancies. It might be the bulk or mass of the building; it might be the quality of design; it might be the orientation; it might be the lack of private open space. There may be a range of issues. Alternatively, and we certainly cannot rule this out either, LAPACs might be giving PALM feedback on how they perceive PALM are assessing dual occupancies and how effectively they are doing that. There are some good reasons why we should allow LAPACs the opportunity to comment.

I stress again that it will not delay the development approval process because assessment by LAPAC is an entirely voluntary process on the part of the development proponent. Nor will it prohibit people from getting their application processed in the normal statutory timeframe, because referral to a LAPAC is not part of the normal statutory process. It is optional to the development proponent. LAPACs cannot insist that development applications come to them.

I think it is worth keeping paragraph (2) in the motion that the Assembly agrees on tonight. It will provide PALM with an additional source of advice, comment and feedback on the themes and issues that the government's own community consultative bodies are concerned about when it comes to dual occupancy development.

Ms Tucker has moved an amendment which deals with the provision of additional resources to LAPACs. I may be misquoting the minister, and I am sure he will correct me if I am wrong, but I do not think he has indicated opposition to that amendment. If that is the case that is a welcome step, because LAPACs are poorly supported at the moment.

I am somewhat critical of the government's approach to the conduct of LAPACs. They talk up the capacity of LAPACs to be involved in the consultation process on planning, but they do not adequately resource those bodies to do their job. For example, there is only one ASO2 officer dedicated full-time to providing secretariat support for all of the LAPACs across the city. That is a fairly poor level of secretarial support. I recognise that other PALM officers attend and do devote their time, and they often devote their time outside normal working hours, but the government needs to get serious about properly resourcing LAPACs with the mechanics they need to do their job.

I urge members to support my motion as outlined on the notice paper, and I urge members to support Ms Tucker's amendment. I think it is a worthwhile amendment. I also urge members to support my foreshadowed amendment to Mr Smyth's foreshadowed amendment which will include his proposal as paragraph (4) of the motion. I think we will then have quite an effective motion in relation to this Assembly's view on dual occupancy development and the capacity to engender a constructive debate on where we go with this type of development activity in the future.

MR CORBELL: I seek leave to speak again.

Leave granted.

MR CORBELL: I thank members. I have received some advice from the Clerk and the best way to approach this issue in relation to Mr Smyth's foreshadowed amendment is for me to move another amendment which basically incorporates Mr Smyth's proposal but as a separate amendment to the motion. Because Mr Smyth seeks to omit my paragraph (2) and replace it with his own, and because I do not want to see that happen, I will be moving a second amendment which will create a new paragraph (4) which incorporates all of the elements of Mr Smyth's foreshadowed amendment but without omitting my paragraph (2). I hope that is clear to members. I thank members for their indulgence.

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (9.24): Mr Temporary Deputy Speaker, perhaps for the sake of clarity I could state what the government would like to see happen with the outcome of this. Taking on board what Mr Corbell has said, I still think it is more appropriate that—

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MR TEMPORARY DEPUTY SPEAKER: We are talking at the moment, minister, to Ms Tucker's amendment.

MR SMYTH: Yes, in regard to Ms Tucker's amendment, which the government will be opposing, just as it will be opposing Mr Corbell's proposed second amendment. I think the appropriate thing would be to establish a review that gave LAPAC parameters so that at some time in the future they might look at dual occupancies. I think until you do that it is inappropriate to progress in this way. I can see that Mr Corbell would like to keep all elements in one motion, but at this stage I think it is far more appropriate to establish a review and look at the dual occupancy question in the whole. With that in mind, we will be opposing both Ms Tucker's amendment and Mr Corbell's foreshadowed amendment.

Question put:

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

Ayes 6

Noes 7

Mr Berry
Mr Corbell
Mr Hargreaves
Mr Kaine
Mr Quinlan

Ms Tucker

Mrs Burke
Mr Cornwell
Mr Hird
Mr Humphries
Mr Osborne

Mr Rugendyke
Mr Smyth

Question so resolved in the negative.

Amendment negatived.

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (9.29): Mr Temporary Deputy Speaker, I seek leave to move the amended amendment circulated in my name.

Leave granted.

MR SMYTH: I move:

Omit paragraph (2), substitute:

“(2) support a review of dual occupancy development in the Territory, and that interested Assembly members be invited to participate in a field assessment.”.

The government believes you should have a policy on this before you send applications hither and tither across the country. If we can come to a consensus on what role dual occupancies should play in the future of the city, that would be good, but the government thinks a review should come first. Then we can discuss other issues.

Question put:

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

The Assembly voted—

Ayes 7		Noes 6	
Mrs Burke	Mr Rugendyke	Mr Berry	Ms Tucker
Mr Cornwell	Mr Smyth	Mr Corbell	
Mr Hird		Mr Hargreaves	
Mr Humphries		Mr Kaine	
Mr Osborne		Mr Quinlan	

Question so resolved in the affirmative.

Amendment agreed to.

Motion, as amended, agreed to

Proposed credit reforms—submission to Ministerial Council on Consumer Affairs

MR RUGENDYKE (9.32): I move:

That the Assembly recommends that the Attorney-General:

- (1) takes the Fair Trading Amendment Bill 2001, which proposes to compel credit providers to conduct a satisfactory assessment process prior to approving credit contracts or credit limit increases, to the Ministerial Council of Consumer Affairs meeting in Canberra on 13 July 2001 and;
- (2) moves a motion to have the reforms proposed in the bill to be incorporated in the Uniform Consumer Credit Code under the Australian Uniform Credit Laws Agreement 1993; and
- (3) seeks permission from the Ministerial Council for the ACT to gazette the bill if passed by the Legislative Assembly until such a time that the reforms for credit card limit increases in the Uniform Consumer Credit Code are implemented.

I move this motion today, mindful of the standing orders, with the intention of debating the process of dealing with the nominated bill rather than the content and detail of the nominated bill. I bring this motion to the chamber today with a certain amount of frustration due to the restrictions placed on us by the beast otherwise known as the Australian Uniform Credit Laws Agreement 1993.

There is a wider debate to be had on this topic. But, in summary, I have received advice from government officials that the ACT would be in breach of the uniform agreement if we pressed ahead with the proposed legislation. If the Assembly were to pass and implement this legislation, I am told that the ACT would stand to lose representation on the Ministerial Council on Consumer Affairs, which is chaired by the territory's fair trading minister.

I find it quite extraordinary that the Assembly is shackled from pursuing a proposal that is consistent with present credit laws and does appear to have general support. The question has to be asked: is it the Legislative Assembly that is charged with making laws in the ACT or is it this quasi-political council? I understand why there is agreement to have consistency. But I am quite astounded that the agreement prevents the Assembly

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from fulfilling its charter, and I would be highly surprised that those who were responsible for signing us up to this agreement would have anticipated the ACT having to seek permission from this council before passing its own laws.

I should also bring to the attention of members that the New South Wales fair trading minister, Mr John Watkins, presently has legislation before his parliament regarding payday lenders. The New South Wales bill goes further and is not consistent with reforms that have been signed off by the ministerial council and are presently awaiting passage in the template state of Queensland. When this bill is formally adopted in Queensland and comes on line, the New South Wales fair trading minister will be in the same position as the ACT with the bill nominated in the motion here today. I wonder whether New South Wales will be treated with expulsion from the ministerial council. But I digress.

The purpose of this motion is to ask the government to take the reforms proposed in my bill to the ministerial council and move a motion to have them incorporated in the uniform consumer credit code. The next meeting is in the ACT next month.

I am also asking the government to seek endorsement from the ministerial council for the ACT to proceed with debate on the nominated bill and, if it is passed by the Assembly, allow gazettal without penalty until such time as reforms for credit card limit increases in the uniform credit code are implemented.

This is a straightforward request, and I believe it is important that the ACT take a leading role in addressing the concerns caused by the conduct at the centre of this issue, which conduct is proliferating by the day. I urge members to support this motion so we can progress the debate in the ACT.

MR STEFANIAK (Minister for Education and Attorney-General) (9.37): The government is quite supportive of, and in no way disagrees with, the sentiments expressed by Mr Rugendyke in his proposed amendments to the Fair Trading Amendment Bill.

Under those amendments, a credit provider will be able to enter into a credit contract or increase the amount of credit available under an existing credit contract only after undertaking a satisfactory assessment of the person's capacity to repay the credit. The amendments would prevent a credit provider from issuing pre-approved credit limit documents to customers without first having undertaken a satisfactory assessment of their ability to pay. The examples Mr Rugendyke gives provide a very good reason for the ACT and other state and territory governments to carefully consider how best these matters might be addressed.

In recent discussions between the government and Mr Rugendyke, it was agreed that amendments should proceed within the context of the national scheme concerning consumer credit. The ACT, with most other states and the Northern Territory, is a signatory to the Australian Uniform Credit Laws Agreement 1993. That forms the basis on which most Australian jurisdictions have agreed to the uniform consumer credit code, the law that regulates consumer credit matters.

The agreement proceeds on the basis that it is in the public interest that the law and administration of consumer credit matters should be uniform, and it sets up a council which is responsible for the oversight of the code and the development of the consumer credit provisions. That is the ministerial council.

The council, as I think Mr Rugendyke may have said, has been actively examining the issues surrounding the rising level of credit card debt. The council referred these issues to an expert committee, the Uniform Consumer Credit Code Management Committee, for advice on any necessary and feasible action in relation to pre-approved credit card limits.

That committee is presently considering whether the current regulation ensures adequate assessment of a debtor's ability to repay the loan, whether to develop minimum credit assessment criteria to ensure appropriate lending practices, whether to develop stricter standards for credit advertising, whether there should be a requirement that increases in credit limits should be granted only at the debtor's request and whether adequate assessment of the debtor's capacity to repay should be made before the credit limit is increased.

Whist Mr Rugendyke's policy objectives concerning pre-approved credit card limits would be very supportable, it is not appropriate to proceed with the amendments in advance of consideration by the ministerial council. We have had discussions; hence Mr Rugendyke's motion today.

If a bill were to be passed without the council's endorsement, the effect would be that under the agreement the ACT would cease to be a participant in the Uniform Credit Laws Agreement and it would cease to be a member of the Ministerial Council on Uniform Credit Laws. That would compromise the ACT's position in relation to a range of matters concerning consumer credit law, matters such as desirable changes to the code concerning payday lending.

I am very happy to take Mr Rugendyke's bill to the council for its consideration. The council meets next month. In fact, the ACT chairs it. If the council endorses the bill, it will be possible for it to proceed with some amendments necessary to bring it into consistency with the code.

Mr Rugendyke mentioned Mr Watkins from New South Wales. I understand that he is bringing in some model draft legislation very much along the same lines as that Mr Rugendyke is proposing. If anything, he has some additional things which I am sure Mr Rugendyke will have no problem with. He is nodding in agreement. If anything, that will strengthen it further.

As part of the process, copies of Mr Rugendyke's bill have been provided to interstate officers representing jurisdictions on the council, and I will arrange for the bill to be considered during council discussions about this matter.

New South Wales has publicly indicated that it will bring forward its comprehensive package of measures. It may well transpire that jurisdictions agree to adopt the approach suggested by New South Wales. As Mr Rugendyke has indicated, that would not cause him any problems, and I would assume it would not cause other members here problems.

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As ministers are yet to consider the New South Wales proposal and ours—I think they are really pretty complementary—it is too soon to predict the particular form of the outcome other than to say that the probability of an outcome that addresses the type of problems identified by Mr Rugendyke on a national level is now high.

We do not disagree with the sentiments expressed by Mr Rugendyke. I think they are eminently sensible. It is ludicrous that a person should be lumbered with debt without proper assessments being made of the debtor's ability to pay. That benefits no-one—the debtor or indeed the creditor. It is commonsense to do these things.

I will be taking Mr Rugendyke's bill to the council. I am sure they will carefully consider it and other proposals, with a view to resolving the problems, hopefully coming back with model legislation which we will be able to introduce very quickly. I commend Mr Rugendyke for his actions here. They greatly assist everyone—not only debtors but creditors as well. It is sensible stuff, and I am very happy to take forward his bill and argue its merits with my colleagues in July.

MS TUCKER (9.42): The Greens will be supporting this motion. It is a step towards prohibiting unsolicited pre-approved offers of extensions to credit limits. This is an unethical practice which has led to people overextending themselves financially at vulnerable times, and we agree that it should be illegal.

This motion refers to legislation on the table which proposes amendments to the ACT Fair Trading Act to make this practice illegal, consolidate the existing requirement that credit be offered only when it has been requested in writing and tighten up the definition of credit card. But apparently the Ministerial Council on Consumer Affairs and its primary instrument the Australian Uniform Credit Laws Agreement 1993 make it difficult for an individual state or territory to increase credit protection without the prior unanimous agreement of the council.

Lending companies' practice of sending letters offering pre-approved extensions to credit limits has been around for a while. But the bill—and hence this motion—I understand, grew out of the reaction to the practice in the lead-up to Christmas last year. I first heard of Mr Rugendyke's work on this issue in discussion with the community sector following representations from constituents on the high level of unsolicited credit offered in that period. I must say I felt a bit beaten to the chase, and I would like to congratulate Mr Rugendyke for working on this issue. It does need attention. I am sure Mr Rugendyke would join me in also acknowledging with gratitude the expertise of people in the ACT community. It is a great thing for the community to have advocates who not only provide a valuable community service but also keep legislators in touch with problems and ideas on how we can possibly deal with them.

It is a sad fact that Christmas in our society is a time of big spending and consumption, fuelled by a curious sense of almost religious obligation to spend up on presents, so it is the time when people are most likely to be persuaded to overextend their credit. In the pre-Christmas period, November to December, 1997—admittedly a few years ago—Reserve Bank figures showed that credit card debt increased nationally by \$450 million. To put that into context, at that time nationally, around \$8.2 billion dollars was owed on bank credit cards.

In the ACT, in the lead-up to Christmas last year, I am aware that some people on low and fixed incomes, with no capacity to pay, received in the mail offers of pre-approved credit extensions. All they had to do to become bound to pay more than they earned was to sign up and send it off. The credit providers are not going through all of the checks which they are required to when assessing credit applications in the normal manner. Some of the letters even actively encourage people to take up the offer of extended credit by playing on this Christmas spend-up.

Under the Fair Trading Act credit is to be provided only if it has been requested in writing. Certain checks must be undertaken, but they do not apply to extensions of credit. I think it is likely that this situation is a loophole rather than an intended effect of the laws. I have not had the time yet to fully research this matter, as we learnt only yesterday that this motion would be coming up for debate today, but I am convinced of the need to close this loophole.

My office has done preliminary consultation work on the bill referred to in this motion, and I understand there is strong support for the bill among people who are concerned about consumer protection. I have not yet spoken to credit providers, but I suspect they would not be entirely pleased about any further regulation, however strong the arguments for doing so from a consumer protection point view.

I would like to talk for a short while about why we need this motion as distinct from further regulation. As I have said, credit and fair trading legislation in the ACT is part of a national scheme, although it is administered locally. The problem is that we seem to be restricted from making this change on our own.

I would like the minister responsible, the Attorney-General, to explain the situation a bit more clearly, because it is not really clear to me that the Uniform Credit Laws Agreement would be breached if the ACT went it alone and passed and implemented the bill. Of course, the Greens agree that it is a good thing to raise the issue nationally, discuss it and seek to have a remedy to the problem incorporated into the national code.

I would like some clarification, because it is not clear to me that the ACT Assembly could not reasonably proceed to vote on and implement the bill, even if the other ministers do not agree to it immediately. Points 11, 12 and 13 of the Uniform Credit Laws Agreement say slightly different things about whether and how states' and territories' own legislation can differ from the uniform credit laws code and the model legislation.

Point 11 states that nothing in the agreement requires a state or territory which has passed alternative consistent legislation, which is the best description of the ACT legislation, to obtain the approval of the ministerial council to amendments to such legislation.

On the other hand, point 12 states that notwithstanding any other provision in this agreement, a state or territory may secure the passage of legislation to provide for—I am paraphrasing—fixing maximum interest rates, trust funds from forfeited interest charges, licensing or registration schemes and arrangements for a tribunal, or such other matters as are approved by unanimous resolution of the ministerial council.

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This seems to indicate that we can amend our legislation, and nothing in the agreement prevents that. However, depending on whether “notwithstanding” is a stronger term than “nothing”, we may only be free to make amendments on the matters listed or on matters which have the unanimous agreement of the other ministers.

Point 13 states quite strongly that a state or territory will not submit legislation to its parliament or take action for the making of regulations which will conflict with or negate the operation of the credit legislation. Would this bill conflict with or negate the operation of the credit legislation? That must be a debatable point. Perhaps Mr Stefaniak—or Mr Humphries, the former minister, who shared the chair of the ministerial council over the last year—can clarify what we are and are not permitted to do under the agreement.

In any case, with at least a strong possibility that prior agreement will be necessary, or is at least good form, in a cooperative system, this motion prompts our government to raise the issue at the next meeting of the Ministerial Council on Consumer Affairs. I do not know how the idea of restricting unsolicited credit extensions will be received. I hope that other ministers will see the strong need for such legislation, and I hope that our minister will put the case strongly and seek prompt action.

MR QUINLAN (9.49): The opposition will be supporting the motion. We think it is important that the provisions of fair trading legislation remain uniform throughout the nation. Obviously unilateral action by any state or territory should not occur.

As Mr Stefaniak has said, New South Wales are preparing a paper for the ministerial council in July of this year. I am unable to divulge the details of that paper, as it is yet to be considered by the New South Wales cabinet. But I can say that it goes further than what is proposed in Mr Rugendyke’s bill.

The main thrust of the ministerial council’s consideration should be to ensure that credit providers are accountable for their actions in offering easy credit to vulnerable consumers. We are all aware of a bank’s recent offer to issue credit cards to 10-year-olds and in one case a three-year-old. There is good reason to be sceptical about whether the banks, after the event, would have properly assessed the children’s capacity to pay.

One other issue that should be considered by the ministerial council is a requirement for credit providers to warn consumers about the consequences of only making the minimum payment on a credit card debt. The minimum payment is a lure for consumers to incur interest charges of between 12 and 16 per cent on not just the outstanding balance but on all new purchases. This could lead to substantial charges and long-term trouble for vulnerable consumers.

Mr Speaker, we urge the government not only to seriously consider the motion put by Mr Rugendyke but to support any national approach to tighten the law in this area. We support the motion.

MR STEFANIAK (Minister for Education and Attorney-General): I seek leave to speak again.

Leave granted.

MR STEFANIAK: The reason why we have a national approach, and the reason why we cannot go off unilaterally is that we would get thrown out of the council, you would get complete

inconsistency and we might not benefit. As Mr Quinlan says, there are strong reasons for being in the council. A national approach is desirable. That is exactly what we are after.

MR RUGENDYKE (9.51), in reply: I thank members for their support for this motion. It is important that we be heard in this arena.

Question resolved in the affirmative.

Auditor-General Amendment Bill 2000

Detail stage

Clause 1.

Debate resumed.

Clause 1 agreed to.

Clauses 2 and 3, by leave, taken together and agreed to.

Clause 4.

MR OSBORNE (9.53): I move the amendment circulated in name [*see schedule 1 at page 2279*].

There was some concern from members that the clause in my original bill gave the Auditor far-reaching powers. What we have is an extract from the New South Wales Auditor-General Act, which gives the Auditor-General power to expand within an area that they are already investigating. I will quickly read it:

- (3) The auditor-general, in a report of a special financial audit or a performance audit –
 - (a) may include such information as he or she thinks desirable in relation to the activities that are the subject of the audit; and
 - (b) is to set out the reasons for opinions expressed in the report: and
 - (c) may include such recommendations arising out of the audit as the auditor-general thinks fit to make.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (9.54): The government's view is that proposed new subsection (3) as presently drafted would be too broad and would allow too wide an ambit for matters that were well outside the Auditor's functions to be canvassed.

I do not hold any fears as far as the present incumbent is concerned, but I think it is important for the legislation to outline some limits on the appropriate area of purview. The amendment Mr Osborne has put forward is reasonable, and we support it.

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Amendment agreed to.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (9.56): Mr Speaker, I seek leave to move amendments 2 and 3 circulated in my name together.

Leave granted.

MR HUMPHRIES: I move amendments 2 and 3 circulated in my name [*see schedule 2 at page 2280*].

One of the concerns the government has about the bill presently before the Assembly is that it, in effect, provides for an automatic referral of every Auditor's report to the public accounts committee. I think that would be unnecessary and excessive. The capacity of the Assembly to refer a matter to the public accounts committee remains. As I understand the act, the capacity of the Auditor to refer a matter to the public accounts committee is also retained. But the automatic and inevitable reference of every report of the Auditor to the public accounts committee is unnecessary, in my view. It is better, therefore, not to have paragraph 4 (c) or paragraph 5 (e) in section 17.

MR QUINLAN (9.57): Mr Speaker, I cannot say that I agree with that sentiment. I think there should be a process of referral. However, I do not intend to support clause 4, so I will not speak to the point further.

Amendments agreed to.

MR QUINLAN (9.58): I am still not satisfied with the out-of-session tabling of reports. I presume that the deal has been done. I got that message, but I did check with the Clerk and the one point that has not been made is that we are giving up the Assembly's prerogative to decide whether or not a report is to be published.

Mr Humphries said that he has every confidence in the incumbent in the position, but there could arise an occasion when an Auditor-General is a little bit peeved or miffed with some incident and decides that he wants to put out a report without going through the Assembly. Effectively, all he has to do is give it to the Speaker. Once it has gone to the Speaker, it is automatically published and it is out there. This Assembly will have had no say. This Assembly will have automatically granted it privilege but will never have seen it.

I know we do it in this place in a fairly ritualistic fashion, but we should know that the effect of these provisions is that a report could go straight through the system and be out on the street without this Assembly having actively given its approval. By the death of these provisions here, it would have that approval attached to it. I am concerned about that, so I will not be supporting this clause.

Clause 4, as amended, agreed to.

Clause 5.

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MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (10.00): I wish to speak against clause 5. Whatever is in clause 5 is quite pernicious. I forget what it is just for the moment, but I am dreadfully opposed to clause 5. It is a terribly iniquitous clause.

Mr Osborne: This is the one you support.

MR HUMPHRIES: No, I do not. Clause 5 is the proposed new section 18A, which requires the Auditor-General to appear before an Assembly committee as a witness to discuss the report. I do not understand why the Auditor ought to be compelled to appear in this way. The Auditor has been cooperative with committees of the Assembly in the past, and I imagine that he or she—whoever it may be, the incumbent in that position at the present time or in the future—will continue to cooperate with the Assembly.

This idea of compulsion on the Auditor to appear is difficult to accept. I argue that there is no great case for it. There are all sorts of people who are agents of governments or statutory authorities and who at the present time may or may not appear before Assembly committees. We have debated in the past in this place what would happen if one of those people refused to appear before an Assembly committee. I would be reluctant to create a precedent whereby the first and, as far as I am aware, the only officer holder in the entire ACT who was compelled by legislation to appear before an Assembly committee was the Auditor-General. I am not aware of any other case where that occurs. So on that basis alone I urge members to oppose this clause.

Clause 5 negatived.

Remainder of bill, by leave, taken as a whole.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (10.04): Mr Speaker, I seek leave to move amendments 5 and 6 circulated in my name together.

Leave granted.

MR HUMPHRIES: I move amendments 5 and 6 circulated in my name [*see schedule 2 at page 2280*].

These amendments replace the word “must” with “may” in subsections (1) and (3) of proposed new section 22A. The presently drafted provision compels the Auditor-General to tell the presiding member of the public accounts committee when there is insufficient resources to conduct audits under sections 11 and 12, allows the committee to communicate with the Treasurer about this fact, then compels the Treasurer to act if the committee forms the view that further money is required to resource the Auditor-General appropriately.

We do not require this sort of approach in other legislation. We do not compel part of the government to resource or appropriate money for anything. It would be unfortunate if we were to establish a precedent here. My amendments allow the Auditor-General, if he wishes, to raise the matter with the public accounts committee. Once the matter is on the public record, the public accounts committee is aware of it and makes a recommendation

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to the Treasurer that allows the Treasurer to consider—and, if he considers it desirable, authorise—payment to the Auditor-General of an additional amount under the Treasurer's Advance.

Amendments agreed to.

Bill, as a whole, as amended, agreed to.

Bill, as amended, agreed to.

Australian Bureau of Statistics—unpaid work statistics Notice of motion

Notice No 6, private members business, having been called on and the member not being present, the notice was withdrawn from the notice paper, pursuant to standing order 127.

Fair Trading (Fuel Prices) Amendment Bill 2001

Debate resumed from 14 June 2001, on motion by **Mr Osborne**:

That this bill be agreed to in principle.

MS TUCKER (10.07): This bill is a follow-on to amendments passed some 18 months ago to establish temperature correction of wholesale deliveries of fuel. This was to take into account the fact that petroleum products change their volume according to changes in temperature. This is a particular issue in Canberra, as our fuel supplies all come from warmer climates than ours, meaning that the volume of fuel will shrink from when it is loaded in a fuel truck in Sydney, say, to when it is put in the service station's tanks in Canberra. Without temperature correction of the price of the fuel, the service station operator would end up paying for a proportion of fuel that cannot be sold.

I understand that the act has been effective in ensuring that service stations are fairly compensated for their fuel losses. However, some oil companies are abusing the law by not providing enough information on their delivery dockets about temperature correction and by applying an additional charge to their franchised service stations for compliance with this law, a charge which is not applied to fuel delivered to their own service stations.

This bill fixes up these problems to ensure that all service stations are treated equally in how they are charged for their fuel. This will help ensure fair trading across service stations, which is worthy of support. The Greens are happy to support this bill.

MR STEFANIAK (Minister for Education and Attorney-General) (10.09): Mr Osborne's bill attempts to do two things. Firstly, it attempts to force better disclosure of information provided by oil companies to retailers of fuel; and, secondly, it prohibits oil companies from passing on the compliance costs incurred from the legislative requirement to temperature correct fuel.

The government will be opposing the prohibition proposals in the bill and supporting the information disclosure provisions. We will be moving some amendments to enhance the effectiveness of the information disclosure provisions. I will also be moving two amendments in respect of proposed new section 11. From what I can gather, most members will not be supporting those two amendments.

We are opposing Mr Osborne's prohibition proposal, because we say it would be ineffectual and virtually impossible to enforce. I will speak to the amendments when we come to them. Suffice it for me to say at this stage that we think the first part of the bill, with the amendments we will move, will enhance the existing legislation. But we have serious problems with the second part. I will address those problems in the detail stage.

MR STANHOPE (Leader of the Opposition) (10.11): The Labor Party will be supporting this legislation. As members know, Mr Osborne introduced the bill last week. The bill inserts new sections 10 and 11 into the act. Section 10 requires the supplier of a regulated transfer of fuel—that is, more than 2,000 litres—to give the recipient a statement showing the type of fuel consigned, its volume, the temperature at loading, the volume calculated as if the temperature were 15 degrees Centigrade and whether the load has been altered since its consignment.

I am advised that fuel delivery trucks are already being fitted with the necessary equipment to produce a statement of the information required by the proposed section 10. On the basis of that assurance, it is reasonable to suggest that nobody could assert that the requirements of proposed section 10 are onerous.

Proposed section 11 prevents the fuel supplier from levying a charge to the consignee for compliance with sections 8 or 10 of the act. The provision is obviously necessary as service station proprietors advise—I think this is the case, and we have no reason to disbelieve it—that fuel suppliers are levying a charge of up to half a cent a litre for compliance, which quite clearly is not within the intent of the act. The concerns expressed by the Attorney appear to us to be unfounded. On that basis, the Labor Party will support the bill and will oppose the foreshadowed amendments.

MR OSBORNE (10.12), in reply: I thank members for their support. I will go over a brief history of this legislation again. As Mr Stanhope indicated, the fuel is loaded in Sydney at a certain temperature, and by the time it hits Canberra the colder temperature has decreased the volume. Over the years the oil companies have charged the franchisees in the ACT, but not their own outlets, for the amount of fuel that was loaded in Sydney, not the amount of fuel that actually arrived in Canberra. It was costing some service stations franchisees between \$50,000 and \$100,000 a year, which obviously was added on to the cost of fuel for the consumer.

When legislation was passed unanimously last year, it took a long time for the nuts and bolts to be worked out and the correct instrumentation to become available. That is now there. But since then the oil companies have added a fee for compliance with this legislation, only to the franchisee stations here in the ACT, not their own company sites. Quite clearly, as Mr Stanhope said, that was against the intent of the original legislation. My bill fixes it. I thank members for their support.

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I understand that the government has some amendments. I support all but one, the last one, which effectively would remove the guts of the bill and allow the oil companies to continue to charge a fee for compliance with this law, but only the franchisee service station outlets, which is unfair.

When I tabled the legislation last week, I informed the Assembly that this issue had been taken up with the ACCC and with the independent pricing commissioner. I look forward to the outcome of that.

I will not speak to the amendments, other than to say that I will be opposing Mr Stefaniak's last amendment. I thank the Labor Party and other members for their support.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail stage

Clauses 1 to 3, by leave, taken together and agreed to.

Clause 4.

MR STEFANIAK (Minister for Education and Attorney-General) (10.16): I move amendment No 1 circulated in my name [*see schedule 3 at page 2281*]. Amendment No 5, which seeks to delete the proposed new section 11, is consequential on this amendment. Mr Osborne and most other people in the Assembly are not agreeing with the government on amendment No 5. I will also speak to amendment No 5 now.

Mr Osborne introduced this bill in an attempt to resolve problems that have arisen from the original legislation. Unfortunately, this attempt will prove ineffectual. His solution represents an aggressive market intervention with no apparent justification. While supporting the proposal could be seen to be preventing price discrimination at the pumps, a popular outcome for ACT consumers, the ease with which the oil majors can circumvent the prohibition makes it ineffective.

Members have been lobbied by the Motor Trades Association to support the bill. The MTA seeks transparency in the pricing of petrol—a noble aim. However, if this bill is passed in its full form, then it is more than likely that the oil companies will simply recover the additional amount in another way.

Oil companies are free to change to some other pricing arrangement where the adjustment made for the temperature compensation of the fuel is not transparent but is simply hidden in the underlying wholesale price of the fuel. That is why the government opposes the prohibition proposal in Mr Osborne's bill. It is about making the sale of petrol temperature-independent.

The price that franchisees and independents pay is determined effectively on the basis of the weight of petrol that they are buying. However, there has been a cost associated with this new way of doing business and, as in every other industry where there is a cost

downstream, that cost has been reasonably and legitimately passed on, to the extent that savings have been accruing to independents and franchisees because of the new way of doing business.

I have been advised that it is a futile exercise attempting to prohibit all companies passing on their costs, as they are free to pass on Mr Osborne's prohibited costs in non-transparent ways.

I have also been advised that the proposed amendments will impose additional costs on government in attempting to monitor this type of pricing regime. It would be almost impossible for the Office of Fair Trading to monitor enforcement of this legislation without having access to the oil companies' and service station operators' business records, an objective the ACCC has been attempting to achieve for many years, without much success.

We are really concerned. I understand what Mr Osborne is trying to do. I am sorry that in the short time this bill has been on the table we have not been able to come up with a sure-fire way of ensuring that what he is trying to do can be achieved. For that reason, we cannot support the proposed new section 11. Hence my amendment No 1 and amendment No 5, which is consequential on amendment No 1.

MR OSBORNE (10.19): I was not going to speak, Mr Speaker, but I think I need to vote against this amendment.

I fully expect the oil companies to attempt something sneaky again, but I do not think that should be an excuse for us not to try to stay one step in front of them. As to the issue of enforcement, I have no doubt that should the oil companies overstep the mark there will be any number of unpaid officers working for you out there more than willing to let you know, as they let me know and other member in the place know, of the actions of the oil companies.

Amendment negatived.

Clause 4 agreed to.

Clause 5.

MR STEFANIAK (Minister for Education and Attorney-General) (10.20): Mr Speaker, I move amendment No 2 circulated in my name [*see schedule 3 at page 2281*].

This amendment amends proposed new subsection 10 (2). Mr Osborne's amendment does not take into account situations where there are split deliveries of fuel between service stations by the one tanker. When this happens, the volume of fuel purchased is unknown until after delivery of the fuel. Accordingly, it is impossible for the oil company at the time of delivery of the fuel to provide an invoice with the information required by Mr Osborne's new section.

My amendment will accommodate this type of situation by allowing for the provision of the statement or invoice at either the time of delivery or as soon as practicable after the delivery of the fuel.

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Amendment agreed to.

MR STEFANIAK (Minister for Education and Attorney-General) (10.21): I move amendment No 3 circulated in my name [*see schedule 3 at page 2281*].

This amendment will allow for additional amendments, if necessary, by regulation. In particular, consideration is currently being given to the need to include density as a component of the information required to be provided.

Amendment agreed to.

MR STEFANIAK (Minister for Education and Attorney-General) (10.22): I move amendment No 4 circulated in my name [*see schedule 3 at page 2281*]. The government is moving this amendment as a practical amendment because presently there is no such approved meter that can measure a split load delivery. However, there is an approved temperature measuring device designed for this purpose that can be installed on the delivery outlet of a tanker. The device measures the temperature of the fuel as it is being delivered and is used to convert the ambient volume to the corrected volume using the known density.

If you read that explanation very quickly, you say, "Hello, does that make any sense?" When you read it slowly, you see that it does. It stumped Mr Malouf, me, Mr Osborne and a few others until we read it slowly, so my compliments to the drafter. It certainly does the job. I commend the amendment.

Amendment agreed to.

MR STEFANIAK (Minister for Education and Attorney-General) (10.23): I formally move amendment No 5 circulated in my name [*see schedule 3 at page 2281*]. This amendment is consequential to amendment No 1, which the government did not have the numbers on. I do not need to say anything further. I remind members of the comments I made in relation to workability when I spoke to amendment No 1.

Amendment negated.

Clause 5, as amended, agreed to.

Title agreed to.

Bill, as amended, agreed to.

Totalcare Redundancies

MR BERRY (10.24): Mr Speaker, I seek leave to move a motion concerning workers made redundant at Totalcare. The motion has been circulated to members.

Leave granted.

MR BERRY: I move:

That the Government direct Totalcare:

- (1) that none of the workers it seeks to make redundant are to be forced into redundancy;
- (2) that all redundancy packages offered to Totalcare workers are at least equal to those offered to ACT Forest workers.

This motion arises out of the redundancy of Totalcare workers which has occurred in the wake of the loss of the Housing contract which has been the subject of debate in this place in the past. I do not need to say too much about the detail of the loss of the Housing contract other than to say that I think Totalcare workers were given an unfair deal, especially given that Housing had been apparently satisfied with the service that Totalcare had provided up to a point. But by way of a tendering process Totalcare mysteriously lost the job and these workers were put at risk.

I am informed that workers at Totalcare, about 35 of them, have been targeted for redundancy—that is, you, you, you, you, you and you—rather than there being a voluntary approach. We have always insisted on a voluntary approach to redundancies. We think redundancies are regrettable, and this is not an endorsement of the government's redundancy program. We understand that some workers will take redundancies if they have the opportunity, but we do not believe that workers should be forced into redundancy if they do not wish to take it. Other options are available to some workers. We believe that workers have been unfairly targeted for redundancy. That is consistent with the approach we have taken all the way along.

The second point of the motion is that all redundancy packages offered to Totalcare workers should be at least equal to those offered to ACT Forest workers. This is where the government set the standard of an enhanced package that included quite a significant lump sum. I am not exactly sure of the amount, but I think it was about \$15,000. We think the government ought to direct Totalcare to make sure that any workers who choose a redundancy in the scheme of things get at least a redundancy equal to the enhanced package offered to ACT Forest workers. This will come at a cost, unquestionably.

I should explain how this motion came about. A large number of Totalcare workers are on strike today because of the position they find themselves in and because they are extremely upset about the way the whole matter has been handled. They came here this morning and sat quietly while we went about our business. Mr Osborne and I had a discussion about what we could do about this. I talked to union officials and some workers, and this motion was largely agreed between all of us as a way forward.

I apologise to members that the motion was not on the notice paper. We could not do that, but Mr Wood generously offered not to proceed with his matter and that gave us the opportunity to deal with this matter without interfering with anybody else's business any further than is necessary.

It is possible that what I propose will come at a cost to the government. I do not deny that. It is possible that if Totalcare is given a direction in relation to this matter they might say that there will be a cost to government. I will not run away from that. I think it

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is entirely appropriate. If there is a cost, then somebody has to pay it. The workers are entitled to redundancy and it should be paid.

The government set the standard for redundancy packages when it gave the redundancy package to forestry workers and boasted about it. We did not like the redundancies that happened at ACT Forests either. As I recall, I put a motion here in relation to that matter, to force the government not to make forestry workers redundant against their will. The motion was that there be no involuntary redundancies amongst the 20 forestry jobs which the government had announced its intention to axe.

That debate went on at some length. I was described as a fossil in that debate. I was just trying to put my finger on the exact number of the enhanced redundancies. I will give an example of what Mr Smyth said one of these workers will get—five weeks pay in lieu, two weeks pay for each year's service, a \$22,000 bonus for having over 30 years of service and a \$2,872 pension per annum. I am not saying that that is what everybody should get, but the enhanced package that was offered to forestry workers has become the standard, in my view, and it is one that Totalcare workers can legitimately aspire to.

I understand that there may be a cost to the government coffers. The Territory Owned Corporations Act allows for the cost to be passed on in some way or another. I do not have the detail of that in front of me, but I am sure everybody understands the provision I refer to.

I do not need to speak any further on the motion. It is a just motion which will bring a just outcome to workers who have been put in a serious situation because of rationalisation of the work force arising from the contracting out of jobs in the ACT government service—I suspect the unnecessary contracting out of jobs. At no time was there any indication to Totalcare that there was anything wrong with the service they provided. Even the chief executive officer of Totalcare went public, saying that he was disappointed in the outcome because he had not been informed of any problems at all, either with cost or with quality. All of the evidence that had come to them was that they were doing the right thing and doing a good job. These workers were doing that.

I need not say any more, other than to recommend to members that they endorse this motion. I hope that the government can find it within their flinty hearts to support this motion. A rare show of generosity would be warmly welcomed by these workers who have been put in a pretty troublesome spot. Put yourself in their position and you will know what I am talking about. I think you know that we all should stick our hands up for this motion.

MR OSBORNE (10.33): I rise in support of Mr Berry's motion. I have one concern over forcing the government to spend money. Mr Berry, in discussions with me, highlighted that that will be a probable outcome of directing the government to do something. I have an amendment which "calls" on the government to do this rather than "directs", so that the decision ultimately will be theirs. But I am sure that a majority of members in this place will send a very clear message to the government about how we think the workers at Totalcare should be treated.

It was only a short time ago that we had a very similar debate on the ACT Forests workers. People who had been employed by ACT Forests for a significant number of years were forced into a situation where their jobs were no longer needed. Once again, a number of workers, some who I understand have been with the organisation for a number of years, are being forced out on the street through a decision made about the letting of a new contract.

At the very least, the government should ensure that no workers are forced to take a redundancy against their wishes. It is only fair that they be offered a redundancy package similar to, but no worse than, that ACT Forests workers got. A precedent has been set and these people should be no worse off than ACT Forests workers.

I am sure that other members will rise in support of what we are attempting to do here tonight. It is my sincere hope that the minister will hear the call of the majority of people in this place and right this wrong.

I move the following amendment to Mr Berry's motion:

Omit "That the Government direct Totalcare", substitute "That this Assembly calls on the Government to direct Totalcare".

MR HARGREAVES (10.36): Mr Speaker, with the Assembly's indulgence, I will address the amendment and the motion at the same time, to save time. Why do people take an instant dislike to Bronwyn Bishop? Same reason: it saves time.

I am pretty sure I remember this Chief Minister, at about draft budget time, saying that there would be no more redundancies. Now they are a distinct possibility. Mr Osborne, Ms Tucker and a lot of other people would remember that Mrs Carnell said that there would be no involuntary redundancies. Certainly Ms Rosemary Follett, when she was Chief Minister, said that there would be no forced redundancies.

A couple of people have come through my office in the last 12 months because they had been forced to take redundancies. I am saddened to see that. When I worked in the public service, I went into the transit lounge that did not exist about three times in the course of my career. I was told, "You do not have to worry about this, because they will never do it. They will never force you." I do not believe it. They said, "You do not have to worry about being flicked forcibly, because they will never do it to you. We have Kate Carnell's promise and we have Rosemary Follett's promise. If we add the two together, they will find you something else to do if you want to stay on at your substantive salary. At worst, they will offer you something at the next level down."

The first part of this motion asks the government to direct Totalcare. The Assembly is not directing the government. When we are talking about the expenditure of money, the government can direct Totalcare under whatever it likes. It can say, "You can do this without affecting your bottom line." It would not be the first time that has happened.

I ask those people we depend on to give some justice to workers. Please support the first paragraph of the motion. Look at the guys in the gallery. They have spent all day here waiting for us to make this decision. I do not think it is all that fair.

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It seems strange to me that we can have different rules for different types of workers. We can have enticements to get certain classes of workers out of the work force, but those enticements are not available to others. What is the difference between the forestry workers and the workers at Totalcare? It is very little. Their salary levels are not great. For the forestry workers, the average was between \$25,000 and \$30,000 a year. For Totalcare, we are probably talking of between \$25,000 and \$30,000 a year. So giving them the same sort of treatment as the forestry workers is not a lot of money. Lately we have been talking about the budget and billions of dollars.

I believe we should say that none of the workers should be forced to take a redundancy. But those who want to take an offer of redundancy ought to be given the same chance and the same benefits as anybody else. Nobody should be treated any better or any worse than anybody else. Doing so puts value of their service to this community. I reject the notion that the service that people at Totalcare have provided to us is of less value to our community than the services provided by people at ACT Forests. I think they are the same. Any suggestion that these people would get less in the way of benefit is an insult to them, heaped on top of the injury, fear and trepidation they will have to go through when they walk out the gate.

I appeal to the compassion of those people whose vote will carry the motion today. Think about the families of these workers. Low-income families, if they are lucky, have two income earners, and those two incomes added together do not match the salary paid to people in this place. To take half of that away is a particularly significant thing. I ask people to show some compassion for these workers and support Mr Berry's motion. Any lack of support for Mr Berry's motion, in my view, shows a distinct lack of compassion.

MR CORBELL (10.42): I support Mr Berry's motion. We saw this morning a strong expression of the human reality of the government's decision in relation to the contract for ACT Housing maintenance work. We saw the public gallery full of men faced with the prospect of not having any work and faced with the reality of trying to work out how they are going to adjust and cope and how their families are going to do the same.

Redundancy is not a new thing. I would hope that all members in this place appreciated the impact it has on people's lives. The territory is not a big employer of manual workers. We tend to have a lot of white-collar workers in the ACT but not that blue-collar workers. If workers at Totalcare are to be subject to redundancy, it should not be forced redundancy. That is the first point of Mr Berry's motion. People should have a choice. They should have the opportunity to stay and continue to contribute in an effective way in some other form of work. Secondly, if people do choose to take a voluntary redundancy, they should have a decent package.

I would imagine that a number of the workers present this morning had been engaged by the ACT administration in one form or another for quite some time. I think it is incumbent on the government to ensure that a fair deal is given to those employees, recognising their service, recognising the contribution they have made and trying to provide a proper and decent level of support for those who have decided that they do not want to continue to work. First and foremost, it must be their decision. Secondly, if it is their decision to leave, they should be properly and decently compensated through an effective redundancy package.

That is the intent of the motion tonight. Whether we “direct” or whether we “call on” is pretty much semantics. The Assembly must insist on decent treatment for these employees. If that is not forthcoming by the government, regardless of the final form of the motion tonight, the Assembly should take steps to hold the government accountable for its failure to deliver on decent conditions for these workers. I commend Mr Berry’s motion.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer) (10.45): There are a number of things about this motion we need to comment on. First of all—and in this respect I address Mr Osborne’s amendment—we are seeing a succession of these motions which are ambiguous about what they are saying to the government. Mr Berry’s motion begins with the words “That the government direct Totalcare”. There are obviously words missing. Is Mr Berry saying, “That the Assembly directs the government that it direct Totalcare to do so and so”? Is he saying, “That the Assembly urges the government” or “That the Assembly believes that the government”?

Mr Berry: It is an instruction.

MR HUMPHRIES: It is an instruction. Mr Berry repeats this myth that when the words are not used, when the words are missing, it means that it must be directive.

Mr Berry: I can put them in if you like.

MR HUMPHRIES: Worded in this way, the motion is helpfully ambiguous from Mr Berry’s point of view, because he can go back to the unions concerned and say, “On the floor of the Assembly, I directed the government to do this” when in fact the motion does not quite say that. But if it turns out that after October Mr Berry is in government, he can say, “Oh, no, it is inappropriate for the Assembly to direct the government of the day on a matter to do with industrial relations.”

Mr Berry, quite properly, has shown reluctance in the past for the government of the day to be directed on matters pertaining to industrial relations—to interpose the Assembly between workers and employers and intervene in the terms of either a certified agreement or industrial negotiations under the Industrial Relations Commission. I welcome Mr Osborne’s amendment, because we need to be clear about whether the Assembly is directing or calling on the government to do this particular thing.

I obviously support the amendment Mr Osborne has moved. It is utterly inappropriate for the Assembly to assume the role of a party to negotiations of this kind. Just last week, Mr Berry came in here and told us that the Australian Industrial Relations Commission was the appropriate place for disputes between employers and employees to be settled. He said that that was the appropriate forum with respect to the matter that was before the Assembly to do with the Legislative Assembly (Members’ Staff) Act.

Today Mr Berry comes into this place and says, “Oh, no, it is not the appropriate thing for you to be doing.” He overlooks the fact that there is an industrial agreement already executed in respect of the matter of redundancies for the staff of Totalcare—the Totalcare industry certified agreement 1998. I assume that means it was executed in 1998. Agreement was reached between the staff of Totalcare and Totalcare about the way in which redundancies would be handled should they arise.

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That agreement was entered into freely, in a way that involved Totalcare, the unions and a majority of employees of Totalcare agreeing to the package. Given that they agreed to the package, they have an industrial agreement which was overseen by the Industrial Relations Commission. Is it not appropriate then that we let that process continue and let it resolve this matter? Is that not consistent with what Mr Berry was saying to us just last week with respect to Legislative Assembly members staff?

In this case an agreement has been entered into, auspiced by the commission. Why should it not be the basis on which this matter is resolved? Even if there was not an agreement which had been duly executed by the parties, is it really appropriate that the Assembly should intervene in the matter so as to dictate to the government—or a government agency, in this case, Totalcare—how it will conduct its industrial relations?

It is a dangerous precedent to set. Mr Berry is effectively interposing in a matter which has always been regarded as an executive decision—if not an executive decision of the government per se, then a decision of a board or managing body of a territory-owned corporation or statutory authority.

We have had a number of debates about this over the years, in which we have consistently taken the view that these matters should be left to the agencies concerned. Mr Kaine may remember some of those debates, because we were involved in some of them, in which it was made clear that that was the responsibility of statutory agencies or government bodies.

Let us put this principle to one side and assume that it does not matter; that the Assembly can interpose itself in industrial disputes and become an arbiter, a de facto industrial commission, stepping in and deciding whether employer or employee is right in an industrial dispute. If we make that very large assumption, is it appropriate that we should intervene in this particular matter?

Let me put on the record in respect of paragraph (1) of this motion that Totalcare has identified 34 potentially excess positions following the loss of the Housing maintenance contract. At this point, no Totalcare employee has been made redundant. If and when redundancies are offered to Totalcare employees, Totalcare advise me that they will be offered on a voluntary basis. That is, nobody will be required or forced to accept a redundancy.

I am advised that the redundancies will be considered only as a last resort after options for redeployment within other areas of the company are considered. Totalcare is at this very time working with agencies all across the ACT government, including DUS, to attempt to find redeployment opportunities for those staff. Totalcare is also dealing with the employees, although they have not reached an amicable agreement at this stage.

The average redundancy payment that will be offered to people on a voluntary basis is \$38,000. That does not include additional amounts potentially available under the enhanced redundancy packages. I am advised that the four separate offers over and above the award are \$10,000 for each employee made redundant, \$5,000 for employees with one to five years service, \$10,000 for those with five to 10 years service and

\$15,000 for those with over 10 years service. On top of that, there is \$1,000 per year of service, to a maximum of \$20,000. There is additionally \$5,000 for employees with up to five years service and then the \$1,000 per year of service, up to \$20,000. I think they are reasonably generous packages. I suppose that is a subjective matter, but they appear to be not ungenerous at least.

Mr Berry suggests that in paragraph (2) that Totalcare workers should be offered packages at least equal to those offered to ACT forestry workers. The ACT forestry package was in a unique situation. Workers in ACT Forests were affected by the fact that Forests had to be fundamentally restructured as part of restructuring of the forestry industry in the ACT. There was little likelihood that forestry workers made redundant from ACT Forests would be able to obtain the same kind of work within the ACT—not impossible but unlikely.

I doubt that the same could be said of the workers who may become redundant under this arrangement, which I emphasize again is potentially up to 34 people—not necessarily 34 people but up to 34 people. I think it is unlikely that at least some of those people will not find alternative employment. When the decision was announced by the tender process that the ACT Housing contract should be handed over to private operators, I met with the two operators who had been successful in winning the contract and they agreed that they would interview ACT Totalcare employees to consider whether they would be employable within their organisations. That may still be the case.

In the time remaining to me, I urge members not to intervene effectively as parties to this dispute. If we do that, it is a very slippery slope indeed to slide down.

Suspension of standing order 76

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

That standing order 76 be suspended for the remainder of the sitting.

MR BERRY (10.56): Mr Speaker, I seek leave to include an amendment which has been circulated in my name. After the word “that” in the first line, it will insert the words “this Assembly directs”. That will make it clear. Mr Osborne’s amendment will probably get up, but I just want it made clear.

MR SPEAKER: Mr Berry, you are foreshadowing an amendment, I think.

MR BERRY: No, I am seeking leave to include it.

Mr Humphries: It means that Mr Osborne has to change his amendment to fit in, if that is the case.

MR BERRY: No, it does not.

Mr Humphries: Yes, it does, because there will be many words different to the ones in the existing motion. You will have to withdraw the motion and move an amended motion. Why don’t you move your amendment as an alternative amendment to Mr Osborne’s amendment?

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MR BERRY: All right. Leave it as an amendment.

MR SPEAKER: Leave it as a foreshadowed amendment, Mr Berry?

MR BERRY: Yes. That is fine. Mr Humphries spoke at length about intervening in industrial disputes. It was not we who set the standard for ACT Forests workers; it was the ACT government. It was outside the enterprise bargaining agreement, from my memory of it. It was offered as a major attraction to win the hearts and minds of Canberra people about the righteousness of the redundancy of those 20 workers. It did not win many, but that is what it was about. It was about putting some sugar coating on redundancies, which is very difficult to do.

Mr Humphries said that forestry workers were less likely to get work than are the Totalcare workers. How does he know? If the government accepts the call of this Assembly that none of these workers are to be made redundant against their will, how would you know?

Was Mr Humphries suggesting that the conditions he referred to applied to Totalcare workers?

Mr Humphries: Which conditions?

MR BERRY: The enhanced packages that you were talking about. Were you referring to the forestry workers?

Mr Humphries: No, I was talking about the Totalcare workers.

MR BERRY: My advice is that that is inaccurate. My advice is that the enhanced packages that were provided to forestry workers were better.

Mr Humphries: Yes, that is true. That is the point I made.

MR BERRY: You say that we should not intervene on the industrial front. There are redundancy provisions in relevant awards and in relevant enterprise bargaining arrangements. There is no doubt about that. But the government was the one that enhanced the packages for the forestry workers and set the new pattern without getting it endorsed all over the place. It left a whole heap of workers out of the picture. We think it is fair for this to apply to all redundancies.

I do not mind entering the industrial fray when it means getting workers a fair go when they are not getting a fair go. If it means setting a new standard and setting the slippery slope you have described, I am not going to run away from that if it means that some workers will get done over as a result.

The importance of this motion is to make sure that there is fair play and that one group of ACT workers employed by the government gets the same sort of treatment as another group. There is nothing wrong with that. Mr Humphries drew attention to the position that we adopted in relation to the nurses. There was an entirely different set of circumstances there. It was disingenuous of the minister to try to draw comparisons.

What the government tried to do outside of the EBA with the nurses was impose upon them a wage rise with attached conditions which the nurses were unable to bargain about.

Mr Humphries: Some nurses were unable to bargain.

MR BERRY: No, all of the nurses were unable to bargain. If they did not accept the offer dictated by the minister, they were not getting anything. We said that they should bring forward the expiry date in order that there could be bargaining in good faith about the issue. So we did not enter the fray. All we did was ask that all of the parties bargain from a common standpoint instead of from the dishonest position which had been adopted by the government.

I have no difficulty with comparisons being drawn between that position and this. This is quite different. These are workers who are getting thrown out of their jobs. This is not about a pay rise for a group of workers. I do not feel vulnerable as a result of Mr Humphries' strident accusations about my having a different position in relation to this matter. In both cases—

Mr Humphries: You do.

MR BERRY: No. In both cases the position was the same. I wanted to see workers get a fair go. You will always get that consistency from me, Mr Humphries. I think you expect that. This is about a fair go.

Earlier on I did not have the Territory Owned Corporations Act in front of me. Subsection (5) of section 17 of that act, "Directions to corporations", says:

The Territory shall reimburse the company for the net reasonable expense of complying with a direction.

I accept that, if that is what the company wants. It is a requirement. You will have to cough up. I think it is fair enough for these workers to get the same treatment as others in the territory. I do not have any difficulty with that at all.

Mr Osborne moved an amendment. I think it is semantics. If the government is so minded, it will ignore a direction if it thinks it can get away with it.

Mr Humphries: That is not true.

MR BERRY: So you might ignore a call but you will not ignore a direction?

Mr Humphries: That is right. That is the convention in this place.

MR BERRY: Mr Osborne ought to be here for this. His amendment puts in an escape clause for the government. We will call on the government, and the government can ignore the call. Mr Osborne and others can walk away and say, "We called on them, and they ignored us." Whatever gets through this place tonight, the government are going to be taken to task in one way or another if they do not support the motion. Mr Humphries tells us that he feels no obligation to support a call.

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Mr Humphries: I did not say that.

MR BERRY: I am happy to sit down and let you get up and tell us what you did say so that it is on the record. Would you like to hop up and tell us? Seek leave. I am happy for you to do that. Tell us what you would do if it is “calls”.

MR HUMPHRIES (Chief Minister, Minister for Community Affairs and Treasurer): I seek leave to make a statement about this.

Leave granted.

MR HUMPHRIES: The convention in this place about directions and about calls is quite clear to members. It has generally been the case that, when a motion calls on the government, requests the government or urges the government to do a certain thing, members do not see in such a motion a requirement that, if not met, would constitute a contempt of the Assembly or an affront to the Assembly.

If members say, “We urge you to do this” and you do not do it, then understandably people will think, “I only urged him to do it and he has not done it. All I can do is urge more strongly next time.” On the other hand, it has been conventional and I think generally the case in this place that when the government is directed to do something or required to do something—members use this language all the time in their motions and I know the distinction, Mr Berry—it amounts to a requirement which the government ignores at much higher cost to itself. I am not aware that the government has generally ignored directions. Perhaps there have been occasion when it has occurred, but generally speaking the government takes directions of the Assembly very seriously.

The difference between Mr Osborne’s and Mr Berry’s motion is whether we want to have the Assembly intervening in industrial relations, making a decision on behalf of a government or, in this case, a statutory authority or a territory-owned corporation in an industrial dispute.

This could go on forever. The Industrial Relations Commission sits many days a year in the ACT to hear industrial disputes, and many of those disputes involve ACT government agencies. Are we going to be involved in dealing with all of those in this process? I remind members that last week Mr Berry urged the Assembly to let these matters be dealt with by the Industrial Relations Commission. Now he is saying, “Forget the commission. We are going to intervene and make a decision about what the appropriate level of redundancies is.”

I mentioned before the reason that the forestry workers get a higher redundancy offer. I will proceed when Mr Berry listens to what I have to say. He asked me to answer a question. Now he has walked away. Why did we offer forestry workers a more generous package? The answer is very simple. Forestry jobs are disappearing in the ACT. When government forestry operations continue, there will not be any forestry operations in the ACT. It is a sole industry. It is a monopoly, if you like. It is the only forestry industry to speak of in the ACT.

Is building maintenance closing down in the ACT? Of course not. Indeed, the very functions which were performed by Totalcare are being taken over by other companies. Those companies will need workers. So there are very good reasons for differences between the approaches taken with Totalcare and those taken with ACT Forests.

MS TUCKER (11.07): The Greens will be supporting Mr Berry's motion.

Mr Humphries: Of course.

MS TUCKER: Mr Humphries interjects, "Of course." We are consistent. We are interested in social justice. We are interested in fair treatment of people who are casualties of restructuring, as the problem is called, of government services. We are consistently concerned to see the increasing casualisation of the work force across Australian society and in the ACT in particular. We know that that has quite severe social impacts.

The most recent research on poverty in Australia shows that the working poor are now more highly represented than ever before. The working poor are people in casual work or part-time work. Often they are women, although not in this case.

There are some really big social issues. This motion is trying to take a stand on how particular employees are going to be treated when, as the result of the loss of a contract, Totalcare is thrown into a difficult situation. I am not passing judgment on the contracting out. I have had contradictory statements from the government. The first statement from Mr Humphries has since been clarified, if it is not contradictory. At first Mr Humphries said it was a result of the high employee expenses in the public service, but then later, I think in estimates, one of his officials said that that was not a factor in the contract not being awarded to Totalcare; that it was more to do with the nature of the tender that was put forward. I do not know, and I am not going to comment on that aspect of it.

But we know that there are problems with this particular group of workers. All this motion is doing is saying that they should not be forced into redundancy. I do not think they should be forced into redundancy. There should be some opportunity for them to find other employment, to be retrained or whatever, which is what came up in the debate on forestry as a reasonable option. Those people who want to take redundancy should be able to do so, and it needs to be a reasonable redundancy. That is all this motion is saying.

There was discussion about "directs" or "calls on". I cannot recall exactly, but I think the government has chosen to ignore directions. The government will do what the government does. I think it is fairly semantic whether it is "calls on" or "directs". The Chief Minister has just said that he would take a motion that directed him more seriously than one that called on him. So I guess there is an argument for supporting "directs". Personally, I need to check, what we have done in the past with that. I do not recall that the distinction has always been as clear as Mr Humphries said, but maybe he is correct.

Mr Osborne is concerned about directing the government to do anything that will have implications for the budget. As I have said already today, Mr Osborne has done that in the past. He has done that with regulations that he has disallowed. He did it with the

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Tidbinbilla entrance fees. Sometimes Mr Osborne does and sometimes he does not, I guess.

MR BERRY (11.11): I do not support Mr Osborne's amendment. I think it waters the process down. I told Mr Osborne about subsection (5). As I have explained, we will not run away from that. The government has just told us that "call on" is of a much lower order than "direct". I hold these workers' position in a much higher order than it seems the government would do if we support Mr Osborne's "calls on".

I have a different view of the convention. The convention, as I understand it, is that "calls on" is usually used as a courtesy rather than being so blunt as to direct. I would always expect that if the government did not listen to what the Assembly said there would be some sort of punishment in the wings. That might just depend on the mood of the Assembly on the day. But we have quite a different position here from this minister. He is saying that he treats "directs" differently. He gives it a higher standing than he would "calls on".

I do not fancy putting motions to the government that they are going to ignore. I have been through this process before. I do not want to build up false hopes amongst workers. We have already heard what the government said. It does not like this. If we give them a wussy motion, they will just walk away from it. I am not inclined to support the amendment. I believe it should be "direct", and I would urge members to support the motion that we direct the government.

There is a few thousand dollars involved in this. It is the difference between unfair and fair play. As I said earlier, I want to make sure that these workers get a fair go. I do not think calling on the government and providing them with a let-out will get these workers a fair go—in fact, quite the contrary. I think the amendment provides the government with a let-out and will make it harder for these workers to achieve a fair go in the scheme of things. So I will be opposing Mr Osborne's amendment.

Question put:

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

The Assembly having voted and the Speaker having declared the result—

MR HUMPHRIES: Mr Speaker, I rise under standing order 165. I believe that an error occurred in the way in which the votes were cast, and I ask that the vote be called again.

MR SPEAKER: I know it is late, but we have only ourselves to blame. If members would pay a little more attention we might be able to get through this accurately. We will proceed to another vote.

The Assembly voted—

Ayes 8

Noes 7

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

Question so resolved in the affirmative.

Amendment agreed to.

MR SPEAKER: Mr Berry, do you wish to move your amendment?

Mr Berry: No.

Motion, as amended, agreed to.

Education Amendment Bill 2001

Debate resumed from 28 March 2001, on motion by **Mr Berry**:

That this bill be agreed to in principle.

MR STEFANIAK (Minister for Education and Attorney-General) (11.21): Mr Berry's bill seeks to create new offences relating to school premises; basically, that people shall not, without reasonable excuse, trespass or behave in an offensive or disorderly way on school premises or fail to leave the school premises when directed to do so by a police officer or an authorised person. He defines authorised person as the principal or whoever is responsible for the conduct of the school, or a person authorised by the principal to give the directions mentioned in the bill. He defines school basically as any school within the territory, be it a government school or a non-government school.

Mr Speaker, I am happy to say that the government supports this amendment to the Education Act by Mr Berry. This provision, or something virtually the same, is in the government's education bill which is before the Assembly. Given that that bill will not be brought forward for debate until August and this bill will come into force a lot quicker than that, we have no problems at all in supporting this. I do not often say this about Mr Berry's propositions, but this in my view is quite good legislation. I might also commend him because I think this is the first piece of law and order legislation he has introduced in 12 years.

This bill extends some of the provisions schools already have. They already have a provision whereby principals can direct people to move on. This bill goes further and is, as I said, virtually in line with what we have in the Education Act, and that went through about two years of extensive consultation.

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I note that Ms Tucker has circulated an amendment. I do not think she is going to move it now, which is good. It would concern me if we restricted Mr Berry's bill to make it effectively just the principal. Quite clearly the principal often will not be in a position to give directions. It is very sensible, I feel, for other people to be authorised by the principal to give directions. Certainly, in the government school system, that often has been indicated to me as something which schools would like to have in terms of general powers to overcome potential troublemakers or troublemakers who occasionally come to school premises. There are such instances.

Ex-students or unruly people go to school premises because of some perceived grievance with students at the school or other people or the school itself. There are unwarranted trespasses there by people who might be up to some sort of nefarious purpose. Sometimes, I suppose, people go there and try to sell drugs or some other illegal goods. Any number of people might, on occasions, need to be directed to leave the premises, and might behave in an offensive or disorderly way. We need provisions whereby those persons can be dealt with.

Accordingly, well done, Mr Berry. This is a good bill. I hope we debate and pass the education bill in August of this year, but I think it is sensible to have this provision in place. It is something that I think will benefit schools, both government and non-government. The government is happy to support it.

MS TUCKER (11.25): The Greens will be supporting this bill which extends to the wider school community the right of school principals to direct people off school premises if they are behaving in an offensive or disorderly way. This is not a clear cut issue though, as there are issues of safety. It would be preferable in most instances for police to take such action. The social policy inquiry which I chaired in the last Assembly made exactly that point. The reality is, however, that situations can often be defused if acted upon promptly. There may not always be the time to deal effectively with the situation by calling in the police. We are supporting this initiative because it has proved reasonable and advisable to bestow such a power on school principals.

I am aware that the education department has authorised all principals of ACT government schools to use these powers. That being the case, it seems appropriate to ensure that principals of non-government schools have the same power vested in them.

We are concerned about the provision in this bill for principals to authorise any other person to exercise this same power. I was thinking about moving an amendment to make that only if the principal was absent. I have talked to members here, and we did talk to some of the principals, but it appears from what Mr Stefaniak says that they want to have that ability to delegate pretty widely. I will not move that amendment today, but I want to have a look at how this works, because you do not want a situation where people who work in the schools are endangering themselves.

If someone is going to take the responsibility of trying to tell someone to leave, then, depending on the person, it can become a difficult situation, so I do not think this should be taken lightly. That is the point. If the feeling in a school is that anyone can tell a person or trespasser to get off, and it is just as basic as that, then that could be quite ill-advised. I think there should be some kind of support for the teachers or personnel who may do this in terms of how to resolve tense situations and so on. A little bit of training,

professional development, would not be a bad thing if people are having to do that, because you can inflame situations unnecessarily if you are not aware of the different ways that you can handle these sorts of situations.

Having said that, I will not move the amendment and I will support this bill, but I think we need to keep an eye on it. Perhaps the minister could respond to that suggestion I just made and see if that could be moved through the system, so that if this broad power is delegated there is at least the opportunity for people to access some kind of professional development on how to defuse situations rather than inflame them.

MR BERRY (11.29), in reply: I have just been given bad news. Mr Rugendyke does not want to bring on his Adult Entertainment and Restricted Material Bill. I am so disappointed.

I want to thank members for their support for this piece of legislation. It had been requested by people interested in school security, and it will, I trust, make it easier for teachers to deal with problems around school premises.

Mr Stefaniak characterised this as a law and order bill, and I must say that that made me somewhat nervous. I quickly searched through it to see if there were any summary offences or any confiscation rights or any penalties for having your hat on backwards, and I am pleased to report that this is about as strong as you will see from me when it comes to the issue of law and order. It essentially goes to the issue of the matter being reported to the courts. I think that is where penalties ought to be determined. Wherever possible, I think, summary convictions are things that ought to be avoided at all costs. In the general sense I do not think they do anything for the community, and I do not think they help the police that much anyway.

Mr Speaker, I just repeat my thanks to members. I note what Ms Tucker has said and I think she is right. She is right to suggest that this ought to be watched with a careful eye to ensure that there are no practical difficulties that emerge, either for teachers or people who might be affected by this law. If it is found that somebody is treated unreasonably in relation to this law, then obviously it will have to be finetuned to sort that issue out, as is always the case with new laws whenever we introduce them here. Once again, members, thank you for your support.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Adjournment

Motion (by **Mr Smyth**) negatived:

That the Assembly do now adjourn.

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Adult Entertainment and Restricted Material Bill 2000

Debate resumed from 24 May 2000, on motion by **Mr Rugendyke**:

That this bill be agreed to in principle.

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

Dog Registration Fees

MR CORBELL (11.33): I move:

That this Assembly calls on the ACT Government to review the schedule of fees for dog registration and licences in the Territory in consultation with relevant stakeholders.

Because of the lateness of the hour I will be relatively brief. Mr Speaker, this is a motion which the Labor Party has decided to put forward this evening following a range of representations from dog owners in the ACT, particularly owners involved in dog breeding and dog shows. Concerns have been raised with the Labor Party about the extent and the unfair nature of the new fee structure for dog registration in the ACT. Far from being a process which seems to encourage people to get their animals properly trained and properly cared for, it seems to affect in a rather unfair way those who breed dogs and those who show dogs.

Mr Speaker, I will outline the background to this. The new fees and registration process is part of changes to the Animal Welfare Act and the other piece of legislation which was passed by the Assembly late last year in relation to the process for registering and caring for dogs and for cats. As I understand it, new fees were gazetted and were made available for disallowance last year. Unfortunately, the concerns raised by breeders in particular only recently have been brought to my and other Labor members' attention. For that reason we were not aware of the need to disallow the proposed fee structure. Instead, I have moved this motion this evening.

Mr Speaker, I will briefly outline some of the rather unfair elements of the costs for registration and licensing of dogs. The most significant cost is the permit to keep a dog or a cat sexually entire. Mr Speaker, that is the government's language, not mine. Clearly it means a dog which is able to breed; a dog that is able to be bred for show purposes. The cost is \$250 and then you need to pay a registration renewal each year of \$12. That is a significant impost, Mr Speaker, and an unfair one, particularly for breeders who breed responsibly, who train their animals and who then seek to sell them to other people who wish to show them or who wish to care for the animal. \$250 an animal is a significant impost, even if it is a one-off charge. The proposal to require someone to pay a fee to keep four or more dogs, as well as the renewal of a licence to keep four or more dogs, is also a considerable impost. A licence application to keep four or more dogs costs \$72, and it costs \$20 per year for the renewal of a licence.

These are significant costs, and they really do have an impact on breeders in the territory. I was surprised to learn, Mr Speaker, that the government had not consulted directly with organisations like the Australian Canine Association, the ACT branch of that

organisation, when it came to determining these fees. This is in marked contrast to the approach taken by the previous Labor government when we were last in office and the minister was Mr Wood, who did sit down and consult directly with representatives of the ACA on the impact that a new fee structure would have on their membership.

Let's not underestimate the extent of this responsible dog-owning community. There are over 1,000 breeders or people who show their animals. That is not an insignificant community in the ACT. It seems that the government has not properly consulted, or in fact has not consulted at all really, with the Australian Canine Association and yet is imposing these new fees which are quite an impost.

Let me, in contrast, draw members' attention to the fact that in New South Wales the permit to keep a cattle dog sexually entire, far from being from \$250, is, I understand, \$100. That is a significant difference. The government talks a lot about keeping our taxes and charges in line with New South Wales, but it would appear to me that they are not doing so on this occasion.

I think the government needs to go out and talk with the community affected. We all want to see people who are backyard breeders, people who do not responsibly breed or care for their animals, suffer the sanction of the law, but we do not think that that sanction should be applied to people who conduct themselves in a responsible manner.

Mr Speaker, I urge members to support this motion this evening. It asks the government to go out and review the schedule of fees for dog registration and licences in the ACT in consultation with relevant stakeholders such as the Australian Canine Association. Hopefully, through that process, the Labor Party can see that the government is properly addressing these concerns and responding to them in a way which does not impose such harsh penalties on breeders in the ACT.

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (11.40): Mr Speaker, the government does not have a dilemma with this motion tonight simply because the review called for by Mr Corbell is already under way. Why is it under way? Because we have been talking to the ACT Canine Association. They brought to my attention and the attention of the department perceived anomalies in the dog registration and licence fee schedule of the Domestic Animals Act 2000.

At issue is the fee for the permit to keep an entire dog born after 21 June this year. This is set at \$250, similar to the cost of desexing an animal. The purpose of the fee is to make owners think seriously about the need to keep their animal entire. The concern expressed by the Canine Association is that members are required to keep entire animals to compete in dog shows and that the \$250 fee discriminates against them.

When viewed as a total package, though, it can be seen that over the life of an average dog the new fees do not disadvantage those who keep their dogs entire. For the owner of one entire dog the old scheme imposed an initial registration fee of \$50 and a renewal fee of \$34.75 a year. The new scheme has an initial free registration, a renewal fee of \$12, and a permit to keep the dog sexually entire fee of \$250. So after 10 years the owner would have paid \$362.75 under the old scheme, while under the new scheme the cost to

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the owner will be \$358. That is \$4 cheaper. So, perhaps Mr Corbell should do his sums before he jumps to these conclusions.

Mr Corbell: Well, you ask the Australian Canine Association. You tell that to the Australian Canine Association.

MR SMYTH: Mr Corbell said, "Ask the Canine Association." Perhaps he should do some rudimentary maths before he jumps to conclusions. In the case of the owner of an entire dog who was able to access the concessionary fees, the total after 10 years was \$69 under the old scheme. It is \$77 under the new scheme. The situation for a breeder who kept, say, four sexually entire dogs and therefore required a keepers licence is considerably improved under the new scheme. That owner, after 10 years, will be \$487 ahead compared with the old scheme. If the owners access concessionary fees the difference will be \$439.

Nonetheless, Mr Speaker, the department is consulting with relevant organisations to ensure that the fee regime is equitable, while still achieving the aim of increasing responsible domestic animal ownership and reducing the incidence of unwanted dog and cat offspring.

MR HARGREAVES (11.42): I am amazed to hear the minister say that he has been in consultation with the Canine Association because only the day before yesterday, if my memory serves me correctly, we met around lunchtime. That association complained to us that there had been no dialogue between them. Now, either the minister is having his way with the truth or they are, and I must say that I have more faith in the Canine Association. I cannot see why they would make fools of themselves in coming to see the opposition if, in fact, they had had some dialogue.

Mr Speaker, I am glad to see the review. I am sure my colleague Mr Corbell is glad to see this review. I am very glad if, in fact, as soon as the minister spotted the motion on the notice paper he launched into this activity. I commend the minister for his speed.

The point is that everybody is trying to achieve the same thing. This is the really dopey part about it. We are all trying to achieve the same thing. We want to get the unwanted dogs off the streets. We want to get the strays off. But penalising people is not the way to go about it. The government was attacking the problem, and I believe it still is with this current set of fees, the wrong way around. They really should be creating a series of incentives, not disincentives. I do not think these fees are an incentive. Neither does the Canine Association. Neither do the stream of people who have put emails through to my office. Mr Speaker, I commend Mr Corbell's motion.

MR QUINLAN (11.44): I want to say a couple of words, Mr Speaker. I have to admit to not quite having a conflict of interest but some association since my son is president of one of these dog associations, the Gun Dog Association. If there is a review taking place, then, as Mr Hargreaves has pointed out, it has occurred of late.

This particular group of people is screaming, really. I have learnt a lot about doggy politics in the last couple of weeks. In fact, the new fees have had quite an effect, inasmuch as the associations to some extent are fragmenting. They are talking about taking their shows to New South Wales. To some extent we lose a considerable amount

of activity. It is surprising just how many people are involved in trotting around a ring with a dog. Then there are the Gun Dog Association, the Kennel Association and the district clubs. So, quite a number of people are affected. A number of people spend quite a deal of their free time associated with this pastime and are active in this pastime, and this is an imposition on them. It is not only an imposition on them; it also is likely to have a negative effect on the process and the structure of clubs and the shows that occur in the ACT.

If the minister is conducting a review it might not be a bad idea if we brought a little rundown of the format of that review back to the Assembly next time and if it is possible suspend these fees until the review is complete. That would be a gesture of goodwill towards these people and let them know that the review is a genuine review.

MS TUCKER (11.46): The Greens will also be supporting this motion. It seems quite reasonable.

MR CORBELL (11.47), in reply: Mr Speaker, I thank members for their support this evening. I am pleased to hear of the government's intention to conduct such a review. The minister say it is already ongoing. Well, as Mr Hargreaves said, that is not what we were told on Monday, so obviously something happened between Monday and today. Nevertheless, we welcome it, and we encourage the government in the interim to not proceed with this fee structure until that review has been completed.

Question resolved in the affirmative.

Adjournment

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

That the Assembly do now adjourn.

World trade and globalisation

MS TUCKER (11.48): I want to use the adjournment debate as an opportunity to give the Assembly a few more statistics regarding poverty in the world and globalisation. I am not going to quote a journalist in the *Canberra Times*. I will first of all quote UNEP's executive director, Klaus Toepfer, who said that over the last 50 years there has been a rapid expansion of world trade, with the total value of global exports growing from \$US350 billion in 1950 to almost \$US5.5 trillion in 1999. Trade liberalisation contributes to economic growth, yet the benefits have not been fairly shared between countries and in some cases have led to greater environmental degradation and increased poverty. One part of the solution is for trade and environment policy-makers to work together to develop mutually supportive trade and environment policies, which was the point of my motion.

Another point that was made was that most developing countries are opposed to the new trade round. They have not yet absorbed the demands on them made at the Uruguay Round. The United Nations development program estimates that under the WTO regime in the period 1995 to 2004 the 48 least developed countries—these are the poor people that Mr Humphries, Mrs Burke and others were saying were so well off—will be worse

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off by \$600 million a year, with sub-Saharan Africa actually worse off by \$1.2 billion. The UN development program also says that 70 per cent of the gains of the Uruguay Round will go to developed countries, with most of the rest going to a relatively few large export oriented developing countries.

Members might also be interested in one of the responses from Africa, which is the African model legislation for the protection of the rights of local communities, farmers and breeders. Indigenous agricultural and biological resources are vitally important to the economies, cultures, environment, food security and livelihoods of sub-Saharan Africa, and in particular its small holder farmers. A significant number of groups, NGO, civil society, labour and faith-based—not brick-throwing loony lefties as the Liberals were saying today—within and without Africa are advocating to keep Africa's biodiversity, seeds, plants, biological resources and food security under the control of sovereign states, local communities and small holder farmers. Public access to and communal prerogative over biological resources are rooted in basic social justice principles directly tied to certain rights. Those related to food, land, secure livelihoods, cultural identity, environmental integrity and the protection of the common good are among the most important.

Africa has taken a lead role, exemplified by the initiatives of the Africa Group at the World Trade Organisation, in resisting efforts to cede control of its biological and agricultural resources through privatisation.

Death of Robert Klippel

MR SMYTH (Minister for Urban Services, Minister for Business, Tourism and the Arts and Minister for Police and Emergency Services) (11.51), in reply: Mr Speaker, I want to say a few words about one Robert Klippel, perhaps Australia's most important living sculptor until yesterday when he died at the age of 81. Robert Klippel, a shy publicity-shunning ex-RAN model-maker who joined lumps of rusted iron with cogwheels, bolts, springs and bits of wire to become Australia's most celebrated sculptor, died in Sydney yesterday on his 81st first birthday. Klippel once said:

I have tried to bring together nature and the machine, to seek the interrelationship between the cogwheel and the bud.

Klippel was unquestionably Australia's most significant sculptor. His singular vision, inspired by the intricacies and the profusion of our material environment and his quest for a spiritually relevant form, stands alone in the annals of Australian art. Robert Hughes once claimed Klippel as an outstanding figure of Australian art and one of the few sculptors worthy of international attention.

Those are just a few words written in honour of Robert in today's *Sydney Morning Herald*. I just wished to bring to the attention of the Assembly the passing of our perhaps greatest sculptor.

Question resolved in the affirmative.

Assembly adjourned at 11.53 pm

Schedules of amendments

Schedule 1

AUDITOR-GENERAL AMENDMENT BILL 2000

Amendments circulated by Mr Osborne

Clause 4

Proposed new subsection 17 (3) (c)

Page 2, line 12

Omit the subsection

Substitute—

“(3) The auditor-general, in a report of a special financial audit or a performance audit—

- (a) may include such information as he or she thinks desirable in relation to the activities that are the subject of the audit; and
- (b) is to set out the reasons for opinions expressed in the report: and
- (c) may include such recommendations arising out of the audit as the auditor-general thinks fit to make.”.

Schedule 2

AUDITOR-GENERAL AMENDMENT BILL 2000

Amendments circulated by Chief Minister

1

Clause 4

Proposed new subsection 17 (3)

Page 2, line 12—

Omit the subsection.

2

Clause 4

Proposed new paragraph 17 (4) (c)

Page 2, line 19—

Omit the paragraph.

3

Clause 4

Proposed new paragraph 17 (5) (e)

Page 3, line 3—

Omit the paragraph.

4

Clause 5

Page 3, line 16—

Oppose the clause.

5

Clause 6

Proposed new subsection 22A (1)

Page 3, line 29—

Omit “must”, substitute “may”.

6

Clause 6

Proposed new subsection 22A (3)

Page 4, line 5—

Omit “must”, substitute “may”.

Schedule 3

FAIR TRADING (FUEL PRICES) AMENDMENT BILL 2000

Amendments circulated by Attorney-General

1

Clause 4

2 Page 2, line 8—

Omit the clause, substitute the following clause:

4 Section 10

renumber as section 11

3

Clause 5

4 Proposed new subsection 10 (2)

5 Page 2, line 16—

After “at the time of the delivery”, insert “, or as soon as practicable after the delivery,”.

6

Clause 5

7 Proposed new paragraph 10 (2) (f)

8 Page 3, line 3—

After paragraph 10 (2) (e), insert the following new paragraph:

(f) any other information prescribed under the regulations for this paragraph.

9

Clause 5

10 Proposed new subsection 10 (4)

11 Example

Page 3, line 13—

Omit “a meter”, substitute “or by a device”.

12

Clause 5

13 Proposed new section 11

14 Page 3, line 15—

Omit the section.