DEBATES

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

HANSARD

19 November 2002

Tuesday, 19 November 2002

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MR SPEAKER (Mr Berry) 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.

Statement by member

MRS CROSS: Mr Speaker, I seek leave to make a statement.

Leave granted.

MRS CROSS: Thank you, Mr Speaker. Some people have suggested to me that I now should simply put the past behind me, and I certainly intend to do that; but not before I address an important principle at stake which reflects on all of us in this chamber. Because when someone in Mr Humphries' position does what he did to me, the entire Assembly is diminished.

Almost exactly a year ago I made my first speech in this Assembly and I promised that I would strive to fulfil the expectations of those who voted for me. A year later, I still intend to fulfil that promise, but I will now do so from the crossbenches.

The reasons why I am sitting on this side of the chamber rather than the Liberal benches have been aired variously in the media. Whoever said that the truth is the first casualty in a political campaign could have been writing the preamble to my departure from the Liberal Party. It grieves me that the situation that led to my forced exit from the Liberal Party reflects a great malaise within a once proud political party.

It grieves me even further to have to tell the many good and honest supporters of the Liberal Party here in Canberra that they are being betrayed by the present incumbents on the opposition benches. How humiliated and let down your voters must feel, Mr Humphries. Instead of doing the privileged job you were elected to do, you have instead chosen to pursue me.

This Assembly does not have the time to go through the polluted litany of untruths that Mr Humphries tabled against me. In fact, Mr Speaker, I can assure Mr Humphries and the opposition that, even though they would delight in my preoccupation with their misrepresentations, I have more important work to do relating to the welfare and concerns of the people of the ACT.

A quick review of the material widely circulated by Mr Humphries inside and outside of this chamber could have an uncritical reader or listener believe that I am a physical wreck. Well, I can assure you, Mr Speaker, fellow members of this chamber and my fellow Canberrans that I am now well and truly back to health. I am fighting fit and raring to fulfil my new role as an Independent MLA.

During the period of the sustained assault on me, when I was truly ill, Mr Humphries thought it his political right and opportunity to publicly humiliate me. What he said was untrue, and he said it for his own selfish political gains. You see, Mr Speaker,

Mr Humphries saw me as an obstacle to his ambition to obtain a Senate seat. Little did the voters know at the last election that what they were supporting was a group of people blinkered by their own ambitions. The truth is that my days were numbered—

Mrs Dunne: On a point of order, Mr Speaker: I understand that Mrs Cross sought leave to make a statement. At the moment she is making reflections on a member—the sorts of reflections which are usually the subject of a substantive motion.

MR SPEAKER: In particular?

Mrs Dunne: A censure motion.

MR SPEAKER: No, I mean what particular statements?

Mrs Dunne: The ones that Mr Humphries pursued, that Mr Humphries has brought dishonour on his position—a whole range of statements like that, Mr Speaker.

MR SPEAKER: I am happy to review the *Hansard* and search out—

Mrs Dunne: I would seek your guidance on whether or not it is appropriate to make statements that reflect on a member when there is no substantive motion before the Assembly. The statements that Mrs Cross is making go to the character of a member of this place, and the normal way of addressing that is through a substantive motion.

MR SPEAKER: If there are specific words that Mrs Cross has used that you want struck out, if you raise them—

Mrs Dunne: Well, actually, so far almost everything I have heard falls into that category.

MR SPEAKER: I am certainly not going to strike Mrs Cross' speech out.

Mrs Dunne: Well could I ask you to give Mrs Cross some direction about what is appropriate.

MR SPEAKER: The Assembly has given leave for her to speak.

Mrs Dunne: Yes, to make a statement.

MR SPEAKER: She has as long as she likes to make the statement by leave of the Assembly. If you have specific words that you want to raise in the context of the standing orders, I am happy to rule on them.

Mrs Dunne: I will, Mr Speaker.

MR SPEAKER: But you will have to raise them with me. I can't generally strike down a speech because it is critical of a particular person.

Mr Stanhope: On the point of order, Mr Speaker: I think in your consideration of the point of order it needs to be remembered and it needs to be taken into account and acknowledged by the opposition that the Leader of the Opposition did table in this place a detailed list of claims against Mrs Cross. I think it only appropriate that Mrs Cross have this opportunity to respond to the claims made by the Leader of the Opposition in a statement which he tabled in this place about Mrs Cross. It would seem to me only fair that Mrs Cross be given this opportunity, and that she not be interrupted during the giving of this statement, to respond to those detailed list of claims which Mr Humphries has made.

Mr Humphries: Could I rise on the point of order, Mr Speaker. There is an important distinction between the copy of the letter which I tabled in this place, which was a copy of a letter already published in the *Canberra Times*, and the statement which Mrs Cross is making today. The distinction is that the Assembly did not authorise that letter for publication, and so nothing that was in it receives the protection of privilege in this place, whereas every word that Mrs Cross utters now does receive the protection of privilege.

Members were quite hostile to the idea of the authorisation of that letter for the purposes of protection under privilege. Fair enough. But it would be inconsistent for the Assembly now to deny that letter that protection but to give comments that have been made here protection.

On the question of the standing orders, Mr Speaker: the giving of leave for the making of a speech doesn't obviate the other operations of standing orders. The standing orders prevent reflections on other members at all times, irrespective of whether a member has leave to speak or whether a member is speaking to a motion or a bill, whatever it might be. Under the rules of our standing orders, a member wanting to reflect on another member ought to do so by way of a substantive motion and not by way of a simple reflection or comment made in the course of another speech.

MR SPEAKER: Mr Humphries, I appreciate what you say, but if I were to rule out every word that reflects on another member there wouldn't be much said in this place. Under standing order 55 I am able to rule when it comes to offensive words. But I don't hear every word in the same context that you might hear it. If you have a problem with anything that Mrs Cross raises, please draw attention to it.

In relation to Mrs Cross' response to your letter, I can't take into account what was in your letter in assessing whether or not Mrs Cross is complying with the standing orders. All that I can do is take note of what the Assembly has done this morning, and that is giving Mrs Cross leave to speak. If you find anything amongst the words that she is using that you think offend the standing orders, please raise them; and that goes for anybody else.

MRS CROSS: Thank you, Mr Speaker. The truth is that my days were numbered when I removed my support from Mrs Dunne who from day one was seeking to remove Mr Humphries in favour of her own political ambitions. It is now apparent to me that almost no-one wants to be a Liberal MLA in Canberra anymore.

Mr Speaker, it is an age-old political ploy that when someone like Mr Humphries is in trouble and backed into a corner, they create diversion to take the heat away from their own faults. In this case, it was the matter of unauthorised access to Minister Wood's email account. In view of the findings in the report that was presented last week by the Select Committee on Privileges, Mr Humphries should now be encouraged by this chamber to show some courage and come clean about what he did in fact know about the affair. Far from expressing any shame or remorse or leadership skills, Mr Humphries—

Mr Humphries: On a point of order, Mr Speaker: Mrs Cross just alleged that I have concealed information or otherwise behaved deceitfully or dishonestly with respect to matters before the Privileges Committee last week. That is clearly imputing an improper motive to a member of this place. Under standing order 55 there is no interpretation but that that is in breach of the standing order.

MR SPEAKER: I accept your point of order, Mr Humphries. I will rule those words out and ask Mrs Cross not to repeat them.

MRS CROSS: Thank you, Mr Speaker.

MR SPEAKER: Or to withdraw them.

MRS CROSS: Yes, Mr Speaker.

Mr Humphries: Has she withdrawn them?

MR SPEAKER: She said yes.

MRS CROSS: I withdraw those words that you wish to be withdrawn, Mr Speaker.

MR SPEAKER: Thank you. Mrs Cross.

MRS CROSS: Mr Humphries has so far chosen to selectively disparage evidence and to denigrate the findings of the report, consistent with the way he tried to denigrate and discredit me. That is the way Mr Humphries avoids scrutiny.

As a further example of this style, I remind members that since making those comments, Mr Humphries has referred to the first person to be found guilty of contempt of this place, Mr Strokowsky, as "an innocent victim". A political leader who lacks courage and therefore cannot and will not acknowledge when he is wrong, or fails to take responsibility when those he is supposed to be supervising do wrong, abrogates his entitlement to call himself a leader.

Mr Speaker, let me give just one more example of the resort to insinuation that Mr Humphries used in his sustained and unforgivable assault on me, and continues to use in some of his latest comments to the media. The other day, when commenting on Mr Strokowsky's resignation, Mr Humphries referred to him as a man who had sadly been forced to resign and thus be denied his livelihood because of what had happened. He went on to claim that he was an honourable man, an innocent victim in all this.

He then went further to suggest that his staff deserved an apology—for something or other unspecified. An apology, would you believe! Have you ever heard anything so ridiculous? There is no end to this flim-flam.

What an insult to the intelligence of the members of this Assembly and to our fellow members of the ACT community that Mr Humphries should presume to claim, in this chamber and in the public arena, that those found guilty of serious misconduct are somehow innocent. I, not he, will tell you who the truly innocent victims are throughout this shameful, sorry episode, and they are sitting in the gallery today. Sue Whittaker and Mary Elliott. They are the honourable ones; the true, courageous ones. Yet they have been so savagely punished for the apparent "sin" of honesty.

For Mr Humphries to whine on behalf of his own tarnished staff, while disparaging those who are untarnished, is a travesty of all that is decent.

Mr Humphries: Mr Speaker, on a point of order: only last week you ruled on the question of reflections on a member of staff, I think, or members outside this place who don't enjoy the protection of this place. To attack me is okay, and Mrs Cross is obviously intent on doing that. But to attack the staff in this place is another matter altogether. It is a question of the standards which you have tried to impose on this house. I would ask you to caution Mrs Cross about continuing to attack the staff in this way. They can't get up in this place, as we can, to protect themselves.

Mr Stanhope: On the point of order, Mr Speaker: Mrs Cross was referring to the findings of a privileges committee—most serious findings—which came to a grave conclusion, namely that a member of Mr Humphries' staff had committed a contempt of this place. How can there be any substance to Mr Humphries' point of order? Mrs Cross was referring to the findings of a privileges committee, a finding that a member of Mr Humphries' personal staff, operating out of his office, was guilty of contempt.

This is not a case of Mrs Cross flaying around and simply criticising or targeting other staff. She is actually referring to a finding of a privileges committee of this place, a grievous finding that a member of Mr Humphries' personal staff, operating out of his office under his direct supervision, was guilty of a grievous contempt, namely that he read, downloaded, distributed and improperly used the email of a minister of the ACT government. I hardly think there is any substance at all. I take your point of order, Mr Humphries.

Mr Humphries: I am not talking about that staff member, Mr Speaker.

Mr Stanhope: Sit down, I have the floor.

MR SPEAKER: Order! I am the one that says when to sit down. I will let the Chief Minister finish his comments on the point of order and if you have a further point of order—

Mr Humphries: He is not talking about what I am talking about.

MR SPEAKER: Chief Minister, if you would like to conclude.

Mr Stanhope: To conclude: Mrs Cross was talking about somebody named in a privileges committee report and she is quite entitled to do so.

MR SPEAKER: Thank you. An earlier point of order was raised in relation to staff. I will try to deal with that one first.

Mr Humphries: Can I make a response to what the Chief Minister has said. Mrs Cross did talk about the staff member concerned, but she then went on to talk about other Liberal staff and it is those people I am referring to. The staff member who was found to be guilty of contempt is, if you like, reasonably the subject of what is now turning into a debate, but the other staff are not. That is my point: it is the other staff that are being attacked by Mrs Cross' remarks. It is unfair and I ask that she not continue to do that.

Mr Stanhope: On the point of order, Mr Speaker: that is not what Mrs Cross said at all. Mrs Cross was deriding Mr Humphries' determination to insist that other staff deserved an apology. She is entitled to say that. That doesn't reflect on staff. Mrs Cross was upbraiding Mr Humphries for insisting through this scandalous affair that the appropriate response of the Assembly was to apologise to other staff. Mrs Cross actually then went on to say "unspecified and undesignated". How can simply rebutting Mr Humphries' assertion that they deserved an apology possibly be reflecting on other staff? What nonsense!

MR SPEAKER: Thank you. The position is this: Mrs Cross referred, if my memory is correct, to "tarnished staff". It is a matter of fact that a committee of this Assembly has reflected poorly on a staff member by way of a contempt finding. So, to that extent, in my view, members are entitled to refer to the contempt finding.

So far as other members of staff are concerned, I want to ensure that they are protected and I want to ensure that members in this place do not attack staff members in this place unduly. The fact of the matter is that a staff member has had a serious finding made against him, and members are entitled to refer to that. I took Mrs Cross' reference to staff as a reference to that person.

MRS CROSS: Thank you, Mr Speaker. Don't take my word for it. Go and ask any normal, ordinary person in the street. They will tell you the same thing. That is how much out of touch with the community Mr Humphries and his ilk are.

Mr Humphries' conduct leading up to and beyond my departure from the Liberal Party has only confirmed what many have come to expect—politicians behaving badly. When politicians such as those in the opposition conduct themselves in a way that no other members of the community would be permitted to do, is it any wonder that many in the community hold us in contempt.

As is now public knowledge, a couple of months ago I became extremely ill. In fact, at one stage I was taken from the Legislative Assembly directly to hospital by ambulance. As soon as I was able, I notified relevant officers of this chamber—you, Mr Speaker; the Leader of the Opposition, Mr Humphries; the Liberal Whip, Mr Stefaniak; and the Clerk, Mr McRae. In any other workplace, common human decency, and indeed the Workplace Relations Act, requires that a person not be harassed or subjected to disciplinary

processes during the term of an illness. In short, people cannot be sacked when they are on sick leave.

Clearly, the spirit and intent of the law didn't apply to him. The fact that Mr Humphries is incapable of extending common decency and humanity to a fellow colleague, as I then was, makes him unfit to hold political office, even in the Senate.

Mrs Dunne: Mr Speaker, I take a point of order. Mrs Cross just said words to the effect that Mr Humphries was incapable of human decency. This is unacceptable language—

MR SPEAKER: I don't think she said that.

Mrs Dunne: I am sorry, she did. You may have to go back and consult the *Hansard*, Mr Speaker, but I think those words have to be ruled out of order. They have to be withdrawn, along with the assumption and assertion that Mrs Cross made some time ago that Mr Humphries denigrated the findings of the Privileges Committee report. These words are not true. They reflect on Mr Humphries as a member of this place and they are unacceptable. I would submit, Mr Speaker, that what is happening here is that Mrs Cross is attempting to do the dirty work of the Labor Party. You don't have the guts to move a censure motion. They have suggested, Mr Speaker, that they will move a censure motion in respect of the Leader of the Opposition, and they don't have the guts to do it.

MR SPEAKER: Order! Mrs Dunne, resume your seat. Mrs Cross, did you say that Mr Humphries was incapable of exercising human decency, or words to that effect?

MRS CROSS: Let me have a look. Yes, actually. I said:

> In any other workplace common human decency, and indeed the Workplace Relations Act, requires that a person not be harassed or subjected to disciplinary processes during the term of an illness.

MR SPEAKER: Mrs Dunne, I don't think—

Mr Humphries: It was later than that, Mr Speaker.

Mrs Dunne: There was another sentence after that.

MRS CROSS: Let me continue. I will read the next bit, Mr Speaker, just in case.

MR SPEAKER: Order, everybody! Mrs Cross, please proceed.

MRS CROSS: Thank you, Mr Speaker. The truth is that Mr Humphries saw a political opportunity—

Mr Humphries: Is she reading what she said before?

MR SPEAKER: I want to hear what she said before so that I can make a ruling on it.

MRS CROSS: Okay, Mr Speaker. I said:

> In short, people cannot be sacked when they are on sick leave. Clearly, the spirit and intent of the law didn't apply to him. The fact that Mr Humphries is incapable of extending common decency and humanity to a fellow colleague, as I then was, makes him unfit to hold political office, even in the Senate.

MR SPEAKER: I think you should withdraw that.

MRS CROSS: I will withdraw, Mr Speaker. The truth is that Mr Humphries saw a political opportunity while I was ill to expel me from the party room.

In my short time as an opposition shadow minister I learnt some very disturbing facts about some of the personalities that occupy the opposition benches. Mr Speaker, I cannot be quiet when I see inappropriate conduct in public office occurring. One such example, Mr Speaker, was the Callam Street realignment—

Mrs Dunne: Mr Speaker, on a point of order: Mrs Cross has just inferred that every member of the opposition conducts themselves inappropriately as a holder of public office. This is inappropriate. Mr Speaker, if you allow this to continue, I will take a point of order every time Mrs Cross says something inappropriate about a member of this place. It will take all day if you like, but I will do it.

MR SPEAKER: Well, no it won't—I can tell you that much. You have raised this as a point of order. You can't honestly think that Mrs Cross is going to climb to her feet and speak on this subject without being critical of her former party colleagues.

Mrs Dunne: There are forms, Mr Speaker. There are ways to do this. If she has a problem she should raise it by way of a substantive motion.

MR SPEAKER: So what are you complaining about?

Mrs Dunne: I am complaining universally about reflections upon Liberal Party members and specifically about reflections upon Mr Humphries and the staff of the Liberal Party.

MR SPEAKER: I have already dealt with the matter of the staff of the Liberal Party.

Mrs Dunne: This is an ongoing thing. You have not warned or advised Mrs Cross that this is an inappropriate way to conduct herself in this chamber and, as a result, Mrs Cross is continuing to do this. This is not appropriate, Mr Speaker.

MR SPEAKER: I have already said to you that if you have got specific words you want ruled out then I will—

Mrs Dunne: She has just said that members of the opposition behaved inappropriately while holding public office and I have asked you to rule that out of order. They are not appropriate words for this place.

MR SPEAKER: I am not going to rule that out of order in this place, otherwise I would have to zip everybody's mouth. Proceed, Mrs Cross.

MRS CROSS: Thank you Mr Speaker. One such example was the Callam Street realignment that has so adversely affected the Phillip business district. Mr Speaker, it is on record that I have had a long association with the Phillip Traders Association, and indeed was President of that group. On the day the election results were announced I raised with Mr Humphries the subject of two presidencies I held at that time. I asked him if he would like me to resign from the presidencies. Mr Humphries assured me that it would be beneficial for the Liberal Party's profile while in opposition if I stayed with both, so I did. He cited Mrs Carnell as an example, when she was elected to this Assembly while President of the Pharmacy Guild. He said she was able to keep that role while in opposition as there was no conflict of interest.

So you can imagine my shock and surprise to find that my association with the Phillip Traders was first in the list of spurious charges that Mr Humphries used as a pretext to expel me from the Liberal Party room. I now know that my level of knowledge about this particular land deal is something that both Mr Humphries and Mr Smyth should quite rightly be nervous about. To the Phillip Traders, the Liberal opposition and the people of Canberra I can only say on this matter: watch this space.

Mr Speaker, I am sure Mr Humphries and other Liberals in the opposition party would like the public to believe that I am simply now seeking revenge in the comments I make. In fact, I fully expect my voting patterns in this Assembly to be now interpreted as "vengeance" whenever they differ from the opposition's position. But the reality, Mr Speaker, is that the Liberal Party has now sown the seeds of its own demise. In short, the parliamentary party appears to be imploding.

I would now like to turn my attention to the aftermath of what should have been a conscience vote in this Assembly, but turned out to be much of the catalyst that led to my sitting on the crossbenches. Few would have been critical if I had simply voted along party lines with my then Liberal colleagues, but my conscience would not allow me to do that. You see, Mr Speaker, I consider myself to be a Liberal in the Robert Menzies sense of the word, and that is someone who holds dear the rights of the individual and considers government intervention in the day-to-day lives of its citizens as only warranted when in the public good and in the public interest.

My reasons for supporting your decriminalisation bills, Mr Speaker, were derived from the debates on those bills and from a wide spectrum of experience within the community. What was not particularly welcomed was the way Mrs Dunne, in particular, chose to seek to impose her personal set of beliefs on the rest of the community. It would come as no surprise to this chamber to know that Mrs Dunne holds deeply religious beliefs.

I am proud to live in a community and a country where religious tolerance is, by and large, the mainstay of public debates. But at the same time, Mr Speaker, part of living in a democratic country such as Australia is enjoying the freedom of not having other people's views thrust upon you, particularly other people's religious views. Mrs Dunne does not accept that view. In fact, as the public record now shows, she fought to maintain a situation where a woman's choice about what she does with her own body remains subject to the criminal law.

For me, the fundamentals of an issue such as this were best summed up by Senator Vanstone when she spoke last week in the Senate during the embryonic stem cell debate. In that debate Senator Vanstone said:

> Let me turn to some of the objections which have their basis in a religious view. My own position is this: if you lead a good life, any god worth knowing will accept you into his or her heaven. I do not think—since I went to an Anglican school—that there will be any St Peter at the gates despatching infidels to another place, smirking behind his hand that this sucker made the mistake of going to a Catholic, an Anglican or a Baptist church, or being a Jew, a Hindu or a Muslim. If the basis for getting into heaven is that you pick the right church, then frankly I'm not terribly interested in going there. It could be a very boring place.
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> I think living by a decent set of values is far more important than defending religious dogma. I'm confident that if you lead a good life and there is a kingdom of heaven you will be welcomed. Your religion is your business and no-one else's. My personal view is that when you make your religion an issue, you drag it into the political domain and you tarnish it. It follows that I attach very little importance to such arguments.
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> My point is quite simple: each to his own religion. If you say to me that doing something is against God's will, then I will respond by assuring you that if God is annoyed, God will punish whomever has done that thing. Over the years, as I have been approaching 50, I can assure you I have had every confidence in God's ability to settle accounts. It has not been my experience that he or she usually waits until you are dead. Many people who have done the wrong thing have met their maker in a practical sense while they were still alive … I simply ask those who, because of their beliefs, have a very genuine concern about this bill, to accept that they are entitled to follow their beliefs. They are not entitled to demand, by legislation, that everybody else does the same.

What a shame that more of Senator Vanstone's values did not rub off on Mr Humphries when he was her adviser.

My point, Mr Speaker, is that a very serious breach of the basic principles of democracy has taken place within the parliamentary Liberal Party of this Assembly. That breach concerns that party being beholden to sectional, marginal and minority interests in the community. The people of Canberra need to understand that when they cast a vote for Mr Humphries, Mr Smyth, Mr Pratt, Mr Stefaniak, Mr Cornwell and Mrs Dunne, they are really casting a vote for the Right to Life Association and the policies and principles of some of the more extreme elements of the Roman Catholic Church.

In conclusion, Mr Speaker: now that I have put these things on the record, I can move forward. When casting my vote in this Assembly my only criterion will be: is this in the best interests of the people of Canberra? This and not simply where I sit in this chamber will be my clear point of distinction from the Liberals.

At this point I would like to thank my friends, some of whom are in the gallery today, some of my relatives and my husband, David, who has probably had to endure more than anyone else. I thank you. I thank my staff for their support and I even thank members of the media for some of the good work they have done. Thank you, Mr Speaker.

Suspension of standing and temporary orders

MR HUMPHRIES (Leader of the Opposition) (11.03): Mrs Cross has raised a number of allegations, including allegations touching on the Privileges Committee. I think it is appropriate for the Assembly to move to have that debate now. I move:

> That so much of the standing and temporary orders be suspended as would prevent order of the day No 7, Assembly business, relating to the report of the Select Committee on Privileges, being called on forthwith.

Question resolved in the affirmative, with the concurrence of an absolute majority.

Privileges—Select Committee
Report

Debate resumed from 14 November 2002, on motion by **Ms Tucker**:

> That the report be noted.

MR HUMPHRIES (Leader of the Opposition): I do not have the call, Mr Speaker, but, if who has the call does not mind, I will take the call anyway. I seek leave to speak again.

Leave granted.

MR HUMPHRIES: It is appropriate to be debating this matter today, because in presenting its report last week the Select Committee on Privileges made a number of quite serious findings, including a serious finding about a member of the opposition staff. In turn that led to comments and allegations in the media—some of which went beyond what was in the committee report, some of which were even rejected by the committee report—which I think need to be dealt with today. I think this debate needs to be conducted because of the implications it has for members of this place and for staff members of this place.

Ms Tucker, Mr Hargreaves and Mr Smyth have produced a report on a matter which obviously produced a great deal of passion in the course of the committee's public hearings and which led to a much reported set of findings and a very serious finding against a member of staff of this place. That staff member was found by the committee to have committed a contempt of the Assembly and, as a consequence, that staff member chose, on Thursday of last week when the report came down with that finding, to resign as a member of the staff of the opposition.

I have a feeling that very little of what I say will have a bearing on the outcome of the subsequent motion which has been mooted in this place—that is, a motion of censure of me. I believe that minds have been made up on this matter for a variety of motives. A majority of members want to nail a certain hide to the wall, and the findings of the select committee, which might once have been viewed as a stepping stone in that direction, are now an encumbrance, but only a small one, in that process.

It is obvious from the speech Mrs Cross has just given that she has considerable personal animus towards me and indeed my colleagues. There is no government which does not have the same kind of desire to knock off an opposition leader when they have the chance. Today, obviously, that chance presents itself.

The email affair has left the reputation of the Legislative Assembly tarnished. The events themselves and the mudslinging and the point-scoring around them have contributed to that state of affairs. No-one present in this chamber, myself included, does not wish these events had not occurred.

Members opposite, particularly the Chief Minister, have raised whether I should apologise, either personally or vicariously on behalf of the Liberal Party, for the events that the committee found led to a member of the Liberal staff being in contempt of the Assembly. As I said, I think the view I express will have little bearing on what is going to happen with the majority in this place, but I think it is important to put my view on the record.

Mr Speaker, my view is this: I regret the fact that Mr Wood did not receive the emails intended for him and that he has asserted that non-receipt of those emails adversely affected his performance as a minister and as an MLA. He has said there was a serious interference with his role in the Assembly. I do not have personal knowledge of how it affected his role, but I accept what he says.

Had I been aware that any email was reaching a member of the staff of the ACT opposition in such a way that Mr Wood was unable to receive it, I would unquestionably have instructed that such correspondence be forwarded to him and prevent its not reaching him.

Further, had I been aware that 38 or more emails were being received by this means, even if it were thought that the emails were only copies of ones Mr Wood was receiving, I believe I would have formed a view that such a large volume of correspondence would be tantamount to eavesdropping and should be prevented.

However, I emphasise that these were not the circumstances that confronted me, or even the ones which the staff member concerned claimed confronted him. Neither was I aware that any emails were being received, much less 38 of them; nor did the staff member concerned claim to have read as many messages as that. He claimed he was aware of only six or seven, and he claimed further that he believed that these may have been intentionally sent to him as blind carbon copies.

As a longstanding Liberal staff member and long-time party member, I chose to give this staffer the benefit of the doubt. In ordinary circumstances, we all owe that to our staff. If we did not have some faith in the integrity of our staff in the first place, presumably we would not hire them.

The committee did not believe the version of events that this staff member put forward. Whether it was right or wrong, the Select Committee on Privileges was the arbiter of these issues. It was duly appointed by the Assembly to be the arbiter of these issues, and I believe it behoves all of us to give its finding due weight. With the findings it made in respect of this particular officer, his position became untenable in this place, and his

resignation in those circumstances was appropriate and honourable. I did not say, as Mrs Cross alleged in the course of her remarks, that I described this staff members as an honourable man or an innocent man. Neither of those things were said by me, but I have said that his resignation in the face of the report was an honourable thing to do.

Let me be clear. If I had condoned, encouraged or supported the culpable Liberal staff member to divert or appropriate someone else's email, I would apologise to this house. If I discovered that a colleague or Liberal staff member had actually done so, I would discipline that colleague or sack that staff member. If I had continued to employ a person who was found by an Assembly committee to have committed a contempt of the Assembly, I would apologise to this house. But, Mr Speaker, I have done none of those things.

As I said earlier, I regret the fact that Mr Wood did not receive emails intended for him and that the actions of the Liberal staff member contributed, whether intentionally or inadvertently, to that situation. The committee, I might point out, made it clear that the staff member did not divert the emails. But I accept that a failure to report receipt of them could contribute to the prolongation of that predicament that Mr Wood found himself in.

As the head of the Liberal Party in this place, I am even prepared to apologise to Mr Wood for the effect of these events on him and his work, but I should say that I feel that such an apology should be mutual. I did not intentionally allow Mr Wood to be affected in this way, and I would not have intentionally allowed Mr Wood to be affected in this way. But Mr Wood and some of his colleagues most assuredly have quite intentionally made allegations about the staff member concerned, indeed about Liberal staff in general, which were found to be untrue by the committee and which would be defamatory if made outside this place.

They allege that the interception of emails was intentional and illegal. They described in this place the actions of Liberal staff in general as having been hacking. "Hacking" carries a very specific connotation: the deliberate act of going into a computer system—

Mr Hargreaves: Who said that?

MR HUMPHRIES: You have done this on the floor of this chamber, and your colleagues have done so outside this chamber.

Mr Hargreaves: You had better dig out those words.

MR HUMPHRIES: I will have to do so. They allege that the interception of emails was intentional and illegal, a matter that the committee found in paragraph 4.19 to be untrue. In that paragraph the committee said:

> The police concluded that Mr Michael Strokowsky was not responsible for the diversion. The committee agrees with that conclusion. Both the AFP and InTACT have concluded that it is almost certain that the person responsible was an employee of InTACT. However neither InTACT nor the AFP have been unable—

that should be "able"—

to identify the person responsible.

It has also been suggested quite explicitly by the Chief Minister, certainly outside this place to the media, that knowledge by people other than Mr Strokowsky was inconceivable. That is a reflection either on me in this place or on my staff or colleagues who sit on this bench with me. Clearly that is inappropriate.

The ministers I have referred to, in making those sorts of comments, have alleged that criminal conduct occurred by a Liberal staff member making those sorts of comments. They claimed the Liberal staff member hacked into the minister's email system to procure the emails concerned. That is untrue, and it damages the reputation of all the Liberal staff in this building.

To apologise for what occurred in the precincts of my office suite could be to admit some culpability, some active involvement in what occurred. *(Extension of time granted.)* This is no doubt the sort of admission that the Labor Party in this place seeks. But such an admission would be an unfaithful rendition of what happened.

Let me be clear, Mr Speaker. I repudiate the conduct which the committee found to have occurred, although I believe I still owe the staffer concerned the benefit of the doubt as to whether it did in fact occur. I am prepared as chief representative of the Liberal Party in this place to apologise for the conduct the committee found occurred under our aegis, but I believe, as I have said, that such an apology should be mutual. The government's representative should apologise for alleging that a crime was committed by a Liberal staff member. That allegation is every bit as serious and every bit as untrue.

A number of comments were made by the committee about what was alleged to have occurred. It dealt with a number of matters about which allegations were made quite explicitly either in the media or before the committee. It was alleged that there was a discussion about hacked emails or purloined emails. I think "purloined" is the word the Chief Minister has used in this debate before.

Mr Stanhope: They were stolen. There is no doubt about that.

MR HUMPHRIES: "They were stolen." He says "stolen". That implies to me an act of actually going and obtaining them. Of course, stealing something is illegal.

Mr Stanhope: They were downloaded, Gary. Were they downloaded? Were they read? Were they distributed?

MR HUMPHRIES: I should point out that the Chief Minister has again used the word "stolen". He is Attorney-General. He knows that to steal something is a crime, and he alleges that the crime was linked with somebody to do with the opposition.

Mr Hargreaves: The police have not finished yet. You cannot say it does or does not exist.

MR HUMPHRIES: I do not believe that any allegations can be made by anybody if the police have not finished their investigations. Mr Stanhope has already foreshadowed a new law on this matter, because he believes that certain things that have happened apparently constitute or should constitute some sort of crime. He has repeated the allegation today that these emails were stolen. I say again to members of this place that that is an allegation of a crime.

I accept that Mr Wood has suffered a penalty or a disability by virtue of these emails not having been received by him when they were sent. I regret the fact that that has occurred. I had no involvement in that, but I am prepared to apologise on behalf of the Liberal Party for what went on in the suite of offices the Liberal Party occupies. But I think it would be appropriate and fair for the minister to acknowledge that something untoward, something inappropriate, something unreasonable and unfair has happened at their behest as well.

Let me turn finally to the evidence Mrs Cross gave to the committee. Mrs Cross was the only person to make quite direct allegations that I as Leader of the Opposition had actually known about the diversion of emails or knew about the existence of emails that came to Mr Wood. The evidence she gave was that she heard some comments made by the staff member concerned which led her to believe that he was referring to emails that had been obtained inappropriately; that she became concerned about that matter subsequently.

When asked what she did about that, she said that she instructed her staff member to go and discuss it with me. If you are not sure about that, I can find the quote, Mrs Cross, but that is what you said. You said you instructed a staff member to go and discuss the matter with me. I do not know what evidence Mr Moore gave to the committee, because he gave it in camera. But, as I said to the committee at the time, I did not receive any correspondence, any comments or any remarks from that staff member about this matter.

I ask members to ponder this question: if they believed that they were in a party which was engaged in seriously inappropriate conduct or perhaps, as the Chief Minister has alleged, illegal conduct, surely they would go and discuss that matter with the leadership of the party. They would go and talk about it with the leader of the party, the deputy leader, a staff member or somebody else.

Mr Hargreaves: Only if you trusted them. What if you do not trust them?

MR HUMPHRIES: I am sure you would do the same thing in those circumstances, Mr Hargreaves. You would not sit on it.

Mr Hargreaves: Yes, but I trust Mr Stanhope.

MR HUMPHRIES: I am glad to hear it.

MR SPEAKER: The member's time has expired.

MR HUMPHRIES: I seek a further extension of time. I will not be long, Mr Speaker.

MR SPEAKER: We have run into this difficulty before.

MR HUMPHRIES: It is a fairly serious matter, Mr Speaker.

MR SPEAKER: I understand that, but I feel constrained by the standing orders. I think you will have to move to suspend standing orders.

Suspension of standing and temporary orders

MR HUMPHRIES: I move:

> That so much of the standing and temporary orders be suspended as would prevent me concluding my speech.

Question resolved in the affirmative, with the concurrence of an absolute majority.

MR HUMPHRIES: I will be brief. I thank the house. Mrs Cross alleged to the committee that she had come to the view that something was untoward in the Liberal Party, and her reaction to that was to send a staff member to discuss it with me. The staff member never came to discuss the matter with me. I do not know what happened in the committee when that staff member gave evidence. I am quite certain that that person would have told the committee that he never came and discussed it with me.

Mr Speaker, that is an illustration of how much weight we should give in this place to the allegations which have been made before the committee and made since the committee reported about the knowledge of myself in particular and my colleagues in this matter.

The most important factor about that is that, despite Mrs Cross giving that evidence, the committee, in the very last paragraph of its report, said:

> The committee found no evidence to suggest that any member of the Assembly had any knowledge of Mr Strokowsky's access to Mr Wood's e-mails. Nor did it find evidence that any other member of the Opposition's staff in the Assembly had sufficient knowledge of the access or use being made of the emails to suggest that any other staff member could also be in contempt of the Assembly.

With respect, literally that cannot be true, because there was evidence put before the committee. I heard it on the intercom system. I heard that evidence being given by Mrs Cross. What the committee obviously found was that there was no credible evidence, no acceptable evidence, that that was the case. That is a matter which I think this Assembly should take very seriously.

MR QUINLAN (Treasurer, Minister for Economic Development, Business and Tourism, Minister for Sport, Racing and Gaming and Minister for Police, Emergency Services and Corrections) (11.23): I wish to refer to a couple of things that Mr Humphries said. First of all, I would like to place on record my congratulations of the committee for doing exactly what Mr Humphries has said, in drawing no conclusions unless they had absolute evidence. That is an overriding characteristic of this report. Unless something was absolutely reported, the committee said it did not have evidence to support a particular conclusion. I think the committee has done very well.

Mr Stanhope: It does not mean it is not true.

MR QUINLAN: That is exactly right. It does not mean that things did not happen. I would ask the Assembly to consider some of the following: the committee did conclude that the diversion of Mr Wood's emails was deliberate. I have not heard any debate against that.

Mr Humphries: Not by a staff member of the Liberal Party.

MR QUINLAN: Just wait for it. It was a deliberate diversion. One presumes, and I am presuming, that it was a deliberate diversion to Mr Strokowsky. The first coincidence that leaps out at one as one reads this report is that Mr Strokowsky just happened to be the tactician within the opposition ranks and, as we understand, generally in charge of the formulation of questions for question time.

If someone really wanted the Liberal Party to have the Labor Party government emails, then that would be the route to be chosen. Therefore, it does leave in my mind—

Mr Humphries: Mr Speaker, I think it is fairly clear that what the Deputy Chief Minister is alleging or suggesting is that there was some act or conspiracy to have Mr Strokowsky receive those emails.

Mr Hargreaves: What is the point of order?

Mr Humphries: That is a reflection on members of this place, because members of this place were allegedly responsible for that. It is a very serious allegation. Mr Speaker, first of all, it is a serious allegation with respect to the staff member concerned. The committee found quite explicitly that Mr Strokowsky was not responsible for the diversion. So if it is not a reflection on Mr Strokowsky, then it is a reflection on other staff in the Liberal Party team or it is a reflection on Liberal members. Either way, it is a reflection on somebody on the first floor of the Assembly.

MR QUINLAN: No, it is a reflection on the one-armed man, mate—Mr X.

Mr Humphries: It is not that. It is clearly a reflection on somebody to do with the Liberal Party. That is the mud Mr Quinlan wants to stick.

MR SPEAKER: Order! Mr Humphries, you have not drawn a connection between what Mr Quinlan has said and a member in the Assembly, so I am unable to rule in your favour. I do say to members, though, to be cautious about the way they deal with staff, because staff in the ordinary course of events are not in a position to defend themselves in this place. But at the same time there has been a report to this Assembly. The question before the house is that the report be noted. A staff member has been mentioned adversely in the report. What you seem to be suggesting is that I rule out anything which reflects on the decisions of the committee. I cannot do that.

MR QUINLAN: I might then move straight to Mr Strokowsky and his evidence. Evidence recorded in the report is that Mr Strokowsky started out by saying he received five or six, and the report states that he received 38. Mr Strokowsky copied at least two of those emails he received and handed two of those to other members of the opposition staff. He stated before the committee that that was the same email, and it was not.

Mr Strokowsky promptly sent receipts for email that he received in the name of Mr Wood.

Within the limits of what I can say in this place, I do not accept the veracity of everything that is recorded against the name of Mr Strokowsky in this report. I have pointed up, I think quite logically, that there is a coincidence that the committee finds a deliberate diversion. I do not know by whom. It is not someone on the first floor, unless you have someone up there who is technically very literate and has access to systems that we do not have access to. Nevertheless, I am presuming that someone wanted mail from a seemingly redundant email box to go to Mr Strokowsky. Mr Strokowsky has given dubious evidence. Therefore, I would be concerned whether he had further knowledge of that diversion.

The report tells us who knew. So far we know that the following knew. Mr Strokowsky knew of this, of course. Sue Whittaker knew of this. Mary Elliott knew of this. Amalia Matheson knew of this, to the point of being agitated, quite upset and concerned—not reactions of one who had just found that the odd email fell of the back of a truck, to use Mr Hargreaves' terms. So there was on the first floor, according to the report—which I think Mr Humphries has accepted and depended upon in what he has said—clearly a whole raft of people that knew to some extent this was going on. The extent may vary, quite clearly.

I want to refer also to the question that was asked in the house, I think, of Mr Stanhope: "Are we answering all our mail?" It is stated in this report that the committee was informed that that question originated in Mrs Dunne's office and had absolutely nothing to do with this incident. That is what has been claimed.

Let me just add one bit of information. I recall, on the day that question was asked, a crack coming from that side of the house aimed at and naming Mr Wood. I have been through *Hansard*. It is not on the *Hansard* record. It is part of my recollection. I am giving that information to this house. I just want the house to know that and for people and members who read this report to read it within the context of that remark that was made on that day. So far what we have, Mr Speaker, is a series of coincidences.

Mr Smyth, in his defence, said that this was passive receipt. That is the defence of the Liberal member who sat on this committee, and yet he has heard that part of this passive receipt was to copy at least two and claim it was one, to distribute at least two and claim it was one and to issue receipts for two of those in the name of Mr Wood. I hardly think that that defence stands up.

I would like to close by saying that quite clearly this is not an edifying event. For me, this report leaves questions unanswered. Quite clearly, the questions cannot all be answered, because the committee has done the absolutely right thing and taken only absolute evidence to draw their absolute conclusions. *(Extension of time granted.)*

It has been an unedifying incident, to the point of some of the reports of incidents, even a physical fracas that eventuated between staffers of the opposition. One thing that does have to be mentioned is what Mrs Cross mentioned in her statement. The victims of this—aside from Mr Strokowsky, who is a victim, I would suggest, by his own hand—are two Liberal staffers who had the decency to stand up for the principles that underlie

this place. I suggest to Mr Stefaniak and to Mr Cornwell, for whom those two people work, that they should take another look at themselves and the support they have given their staff, who acted honourably when, quite clearly, at least one other staffer had acted dishonourably to cause the incident in the first place.

MRS CROSS (11.34): Mr Speaker, I would like to make some comments, if I may. My former adviser, David Moore, whom I hired on the recommendation of Mr Humphries because he had been a longstanding member of this Assembly and who did some very good work for me, was in fact the person that sent alarm bells ringing for me regarding Mr Humphries. Until the police raid on Mr Strokowsky's office—which was on 6 March, I believe, in the morning—I would never have suspected or thought that Mr Humphries or anyone else from that office had anything to do with anything wrong.

I remember arriving at the Assembly that morning wondering why there were people in there, and I said to David Moore, "What's going on?" He said "Shit, the police are in there raiding Mike's office." I said, "Why?" He said, "Something to do with emails." I remember David panicking. His words were: "Shit, the question." I said, "What question?" He said, "The question that you were forced to ask in February regarding the government's tardiness in responding to correspondence." I could not understand his concern, and I said, "Don't worry. I questioned the basis for that question, and I in fact took it back to Mr Strokowsky in February and I said, 'I'm not asking that. It's a shallow question.' " That information is in evidence.

I understand that Mr Moore has given evidence in camera. I do not know what that evidence is, but I am assuming he told the committee what he told me about the affair. What he told me was that shortly after the police had raided Mr Strokowsky's offices Mr Humphries had a meeting with Mr Paul Osborne. The day after that meeting, Mr Moore came into the office and said, "Gary knew about the emails." I said, "I don't believe it." He said, "Yes, he did." I said, "How do you know?" He said, "Because he told Paul yesterday."

I assume that that is the evidence Mr Moore gave to the committee. I understand he gave that evidence in camera.

Ms Tucker: No. It is published now.

MRS CROSS: I have not looked at the evidence, but that is not only what Mr Moore told me. He also discussed the fact that there was a third person that had knowledge of Mr Humphries knowing about the emails to a number of other staff in this Assembly. Why I did not give that evidence when I came forward to the Privileges Committee is I assumed Mr Moore gave that evidence. If he did not, he should have, because I can assure you that is what Mr Moore told me. From that day on, Mr Moore became extremely wary and cautious of the Liberal opposition. He felt that the man that he trusted and that I trusted could not have possibly done this. But the fact that his best friend, Paul Osborne, told him meant that there was some problem. The fact this is not in the report—

Mr Humphries: Why didn't you give this evidence before the committee?

MRS CROSS: Because that is the evidence that Mr Moore should have given to the committee—if indeed he did. That is not my evidence to give. That should have been given by Mr Moore. But I am prepared to put my hand on a Bible on this and tell you that that is exactly what Mr Moore said to me. He also passed that information on to other people, and what we have here is some people saying one thing and some people saying another. If your conscience was clear, you would not have treated those two women in the Assembly, the staffers of Mr Cornwell and Mr Stefaniak, the way you did. Your behaviour was appalling. To have members of the Liberal opposition telling their staff not to speak to these women because they did the ethical thing is reprehensible.

I can assure you that that is exactly what Mr Moore told me. He repeated that information to other staff in this Assembly. I expected Mr Moore to come forward with that information. If he has not, he should have, because that is exactly what he said. And you admitted it to Mr Osborne. Isn't it interesting that that evidence—

Mr Pratt: Are you making this up or is this a reflection of the evidence in the committee?

MRS CROSS: No, I am not making it up, Mr Pratt. Control yourself. This is a fact. This is exactly what I was told. Why I did not come to talk to the Opposition Leader about it is that I could not believe it. I did not believe that the man I looked up to and had complete faith in would do something like that. But when I watched the actions of members of the Liberal opposition—including Mr Smyth, Mr Humphries and Mrs Dunne—and them behaving in such an appalling way to the staff members in that gallery, I knew there was something wrong. It appeared like—

Mr Pratt: You are on Mars, Mrs Cross.

MRS CROSS: No, I am not a martyr. I am honest, and I know you cannot cope with that.

Mr Speaker, that is the truth, and unless that truth comes out we are going to continue to see a cover-up here which protects staffers sitting in that gallery.

MR HUMPHRIES (Leader of the Opposition): Mr Speaker, I know that generally speaking statements under standing order 46 are made at the end of a debate, but this is an extremely serious allegation which is being made, and I ask for leave to make a statement under standing order 46.

Mrs Cross: It is not an allegation. It is the truth.

MR HUMPHRIES: It is an allegation. It is extremely serious.

MR SPEAKER: I think it is a fair convention that statements on personal matters should be dealt with outside of a question which is being debated, and I prefer to stick to that, particularly—

Mr Humphries: In that case I seek leave to make a further statement.

MR SPEAKER: You can make a statement pursuant to standing order 47 if something that you have said is being misquoted, or indeed you can seek leave to speak further.

MR HUMPHRIES: I do not think it is really a standing order 47 matter. I seek leave to make a further statement to the house.

MR SPEAKER: Is leave granted?

Mr Quinlan: Can we do that at the end of the debate?

MR HUMPHRIES: Come on, it is pretty relevant to this matter.

MR SPEAKER: Order! Leave has been sought. Is leave granted?

Leave granted.

MR HUMPHRIES: I thank members. I want to respond immediately to this allegation, Mr Speaker. Mrs Cross has alleged that she had a conversation with Mr Moore in which Mr Moore was supposed to have told her that I had told Mr Osborne that I knew about the emails. If this occurred after, as Mrs Cross puts it, the raid on Mr Strokowsky's office, then of course that would be true, because, as I said to the police when they interviewed me, I was told about this matter by the police a couple of days before the raid, as she puts it, took place. So if the conversation she refers to was a conversation with Mr Osborne that took place after that point in time, then obviously I would have known about the emails, because by then it either had become public knowledge or was about to become public knowledge.

If she is alleging, as I think she is trying to do, that the conversation supposedly held with Mr Osborne took place before the matter was drawn to my attention by the police—and that presumably is the only reason she puts it into this debate—then it is completely and utterly false. I can say first of all that I had no such conversation with Mr Osborne. Secondly, I would be surprised if the committee did not make reference to that evidence had it been given by Mr Moore.

I understand from Mr Smyth that the evidence Mr Moore gave to the committee is now on the public record, is no longer in camera, and I assume that in this debate one of the members of the committee can stand up and read what Mr Moore actually said about that matter. If it was in some way raised, it should have been put to Mr Moore and he should have had the chance to comment on it.

But I can tell you that, whatever he said, it is not true. There was no such conversation. It is a symbol of what is going on in this debate that in the course of this debate, after the committee has reported, Mrs Cross raises this allegation afresh. What sort of kangaroo court is it where, after the findings have been brought down, people bring forward further evidence?

Mr Quinlan has given evidence about how he heard interjection from the opposition on that day. Why did he not tell the committee that? Mrs Cross has given evidence that she knew about a hearsay conversation with Mr—

Mr Quinlan: Because I had other things to do. I wasn't riding on every word of this, don't you know?

MR HUMPHRIES: More important things to do. It is important enough to raise today in the course of this debate in order to make some allegations against, or reflections on, me and the opposition.

Mr Quinlan: In the context of this final report.

MR HUMPHRIES: Why didn't you raise them before so that the report could have included them?

MR SPEAKER: Order! Mr Humphries, direct your comments through the chair.

MR HUMPHRIES: Mr Speaker, I reject the allegation that has been made. I suspect that, if *Hansard* is perused, it will be shown that either Mr Moore was not asked this question or, if he was, he denied it.

MRS DUNNE (11.44): I think that Mr Humphries hit the nail right on the head when he said this is a kangaroo court. We have had the findings of the Privileges Committee. They are serious and have been taken on board. People have paid high prices as a result of the Privileges Committee inquiry.

I suppose it is from there that we have to look forward to what comes in the future, but we can look forward only when we take into account the things that happened. As the question of the question has been raised, I think it is appropriate that I should address that issue, because that question was drafted in my office. I cannot in all honesty recollect entirely who drafted it, whether it was drafted by me personally or by a member of my staff.

I will give a little background as to why that question came about. That question came about because of the constant problem I was having and members of the public were having in getting answers from, and access to, the Minister for Planning. If members would care to peruse the notice paper and have a look at some of the press releases I put out at the time, you will see that I was in fact running a bit of a campaign to get the Minister for Planning to answer my letters. In fact, I put on the notice paper a question asking the minister when he would answer my letters.

It had a miraculous effect. I had been waiting for months and months, from December, to get answers to correspondence from the Minister for Planning. I put a question on the notice paper and, boy, within a week I had an answer to everything. I do not think that I should, quite frankly, have to bully a minister of this place to answer correspondence about constituent matters. They were not things that I was just vaguely interested in as a matter of whim. I was taking constituent matters to the minister, and he was not getting through his correspondence. That is the genesis of the question.

That question was about protocols and time lines and whether there were rules set down by this government, because they certainly were in the previous government. I knew that there were rules set down by the previous government about the appropriateness of members of the Legislative Assembly in the previous government answering questions

and that they should be answered within five working days. I was trying to plumb whether that was still the case and whether there was any intention to do anything about the fact that ministers were being tardy in answering correspondence and dealing with constituent matters.

That is the genesis of the question. The question was drafted in my office. I cannot recall whether it was by me or by my staff, but it was something that we discussed and it was part of a program to get a minister to answer correspondence. It was not in any way directed to Mr Wood, because I did not have any problems getting an answer out of Mr Wood on anything.

Motion (by **Ms MacDonald**) put:

> That the debate be adjourned.

The Assembly voted—

Ayes 9		Noes 8	
Mr Berry	Ms MacDonald	Mr Cornwell	Mr Smyth
Mr Corbell	Mr Quinlan	Ms Dundas	Mr Stefaniak
Mrs Cross	Mr Stanhope	Mrs Dunne	Ms Tucker
Ms Gallagher	Mr Wood	Mr Humphries	
Mr Hargreaves		Mr Pratt	

Question so resolved in the affirmative.

Suspension of standing and temporary orders

MR HUMPHRIES (Leader of the Opposition) (11.51): Mr Speaker, I move:

> That so much of the standing and temporary orders be suspended as would prevent a Minister moving a motion of censure of the Leader of the Opposition.

Mr Speaker, this house has debated on a number of occasions in previous parliaments the procedure with respect to censure motions. On a number of occasions, members have publicly mooted censure motions and on each occasion, to the best of my recollection, the house has come to the view that, if a member is being threatened with a censure motion, the censure motion should be moved at the first available opportunity. The reason for that convention is very simple. It is that members who face that, of course, are facing a quite serious matter and it is appropriate and fair that the house put that business before other business of the day.

The standing orders—indeed, the self-government act, I think—require that a motion of no confidence in the Chief Minister have priority over all other business and be set aside for the first available sitting day after seven days, et cetera. Similarly, in the same tone, members have taken the view that when the Assembly sits and a censure motion is being discussed publicly, it should be moved at the first opportunity. Members opposite obviously wanted to hear what was happening in the privileges debate, but they have chosen to adjourn that debate for reasons which have not been explained to this house.

Mr Stanhope: No, we wanted the debate on Thursday. We didn't want it today. You brought it on.

MR HUMPHRIES: But you have talked about a censure motion, and the convention is—

Mr Stanhope: No, I said that it is an option. It is always an option.

MR HUMPHRIES: On Saturday, someone on behalf of the government purported to say that you were considering a censure motion. Mr Speaker, it is appropriate and fair, using the convention of this place, that the motion be dealt with at the first available opportunity. I ask the house to respect that convention and see this matter is dealt with today. To leave that sword hanging over—

Mr Stanhope: We are not making our decisions based on your Senate preselection campaign.

MR HUMPHRIES: I know that that is what you have been thinking a lot about.

Mr Stanhope: Your Senate preselection campaign is irrelevant to us, mate. We don't make our decisions based on that.

MR HUMPHRIES: If it is irrelevant, why do you keep talking about it, Mr Stanhope, at every available opportunity—in the media, in this place and everywhere else?

MR SPEAKER: Mr Humphries, direct your comments through the chair.

Mr Stanhope: The fact that you are trying to get the numbers is not a matter for us.

MR HUMPHRIES: I haven't got them, according to you. I have lost that backing, according to you. Mr Speaker, the fact of the matter is that we have established rules in this place about such things. We have a convention, and the convention is well based. If members seek to invoke that convention, they ought to employ it today and have the matter dealt with now. If you want to move for censure of the Opposition Leader, go right ahead, but do it today.

MR WOOD (Minister for Urban Services, Minister for the Arts and Minister for Disability, Housing and Community Services) (11.54): The government has a business paper. It is not massive, but we wish to get on with it. This item would be routinely listed for Assembly business on Thursday, which is when it would have come up in normal circumstances and when it should come up.

I am aware that the media have asked whether a censure motion is coming. I think the general response has been that there are options to be considered and that may be one of them, but it would be at our timing. The debate on this matter would be at our timing on Assembly business and that is when it should be done. Mr Humphries brought up this matter this morning on the floor of the Assembly, so he has no particular prerogative now to take it further forward today. That prerogative holds for the government.

MRS DUNNE (11.55): Mr Speaker, this government has shown itself to be singularly lacking in courage today. They spent most of the end of last week and over the weekend—

MR SPEAKER: Mrs Dunne, confine yourself to the reasons for the suspension of standing orders.

MRS DUNNE: I am. The reason for the suspension of standing orders is that if members moot the notion, as they have mooted publicly for half a week now, that there should be a censure of a member of this place, they should have the courage of their convictions and, according to convention in this place and others, raise it at the first possible opportunity.

This is the first possible opportunity and what it shows is that this lazy government is not ready to try to fillet somebody that they have been trying to fillet for years. When it comes to the time, their hand is not steady and they are not ready. They should suspend standing orders and move a censure motion now.

MS TUCKER (11.56): I just want to raise a couple of questions that I would like the government, in particular, to respond to. I am not clear on whether a censure motion has been mooted by Labor. I understood one was, but I thought it was to be from Mrs Cross. I have heard now that it was also by Labor. I would like clarification on that. The problem I have is that I thought Labor supported our having this debate this morning to respond to the Privileges Committee report. Obviously, it was well under way when it was adjourned. Mr Wood is now saying that it should come up under Assembly business, which does not seem to be consistent.

We started this debate, as I understand it, because it is necessary to have this debate before we consider a censure motion as the two are related. As the debate has been adjourned on the Privileges Committee report, as we have not had a full debate on that, it does not seem to me to be sensible to deal with a censure motion, because it could influence how people would vote on the censure motion. Also, it is my understanding that a censure motion or a no-confidence motion should be brought on quickly, that that has been the convention in this place.

I can remember being forced to bring on a no-confidence motion in Kate Carnell immediately because that was the convention here in the early days. I would like to know the intentions of the government in terms of how long they want to delay the completion of this debate on the Privileges Committee report. I do not know why they have adjourned the debate. I would like to know that. We could have the rest of the debate on the committee's report today and then we could deal with a censure motion, if appropriate. Obviously, I cannot reflect on the vote for the adjournment, but I would like to know why and whether the government is prepared to bring the debate on again today.

MR WOOD (Minister for Urban Services, Minister for the Arts and Minister for Disability, Housing and Family Services): I seek leave to speak again.

Leave granted.

MR WOOD: You could have come and spoken to me, Ms Tucker. As a stickler for the rules—

Ms Tucker: I didn't know any of this was happening. Don't tell me I should have spoken to you.

MR WOOD: All right. What we sought to do with Ms MacDonald's motion was to adjourn the debate. There will be ample scope for proper consideration to be given to the whole context of the report, censure motion or not. There is a considerable amount that may well be discussed, as you would well know, Ms Tucker. To say that the rest of the discussion of this report will only be on whether there is to be a censure motion is simply nonsense.

Ms Tucker: Under standing order 46, can I make clear that I was misunderstood?

MR SPEAKER: If you want leave to make a statement under standing order 46, I would prefer you to wait until we have resolved the question before the house.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (11.59): Just on that: there is something that does need to be put in context here. It is not for the Assembly and it is not for the opposition to determine whether the government or any member of this place will move a censure motion. No member of the government has said that there will be a censure motion. I was asked a question—

Mr Humphries: Oh, come on!

MR STANHOPE: They have not. I have been asked by a number of journalists, all very interested in this scandal and its aftermath, "Will you move a censure?" My answer on every occasion has been that there are a number of options open to any member of the Assembly and, of course, a censure motion is an option. Of course it is, isn't it? But at no stage has the government said that it intends to move a censure motion.

I said that we would read the report, that we would study it, and we would listen and study the opposition's response to this scandal. That is what I said we would do, and that is what we will do. But I am not going to respond to your Senate preselection campaign. Why are you so anxious or nervous to have this matter put to bed?

Mr Humphries: You have been for the last six months. Why change?

MR STANHOPE: Why are you so anxious to put this to bed today? Why are you so nervous? What is your nervousness all about?

Mr Humphries: Because that is the convention.

MR STANHOPE: There is no convention. There has been no undertaking. There has been no statement by this government that it will be moving a censure motion. This government has responded to questions from the media about whether it will move a censure motion by saying, "We will consider a range of possible options. We will consider a detailed government response to the Privileges Committee."

Mr Smyth: You can't make a decision. Indecisive to the end.

MR STANHOPE: We will do these things.

Mr Smyth: "I just don't know."

MR STANHOPE: Are you enjoying this Privileges Committee report, Mr Smyth? Are you to be anointed the leader on Friday, to take over on Friday? Why not make Mr Humphries resign today? It would leave the Liberal Party in a shambles. They couldn't get through a sitting week without him. That is what he tells the *Canberra Times*—they couldn't get through a sitting week without him. They can't trust Mr Smyth until Friday, because they couldn't get through the week without Mr Humphries.

Mr Smyth: I take a point of order. The speech should have been on whether the house agrees to the motion.

MR SPEAKER: A point well taken.

Mr Smyth: Mr Stanhope is just having a bit of a free-ranging binge. Perhaps you can bring him back to the motion.

MR SPEAKER: Thanks for your assistance, Mr Smyth.

MR STANHOPE: The government has never said that it proposes to move a censure motion. It is simply unacceptable for the standing orders to be suspended to allow us to move a motion that we have never said we intended to move. I could actually move for the suspension of standing orders to give you an opportunity to resign today. You have foreshadowed you are going to resign this week. You have foreshadowed that you will be putting Mr Smyth into the job on Friday. I could actually ask for the suspension of standing orders to allow you to resign today.

Question put:

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

The Assembly voted—

Ayes 7		Noes 10	
Mr Cornwell	Mr Stefaniak	Mr Berry	Mr Quinlan
Ms Dundas		Mr Corbell	Mr Stanhope
Mrs Dunne		Mrs Cross	Ms Tucker
Mr Humphries		Ms Gallagher	Mr Wood
Mr Pratt		Mr Hargreaves	
Mr Smyth		Ms MacDonald	

Question so resolved in the negative.

Debate adjourned to the next day of sitting.

Personal explanation

MS TUCKER: Mr Speaker, may I make a personal explanation quickly under standing order 46?

MR SPEAKER: Yes, Ms Tucker.

MS TUCKER: Thank you. I wish to do so just in case I was unclear in what I said. Mr Wood seemed to think that I was saying that the only reason to have this debate was to inform decisions on the censure motion. I want to make it quite clear that that was not what I intended to say, if it is what I said. Obviously, I think that this report needs a thoughtful response and I hope that it will get that, although it has been sidetracked significantly.

Legal Affairs—Standing Committee
Scrutiny Report No 21

MR STEFANIAK (12.06): I present the following report:

> Legal Affairs—Standing Committee (performing the duties of a Scrutiny of Bills and Subordinate Legislation Committee)—Scrutiny Report No 21, dated 19 November 2002.

I seek leave to move a motion authorising the publication of the report.

Leave granted.

MR STEFANIAK: I move:

> That the report be authorised for publication.

Question resolved in the affirmative.

MR STEFANIAK: I seek leave to make a brief statement.

Leave granted.

MR STEFANIAK: Report No 21 contains the committee's recommendations on four bills.

I commend the report to the Assembly.

Cooperatives Bill 2002

Debate resumed from 22 August 2002 on motion by **Mr Stanhope**:

> That this bill be agreed to in principle.

MR STEFANIAK (12.07): Mr Speaker, the legislation which currently regulates cooperative societies was made at the commencement of World War II, quite a long time ago. It has been amended and many of those amendments, as with some other pieces of legislation, do appear to have been made in a rather ad hoc fashion. A lot of them were made during the demutualisation period of decades past.

There has been a patchwork of provisions which have not necessarily served the people of the ACT as well as they could. Accordingly, the act fell into general disuse. At present, I understand, there are only three local cooperatives registered under the law. Cooperatives are a much more common feature in other jurisdictions. There have been a number of attempts recently in Australia, including the ACT, as the Chief Minister indicates in his speech, to review legislative arrangements for cooperatives and the consistency of legislation round Australia has been discussed at a ministerial level since about 1990. The discussion has been wide ranging and many industry representatives have been included in it.

In March 2000 the former government brought in the Cooperatives Bill 2000. Some of the issues raised in that were taken up. The debate on the bill was adjourned at the time. A second bill was introduced in August 2001, but the legislation was not debated then. The bill was to be debated, I think, very close to the end of the sittings, but there was a whole swag of bills for debate and we did not get round to that one. It was not delayed because of any particular problems with that legislation. Indeed, it has been incorporated into this bill.

Some concerns were raised in 2001 in relation to the possibility of the then bill having some detrimental effect in relation to competition policy. That was a cause of concern then. I have made some inquiries in relation to that and have been advised by JACS that those concerns have all been taken into account in the piece of legislation currently before the Assembly. Also, some concerns were raised in relation to scrutiny of bills matters on those previous occasions and those concerns have been taken into account in the current piece of legislation.

I note that this bill was introduced in August. I was searching recently for the government's response to the comments of the scrutiny of bills committee in August. It has only just been received. I think that that is being a bit tardy. The responses have been quite good in terms of other pieces of legislation and they have been of assistance to the committee. I doubt that other members have them because I only received them just before the Assembly was due to sit today. It being 19 November and the scrutiny of bills report being of August of this year, some three months ago, there has been time for the response to be made.

Nevertheless, I do note in a more positive vein that the comments made by the scrutiny of bills committee have been taken on board. I understand that the government will be proposing some amendments as a result thereof which the opposition will support. But

I would impress upon the Attorney and other ministers that three months was a bit too long to take to respond as there was not a huge number of comments by the committee. Only several points were raised and I would think that they could have been responded to in a shorter period than three months.

Mr Speaker, this bill seeks to do a number of things. I will not go through the eight principal policy intentions of the bill, as outlined in the Chief Minister's speech, but I was pleased to see that it will enable cooperatives to have wider corporate powers by providing them with the powers of a natural person, a situation equivalent to that of corporations. Such powers, of course, are to be exercised within traditional cooperative principles.

The bill as it stands has been through a lot of consultation, as I have said. The previous Liberal government engaged in a fairly extensive consultation exercise. I am pleased to see that a lot of the comments there have been taken on board. The legislation has been through a number of scrutiny processes over the last two years and those comments also have been taken on board, however tardily, as has been the case. The Law Society has been consulted. I am pleased to say that, from my discussions with them, they are quite comfortable with the current bill. They have no further comments to offer on it. It is a good thing that they have been consulted.

Basically, this bill is similar to the one introduced last year. It takes into account those comments. I must say that it is based on uniform national legislation and all jurisdictions are going down this track. In fact, in this instance, I think we are catching up on some jurisdictions. I do note that Victoria passed its part quite recently, but some of the other jurisdictions are in front of us in this area of the law. It is good to see us catching up there.

I also note that there are some potential positives here for small business. That is certainly something we were wanting to see, which we were working towards when we were in government and which this bill will ensure. The bill will protect small businesses from incurring some expenses that they might otherwise incur. Hopefully, that will not be the case when this legislation is passed.

Mr Speaker, cooperatives are indeed a bit of a niche, but this bill expands the ability of small business to be involved and gives small business a number of benefits. I have already mentioned some potential savings. Also, small business will gain from some tax benefits—for example, not-for-profit shelves—which larger businesses would not be able to afford. This bill has had a very long gestation—effectively, going back to 1990—and we look forward to its incorporation into our law and, hopefully, greater use. We will be watching how it goes quite carefully because there has been a lot of discussion in relation to it and a number of improvements and amendments made as a result of problems that have been identified.

The opposition will be supporting the bill and the amendments that the Chief Minister will be introducing today, although, I reiterate, I would certainly appreciate in future to have details of the responses and the necessary benefits that flow from them in a much quicker timeframe. I think that three months was a little bit long in this instance, Chief Minister. I have no doubt that you will address that.

MS DUNDAS (12.15): The stated aim of the Cooperatives Bill is to assist in reviving cooperatives as a mode of organisation in the ACT, since the number of cooperatives in the territory, I believe, has dwindled to three. However, it is difficult to see that a piece of legislation 388 pages long, containing 478 separate sections, is likely to make a cooperative structure more attractive to groups wishing to establish a legal structure.

The bill is four times as large as the current Cooperative Societies Act and it reproduces huge slabs of the Corporations Act, which is notorious for its complexity. By comparison, the Associations Incorporation Act is a quarter of the size and is much simpler to understand. However, I do understand that the cooperative principles would well suit a large number of organisations and, for that reason, I hope that this attempt to revitalise this sector will be successful.

As Mr Stefaniak has noted, the scrutiny of bills committee did raise a number of undesirable features of the bill as introduced by the government. One such feature that I am concerned about is the proposed power of the registrar to exempt a person from many of the provisions of the act. That, of course, would get rid of the complexities, but no prerequisites or guidelines are provided for the granting of such exemptions.

To address this concern that the exemptions could be used arbitrarily, I have circulated an amendment that I will move in the detail stage, calling for guidelines for such exemptions to be put forward. But, with the amendments to be brought forward by the government and with my concerns being addressed, I would be happy to support this bill.

MS TUCKER (12.17): This debate has been long awaited, being on the third incarnation of this bill. The bill came originally from a national process and is based on Victoria's model, but it has been progressively amended to incorporate concerns of the scrutiny of bills committee. I am pleased that some of the concerns raised in the latest report will be picked up in government amendments today.

Cooperative organisation is something dear to the hearts of many Greens and there are many innovative examples of the use of cooperative forms to provide community services and promote community development. Cooperatives have also been enormous organisations, such as the dairy cooperatives and our own taxi network. The number of cooperatives in Australia was severely wound back through the 1970s and 1980s. To quote Gary Cronan in speaking at a conference in December 2000:

> There's been around about $35 billion worth of assets transferred from cooperative and mutual forms of ownership into the marketplace in the last 15 years. As many of you know, it's an awful lot of cooperative development to get $35 billion worth of assets back into the community. Indeed, all of those assets have gone across to make Australia, in the words of our Prime Minister, the largest share holding democracy in the world. There's been a shift from public and mutual cooperative forms of ownership across to marketplace ownership.

I do think that that is a shame. For smaller organisations which really operate on acooperative basis, registering as a cooperative gives greater formal protections and support to those principles than registering as an association if things go wrong.

In Victoria and New South Wales, the cooperatives sector has flourished. The new legislation is hoped to make it easier—in particular, the power for the registrar of cooperatives to make model rules, or a constitution, will help to reduce some of the costs and energy required to establish a group as a formal cooperative. However, there is also the issue of the cost of application fees. I understand that registering as an incorporated association, as do many small organisations which actually run on a cooperative basis, costs around $120, but to register as a cooperative can cost anywhere from $1,000 to $5,000.

The main concerns of the scrutiny of bills committee were around broad discretions given to the registrar and the fact that many of the powers were not appellable to the AAT. Around 59 sections were listed in the scrutiny report on the 2000 version of the bill as unreviewable decisions. Of the first list, only around 14 powers now remain without a reference to the AAT.

I understand that the government has some different views from the scrutiny committee on the desirability of all of the decisions being open for review by the AAT. There is an argument that AD(JR) process is more appropriate for decisions that are only going to be open to a challenge of error in law and for registry-type processes, such as requiring an applicant to take back a form and fill it in correctly. At this stage, we will have to take a watching brief on this bill. As there are only three operative cooperatives in the ACT, it may be some time before all of these provisions are tested.

Clauses 192, 196 and 262 in particular may be of interest. The first two empower the registrar to disallow special motions before or after they are passed if they are likely to breach the law. Clause 262 allows the registrar to make directions about fundraising. Fundraising in cooperatives has been a bit controversial. In New South Wales there is a capacity to raise money by, effectively, inviting shareholders in. The problem is that this can be seen as undermining core elements of the cooperative, particularly the equal shares and one vote per member.

The aim of having the registrar as umpire is ultimately to protect members and assist them, but also in part to reduce the possibility of litigation between members. In this capacity, the registrar is a low-cost constraint on illegal acts, including on management teams doing illegal things. I can see some merit in this argument but, as I have said, it is something to watch.

I am pleased that the government in its amendments will make exemptions of all kinds notifiable instruments. This will remove any secrecy. One of the problems with an exempting power is that it could be open to abuse—of course, not by the current registrar—and the mechanisms of notification mean that it will be public. The government has also changed the model used for inspections, so that there is a clear requirement for informed consent to inspections.

One of the remaining issues for cooperative regulation is the broad range of activities that cooperatives carry out. They can range from dairy cooperatives to the very local—for instance, a babysitting club. According to ACCORD, a research centre for cooperatives and mutuals, most cooperatives are small organisations in terms of their financial turnover. For example, in New South Wales, nearly 75 per cent of the

cooperatives had an annual turnover of less than $1 million during 1998-99 and only 4 per cent of the cooperatives had an annual turnover more than $10 million.

Around 35 per cent of the cooperatives in New South Wales are culture and recreation cooperatives, such as clubs and ski lodges, and over 20 per cent are providing human services, such as housing, aged care and child-care services. Consumer cooperatives constitute about 10 per cent of the sector, while primary producer cooperatives form another 12 per cent of the sector. This distribution of numbers does not reflect the distribution of turnover. Primary producer cooperatives generate 85 per cent of all turnover of the sector. New South Wales is home to 38.9 per cent of all the cooperatives in Australia.

Clearly, the issues in calling a meeting to wind up are very different for a dairy cooperative, to use a familiar example, and a group of maybe 10 people who can be contacted by phone in one day, so the registrar may waive the requirement for a small cooperative to go through with the complicated notification requirements as the winding up procedures would totally or substantially deplete the remaining assets of a failed, very small cooperative, which could be seen as contrary to the principles of cooperatives.

Of course, because there are no guidelines, it is open to the registrar to waive for many reasons, but the legislation is structured so that clauses 7 and 8 are overarching guides to every decision made under the legislation. The requirement is that any decision must advance the principles of cooperatives as listed at clause 8. As I have said, notification will greatly improve that, opening the decisions to some scrutiny. I am also happy to see the power to charge corporations. Holding bodies to account is essential.

The scrutiny report also raised concerns about clause 11 (4), but I am satisfied with the response given in a briefing, which was basically that this power is limited by the clause as a whole and by clauses 7 and 8. The purpose is to allow the registrar to adapt parts of the Corporations Law, basically by substituting "registrar" for "Australian Securities and Investment Commission", as needed.

I will speak to Ms Dundas' amendment later. I just want to make a quick comment on the process. We did not get the government's response to the report of the scrutiny of bills committee early enough and we need to remind the government that they did say that they would be much more respectful of the role of the scrutiny of bills committee than the previous government. I am hoping to see greater regard being given to the work of the scrutiny of bills committee and that we will not see the government trying to push legislation through before we have had time to have a really good look at it, before members have had time to look at reports of the scrutiny of bills committee and the government's response thereto.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (12.25), in reply: Mr Speaker, I thank members for their comments and generally for their support. I acknowledge the comments that have been made about the scrutiny of bills committee's report. I have to say that I have not sought an explanation about the delay. I regret that and it is our intention to provide timely responses to scrutiny reports. I do not know why this one took the length of time it did. I will look into that. Of course, it is an issue on which we do seek to keep on top.

Mr Speaker, in my introduction speech on this bill, I indicated that the current ACT legislation regulating corporate societies was made more than 60 years ago. While it has been amended from time to time, the resultant patchwork law no longer serves the people of the ACT well. The existing act has gradually fallen into general disuse. Very few local cooperatives still exist. There have been a number of attempts in the past few years to pass new ACT legislation, based on a model developed some time ago by other states and territories. It is hoped that the new legislation will reinvigorate this corporate model, to the benefit of the community and business groups alike.

As a result of comments by the scrutiny of bills committee and meetings of officers, the government will be moving a number of minor amendments to the bill. In particular, as a result of scrutiny comments, amendments will be proposed to the search powers in relation to client legal privilege, to provide for additional appeal rights to the AAT and in relation to the broad dispensing powers in the act. The government is also aware that Ms Dundas has proposed amendments and the government will be supporting those. I look forward to the Assembly's continued support in relation to this bill during the detail stage.

Question resolved in the affirmative.

Bill agreed to in principle.

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.

Questions without notice

Tort law reform

MR HUMPHRIES: Mr Speaker, my question is to the Attorney-General. The AMA released its report card on state and territory tort law reform activity, which found that some jurisdictions, including the ACT, were "dragging the chain" on tort law reform. The report card stated that the ACT will "need to effect reforms consistent with those of NSW and with the Ipp panel's recommendations, and make a commitment to a long-term care scheme."

On 24 September, Minister, you criticised the recommendations of the Ipp panel, saying it had not "proceeded on the basis of an empirical assessment of the problems facing the insurance industry." Will you overcome your reluctance to embrace the recommendations of the Ipp panel, as expressed at the last sitting of the Assembly, and now fast-track tort law reform, in line with its recommendations, or will you continue to—as they put it—drag the chain on this issue?

MR STANHOPE: I thank Mr Humphries for the question. Indeed, I do not think there are many more important questions facing the community, broadly, than issues around public liability insurance. It is a major issue facing us all—and facing the community generally. There are a range of issues affecting the community and I guess, at least for

the sake of a shorthand discussion, the major issues can be described as encompassing medical indemnity insurance and public liability insurance.

As members know, and as Mr Humphries has indicated, the Commonwealth, without consultation with the heads of treasury, appointed an expert group headed by Justice Ipp. Justice Ipp brought down a noteworthy report with a significant number of recommendations in it. In tandem with that was a report commissioned by ministers for health, following on from excellent work done by Dr Penny Gregory, head of the ACT department of health, in relation to medical indemnity issues.

We now have the benefit of those two reports. Mr Humphries, in his question, raises particular issues around long-term care. One of the great frustrations for the states—and indeed for myself—has been the lack of leadership by the Commonwealth on issues around long-term care. At the heart of the recommendations made, especially by Professor Neave, was a range of initiatives that can be pursued under the broad heading of tort law reform—reform of the laws in relation to negligence—as well as a range of procedural issues in relation to the pursuit of actions for negligence.

Underpinning, and at the centre of, the Neave recommendations are recommendations in relation to the need for us, as a nation, or as communities, to structure a new way of dealing with the long-term care costs of people with catastrophic injuries—especially children injured at birth as a result of the negligent actions of doctors or perhaps hospitals. That is significant, when we recognise that the last major negligence decision for a catastrophically injured child came in at around $14 million to $15 million and set a mark. Six million dollars of that was a long-term care component.

I will wrap up on this because it is a subject for major debate in itself. The ACT government has introduced, and this Assembly has passed, the first tranche of a significant response to issues around the need for us to reform tort laws—the laws of negligence or the laws in relation to violence. It was a significant start.

Our position always was that we would work with other jurisdictions—that we would work through heads of treasury, departments of health and COAG—to seek to achieve a national response. It has been difficult, because different jurisdictions have taken slightly different approaches. There is a debate to be had around the best approach, and there is a debate to be had about the nature and level of the response that we, as a jurisdiction, should make.

It must be acknowledged that much of what we face in relation to insurance premiums is as a result of industry failure. HIH failed as a result of its deliberately seeking to undercut its competitors—a major failure. There was a failure of regulation. UMP failed because it was not, some would concede, appropriately regulated. It was a medical defence organisation developed, structured and managed by doctors, which failed under the administration of doctors, leaving a half-billion dollar tail unfunded, and leaving a whole range of medical practitioners without the cover the MDO was meant to give.

Mr Humphries: I rise on a point of order, Mr Speaker. My question is: will you embrace the recommendations of the Ipp panel? With respect, what you are saying is interesting—but that is not the question I asked. Would the minister address the question I have asked? Will you embrace the recommendations the Ipp panel has made?

MR SPEAKER: Mr Humphries, I am sure the Chief Minister is coming to that. There was a rather long preamble to your question, which invites some comment about the issues at large on this subject.

MR STANHOPE: Mr Speaker, I will come to the conclusion now. This is a major and extremely complex issue—an issue in relation to which the government is putting an enormous amount of energy and time. We want a good result. We want a result that protects the consumer. We want a result that ensures people are protected from negligent behaviour, and ensures that appropriate standards of care will continue to prevail.

There is a major danger in relation to some of the tort law reform on which we are set—that we may disenfranchise great swathes of the community which are now, to some extent, protected by the laws in relation to negligence from shoddy treatment, across the board, by providers of services who do not care about the standard of care they provide. The laws of negligence could be so cut down that they would no longer be held liable or responsible for their negligent behaviour. These are the dangers we need to guard against.

In relation to Ipp specifically, this government's position always has been that the second level of our major reforms in relation to tort law reform will be the implementation of those aspects of Ipp and Neave that we believe best represent the balance between the need to protect the interests of consumers and the need to ensure that premiums are brought down, and that the insurance industry is sustainable; that we do what we need to do to ensure that those community services which rely on available professional indemnity and public liability insurance can gain it.

Having said that, this is an area in which we will tread with caution. A great difficulty for the ACT is that, as a purchaser of insurance, the ACT is quite small. To some extent, we are battered and bashed by the response of the larger states. There are some areas where we have a real discomfiture, where we will simply be swamped by some of the responses of our neighbours. We are, however, working hard on it. Indeed, I believe that my colleague, the Treasurer, will be making a detailed statement on this matter today.

MR HUMPHRIES: Mr Speaker, if I understand the Chief Minister to be saying he will embrace some of the Ipp recommendations, will your government now pay the ACT's share of the costs of the Ipp panel, which you previously declined to do?

MR STANHOPE: Although I do not know the detail of it, I understand there has been some agreement to reach that point, by the federal Treasury and by treasurers, in relation to that. I do not know the details—I am sorry.

Public service superannuation

MS MacDONALD: Mr Speaker, my question is to the Treasurer. Treasurer, in the *Canberra Times* today, the Housing Industry Association and the Master Builders Association have published criticism of costly mistakes made by ACT governments over the years.

For the benefit of Assembly members, could you please comment on the accuracy of this advertisement in its reference to the current government? In particular, would you address the claim that the ACT government employees super top-up of $30 million is a blunder?

Mr Humphries: Mr Speaker, I rise on a point of order. I want clarification from you about the nature of questions. You ruled last week that a question in which a minister was asked to comment on somebody else's views on something was a question that was out of order. I am not clear what the distinction is between those sorts of persons and the person that Ms MacDonald has quoted in her question. Would you provide us with a ruling on what kind of person's views can be quoted to a minister, for him or her to comment on?

MR SPEAKER: Last time I looked, Mr Humphries, HIA was not a member of this Assembly. The question to which you referred was a matter which Mr Hargreaves is said to have commented on. As far as the advertisement in the *Canberra Times* is concerned, I think the executive is entitled to answer questions about advertisements which reflect, one way or the other, on the way this executive operates. It is well within the ambit of the Treasurer's role to answer questions in that respect.

MR QUINLAN: Mr Speaker, for the benefit of Mr Humphries, I will try to confine myself to factual material and matters relevant to this Assembly.

Yes, I have seen the advertisement mentioned. I am sure that both the HIA and the MBA are good corporate citizens. This advertisement was not placed entirely on the basis of self-interest, because it does not mention that the building industries might not make the money they have made over the past few years. We will give them the benefit of the doubt. Let us assume that this advertisement was placed purely within the public interest, and out of a desire on the part of the MBA and the HIA to ensure that the people of the ACT did not lose out.

I do not wish to spend a great deal of time talking about the HIA or the MBA—the principle of advertising government blunders or errors, or mistakes, as they put it. There is a list here. One of them says, "Bruce Stadium $45 million." That might be a bit of an understatement, according to the audit report. Perhaps that can be the first substantial matter I address—the cost of the Bruce Stadium. I think the estimated cost, by the Auditor-General, was $80 million-plus, against the initial commitment by the previous government of something like $12 million.

I will now refer to the bit about superannuation top-up. We are not sure where the $30 million figure comes from. If it is talking about the amount of money set aside by this government for superannuation, then it is more in the vicinity of $86 million. In the interests of accuracy, we would like that recorded—plus the fact that we intend to provide something in the order of $286 million, all things being equal, over the duration of the forward estimates in the budget brought down this year.

For the benefit of the HIA and the MBA, if they happen to read *Hansard*, I will say that, if they want to refer to mistakes associated with superannuation, I have a couple for them relating to Actew. The previous government took $300 million out of Actew and invested it as part of the superannuation funding. It put that $300 million into a highly

volatile market and, therefore, exposed Actew to the process of borrowing—borrowing with interest. That is interest which comes off the dividend and comes to the government and the people of the ACT. It was a bit of an accounting shuffle. As for the net gain, as it has transpired, it was not the smartest of investments.

Mr Humphries: What about the interest on lendings for the $300 million?

MR QUINLAN: There is an understatement. Further to that, the previous government wanted to sell all of Actew and put the cash in the volatile equities capital markets—this volatile area where we have natural monopolies—the electricity distribution system, the water distribution system and the sewage collection system, which will not be duplicated. They will not be open to competition as such. They will be regulated, but they could offer reasonable, steady returns. A point was made in this place from the other side of the house, when we were over there, that it was not necessarily a smart thing to be flogging off natural monopolies that will, under a regulated process, draw a reasonable return on investment, and go into the volatile capital markets that the previous government did.

I commend the HIA and the MBA for their community-spirited approach to making sure that the funds of the people of the ACT are, in their view, not at risk. As I said, I am sure they are not acting out of self-interest. However, I would like to think that the next advertisement they put in—and I would like to see one put in—would mention the fact that it would appear, on face value, and as matters have turned out, that one of the blunders made by the previous government was extracting capital from Actew and that a second one was selling off half of Actew

Temporary remand centre

MR SMYTH: Mr Speaker, my question is to the minister for corrections, Mr Quinlan. Minister, the temporary remand centre at Symonston has opened. However, there are rumours that it is already full. Can the minister inform members as to how many remandees are currently being held at the temporary remand centre—and at the Belconnen Remand Centre?

MR QUINLAN: I thank Mr Smyth for the question. I also thank Mr Smyth for notice of the question, to enable us to give meaningful statistics. These will be changing figures, so it is probably not a great measure of where things will be, but, at this stage, we have 71 prisoners on remand. There are 55 at Belconnen, five at Symonston, 10 at Junee, one at Goulburn and five at Mulawa Correctional Centre—those would be females.

Mr Smyth: Are these remandees?

MR QUINLAN: These are remandees. The practice has been that, where people are on term remand, the overflow is handled here. We use the watchhouse and whatever facilities we can, or send them to other facilities. I do not have details but, if you want details, we will get a briefing for you on that. I am advised that the situation with the 10 remandees at Junee will change as those people come up for trial and are either incarcerated as prisoners, rather than remandees, or released. The use of the Symonston temporary remand centre will then increase. At this stage, I think it is reasonable to expect that, when we have sent prisoners down there and there is no pressing reason why

they should be incarcerated here, for reasons of access to lawyers, family or whatever, that can take time. So you are not moving prisoners around for its own sake.

At this point in time, the Symonston temporary remand centre is being streamed in. I would expect that, had this situation occurred in a number of weeks or months time, we would possibly be talking of 16 at Symonston. Exactly how we catered for and balanced the female prisoners versus the male prisoners might have changed that yet again. Some of it I am leaving to the experts.

MR SMYTH: Minister, is it true that, since the Symonston remand centre has opened, we have continued to send remandees to interstate prisons and, in particular, to Junee?

MR QUINLAN: That may be the case—I am not sure. That is one I will have to follow up because I do not have a qualification on that. I am sure there are good reasons. I certainly hope it is not because of some random act of perversity by Corrections ACT, and that there have been good reasons why they might go to Junee. That one I will have to add to.

Government land development

MS GALLAGHER: My question is to the Minister for Planning. It relates to the advertisement in today's *Canberra Times* from the Housing Industry Association and the Master Builders Association, concerning costly mistakes by our local government. Can the minister advise the Assembly on the accuracy of the claims that government land development is the next-costly mistake by local government?

MR CORBELL: Mr Speaker, like my colleague Mr Quinlan, I am sure that the advertisement by the MBA and HIA today is entirely altruistic in its motive. I advise the Assembly that the MBA and the HIA have indeed got it wrong. They have got it wrong in a number of respects.

They claim in today's *Canberra Times* that government land development will cost $24 million over the next three years, with a return to surplus in year 4. That is not accurate. Whilst the cash impact of land development will be a reduction of $24 million over this near and next year, there will be a return to cash surpluses in 2004-05—that is year 3 of the modelling and the statements in the budget papers. It would be nice, at least on two counts, if the HIA and the MBA checked their facts—firstly in relation to superannuation and, secondly, in relation to what is a fairly straightforward statement in the budget papers.

In addition to this, if the MBA and the HIA were being strictly altruistic, they would also point out that, from year 3 onwards, there will be an additional $17 million per annum put into the ACT accounts. That is an additional $17 million on top of the $30 million already received from land sales, to spend on schools, hospitals, public transport and other important facilities for the community.

If the HIA and the MBA were serious about informing the community on these issues, they would, in the interests of fairness, highlight that point and allow people to make their own judgments about that. Mr Speaker, it would also be useful if they took account

of the accrual basis of these figures. That is the basis upon which we developed this budget—and indeed how budgets have been developed in the territory for some time.

Mr Speaker, the reduction in overall revenue this year is $6½ million in accrual terms—and only $2½ million next year. Already this financial year, we have borne most of the reduction in revenue, because that reduction relates mostly to the release of the Yerrabi 2 estate as a government land development project. It is already happening. We have already effectively borne most of the costs—and there will be a slight cost next year of only $2½ million.

It is important to note that we are very well established with the development of the Yerrabi 2 estate. In fact, Yerrabi 2 has proved to be so popular that we have had to bring forward stage 2A of that estate from February to this month.

The first stage was oversubscribed. Overwhelmingly, people are saying to the Gungahlin Development Authority, which is managing the project on behalf of the government, "We are really glad we have the opportunity to purchase land direct, without being tied in to a builder through a house and land package. We can purchase land direct from the government and then make our own judgments as to the sort of house we want to build and what sort of builder we want to engage."

Mr Speaker, that is very different from the process which existed under the Liberal Party, whereby the only way you had access to land was if you entered into an agreed house and land package. When it comes to giving consumers the opportunity to design a house that meets their needs, the design of which is hopefully going to be more environmentally sustainable, getting direct access to land is one way of trying to achieve that.

We will sell a total of approximately 75 blocks in Yerrabi 2 estate this financial year, which is a significant increase. Although in the budget we had projected no sales for this financial year, already our conservative calculations have meant that the government is ahead. The government is ahead.

The attack by the MBA and the HIA is really nothing more than a thinly disguised attempt to protect the interests of a small number of their members in the land development industry. Instead of looking at the opportunities for collaborating with government through joint ventures (through public/private partnerships) they are trying to protect their own vested interests—their oligarchical arrangements, essentially—in land development, at this stage. Government land development will not only return a profit to the community, it is going to provide better outcomes for the design of our community.

People are sick of crowded suburbs, narrow roads and lack of open space. The government is using two key mechanisms to address this—not only through better regulation and improved planning controls, but also through injecting the social dividend into planning of new estates through government land development. It is an important initiative, Mr Speaker—and one to which the government remains committed.

MS GALLAGHER: Minister, can you please advise the Assembly of the other benefits the people of the ACT will receive from this important initiative?

MR CORBELL: As I have already pointed out, the key issue here is that it gives first home buyers, in particular, the opportunity to purchase land direct, without it being tied into a house and land package. Overwhelmingly, the positive feedback the government has received through the Gungahlin Development Authority is that people are pleased to be able to buy a block of land direct and not get all the off-cuts—all the bits left over after the deal has been done with builders. They can pick their block of land, have a chance to buy it themselves and then build the house of their choice. It is a positive initiative. I am amazed that the Liberal Party is not interested in giving people that sort of choice.

Kelvin Court

MR STEFANIAK: My question is to the Urban Services Minister. Minister, on 16 July this year, ACT Housing was notified in writing by the tenants of Kelvin Court, Phillip, that there was a smell of raw sewage in the complex. On 14 August, Transfield, the maintenance contractor, conducted an inspection but did not take any remedial action.

On 22 October, the tenants contacted the health department regarding the overflow of raw sewage in the complex. The health department then ordered ACT Housing to remove the sewage and contaminated soil, decontaminate the area, and conduct athorough inspection of the sewerage system.

After a couple of token efforts by Transfield, the tenants again contacted the health department, which inspected the complex on 7 November. When they did so, they found a large build-up of sewage and a broken sewerage pipe. The health department ordered ACT Housing to fix the problem, which they did over the next two days. However, an amount of contaminated soil was left in the common areas, which has since been walked through the complex.

My question is, minister: why did it take 3½ months for ACT Housing to fix a problem that posed a serious health threat—and why did the tenants have to resort to having the health department force ACT Housing to fix that problem?

MR WOOD: Mr Speaker, I am unaware of that instance. It has not been brought to my attention. Three and a half months—if it is as you presented—is certainly too long for such attention to take. I will look at it and report back to you, Mr Stefaniak.

MR STEFANIAK: My question is: given that a large amount of contaminated soil has been tracked through the complex, will the minister assure the house that the complex will be thoroughly cleaned and decontaminated—including steam-cleaning of the tenants' carpets?

MR WOOD: I will get a report from ACT Housing and inform you of what needs to be done. Whatever needs to be done will certainly be undertaken.

Adaptable housing

MS TUCKER: My question is for Mr Wood, Minister for Disability, Housing and Community Services. It is with regard to adaptable housing in the new development in Lyons, replacing the now demolished Burnie Court.

Mr Wood, the proposed development will be a mix of private and publicly owned units. Can you advise the Assembly of the number and proportion of both private and public housing which, when completed, will be adaptable for people in wheelchairs, or people otherwise living with disabilities?

MR WOOD: No, I cannot advise you of that, at this stage. An auction is planned in the near future but, to my knowledge, no date has been set. Terms and requirements in that process have not yet been determined. At this juncture, there are no precise numbers on that. The interest of the government is known in those areas you talk about, but those matters are yet to be finally resolved.

MS TUCKER: I would like you to tell the Assembly what the government's view is of the appropriate proportion of adaptable properties in all ACT public and private housing—and strategies the ACT government has in place to ensure that this proportion is met.

MR WOOD: You have heard our comments, over the period, about the importance of adaptable housing. I do not have a clearly defined answer for you, at this point in time—it would vary across the areas in the city. One of the problems we have with development on the Burnie Court site is that we do not, ourselves within ACT Housing, have the resources to do the development.

One day in the future, I would like to follow the path Mr Corbell is taking with land development and do the same with any housing development that might occur. However, we do not have those resources at the moment. Our approach thus far has been to follow the not altogether adequate steps the former government took of spot purchasing here and there. The process has been, other than for older persons units, simply to go out and spot purchase. As we develop resources, we will seek to vary that approach, but that is some little distance away.

Housing—contracting of maintenance

MR CORNWELL: My question is again to a busy minister, Mr Wood. I understand, Minister—and we are dealing with the present not the future—that the maintenance of southside ACT Housing properties is done by a contractor, Transfield. I also understand that ACT Housing will not accept maintenance requests from tenants, insisting instead that they contact Transfield directly.

However, Transfield will accept maintenance requests only by telephone. This makes it very tricky for people with communication difficulties—such as the deaf, or people with cerebral palsy—to request maintenance. In the past, these clients have apparently used faxes or emails to request that sort of assistance.

It has been reported to me that Transfield have dismissed the concerns of people with communication difficulties, saying they will accept phone calls from their carers. Presumably, this does not take into account that their carers are not necessarily living with them 24 hours a day, and may in fact be calling only every few days.

Minister, will you take action to ensure that people with communication difficulties are able to request maintenance, regardless of whether or not they have a carer—and hopefully in sufficient and reasonable time?

MR WOOD: Mr Speaker, if the processes the former government put in place are not adequate, I will undertake to change them, to see that they are adequate. In the time I have been minister, I have received, directly into the office, many comments about housing from tenants, but I cannot say that a great number of those relate to the process for maintenance. Thus far, I have not picked up that there is a problem with the process. If there is a problem arising from when you blokes were running it, I will attend to it.

MR CORNWELL: Minister, will you assure the house—not necessarily immediately but after your investigations—that all contractors engaged by ACT Housing understand their obligations under the access and equity principles?

MR WOOD: Yes, I am sure they do. I will make sure they do, and I will report to you, Mr Cornwell.

Office of Rental Bonds

MS DUNDAS: Mr Speaker, my question is for Mr Stanhope as the Attorney-General. Minister, in June of this year, I raised three questions on notice—that the Office of Rental Bonds had made $400,000 profit in the financial year 2001-02. Your response, through the media, was about good years and bad years; that the money was to make up from previous bad years; that, in the JACS annual report, you would ensure full disclosure of money from interest earned on rental bonds, and how it was spent.

The JACS annual report contains no information on the interest earned, the rates of investment, the stand-alone cost of the Office of Rental Bonds, grants given to the Tenants Advice Service or ACT Shelter. Minister, did you convey your wishes for full disclosure to the staff at the Office of Rental Bonds and JACS, or was this a flippant remark to downplay a media story?

MR STANHOPE: No. It was an answer taken on the basis of advice received, Ms Dundas, as I remember, in response to remarks of yours which bordered on the defamatory, at the time.

Mr Humphries: They were not necessarily untrue!

MR STANHOPE: Well no, they were defamatory to the extent that the officers within the Office of Rental Bonds were, in some way, not complying with the law. Mr Humphries, we had a number of points of order and interjections of yours this morning about allegations against officers in situations where they cannot defend themselves—and this is surely one of those.

Mr Humphries: So what is the rule? We are changing the rule again now, are we?

MR STANHOPE: I am just making the point. I made the point, quite directly, that there was a suggestion that, at the time this matter was first raised, officers in the department of justice had not complied with the law in their administration of rental bonds. That certainly is not the case.

In relation to the detail Ms Dundas seeks, I am more than happy to find it and provide it.

MS DUNDAS: I am confused by the minister's comments—in terms of the full thrust of what I am trying to get at. The JACS annual report says that, following a comprehensive audit, only now is the amount reconciled daily, and that a number of reports are produced to ensure data and account integrity.

MR SPEAKER: Can you get to the question?

MS DUNDAS: I am getting to the point, Mr Speaker. Minister, in the interests of open government, could you table the required information to prove your claim that ACT tenants' money is not being misappropriated?

Mr Stanhope: Misappropriated? Do you mean stolen?

MS DUNDAS: That is not what I said, Chief Minister—misappropriated. Is it being used in a way that it should be used?

MR STANHOPE: You said misappropriated. I am more than happy to table any documentation, if it goes to show that staff of the department of justice are not stealing rental bond money or misappropriating it in any other way.

Independent commission against corruption

MRS CROSS: Mr Speaker, my question is to Mr Stanhope in his capacity as Attorney-General. Minister, as you are aware, several jurisdictions have independent corruption commissions. Indeed, in New South Wales, the work of the Independent Commission Against Corruption is well known.

Public confidence in politicians is at an all-time low, in the wake of the email scandal. Can you please indicate if the government has any intention of establishing an ACT independent commission against corruption?

MR STANHOPE: Is Mr Kaine a fellow traveller of yours, Mrs Cross? I see that you have two things in common with Mr Kaine.

MR SPEAKER: Order, Mr Stanhope! The question called on you to announce a policy in relation to the establishment of an ACT independent commission against corruption.

MR STANHOPE: I am more than happy to declare the government's position on this. I am interested in these two interests that Mrs Cross and Mr Kaine share—firstly, that they were both unceremoniously booted out of the Liberal Party for no apparent reason

and, secondly, their interest in a commission against corruption. Mrs Cross, the answer to your question is no.

Mrs Cross: I have not had a conversation with Mr Kaine!

MR STANHOPE: The answer to the question is no—the government does not propose to introduce a commission against corruption.

MR SPEAKER: Mrs Cross, you cannot call on the government to announce policy in questions. Do you have a supplementary question?

MRS CROSS: I do, Mr Speaker, and I thank you for your guidance. Minister, what mechanisms are currently in place which deal with corruption in public office? Can you indicate what mechanisms currently exist to monitor the integrity of the ACT public sector?

MR STANHOPE: This is certainly a very important and serious matter. I do not wish to down-grade the seriousness or belittle the validity and intent of the question. To repeat the position, there was a standing committee inquiry into issues around the possibility of establishing a commission against corruption in the last Assembly. My understanding of that inquiry was that there was unanimous opposition, at that time, to the proposal to establish a commission against corruption here in the ACT. I think that was a soundly based position, and one which continues to be soundly based.

Despite concerns from time to time about the propriety of actions of certain individuals, I am not aware of, and have not had brought to my attention, any suggestion of what might be regarded as corrupt behaviour in the context of corruption as normally referred to commissions against corruption. I have no reason, at this juncture, to suggest that we should revisit the issue of the establishment of a commission against corruption in the ACT. In relation to the incorruptibility of public officials, including politicians, the community has a right to demand the highest standards. The community has a right to confidence in all institutions and in all public officials. As I say, I have no evidence or belief that corruption is a matter of issue in the ACT. I personally would not support the establishment of a commission against corruption.

In relation to the processes that prevail here, I have great faith in the professionalism and integrity of the Australian Federal Police as an initial bulwark against corrupt or criminal behaviour. The facility exists for each and all of us to refer matters to the Australian Federal Police.

I have enormous confidence in the ACT police force, and I have tremendous and unquestioning confidence in our chief police officer. I believe it is a police force above suspicion, and their integrity is well known and accepted. Throughout the public service, there are fraud control measures in place. I would expect them to be active and cooperative. As far as I am aware, they are essentially effective.

Of course, there are, from time to time, instances of criminal behaviour among public officials, public servants and others, but that is a feature of life. We need to be vigilant. I believe we have appropriate mechanisms in place, but these are issues in relation to which we should never be complacent.

Connors inquiry

MR PRATT: Mr Speaker, my question is to the minister for education. Minister, you have indicated that the quarter of a million dollar Connors inquiry was due to report by November, 2002. You also advised, in budget estimates hearings in July this year, that the $7 million unspent from the reallocated school bus scheme was to be identified by the Connors inquiry for short-term expenditure.

Minister, is the Connors inquiry on track? When will it report? Can you please update the Assembly, at least in general terms, on the key themes that that inquiry is identifying? Will the Connors inquiry be making recommendations only for the short term, or for the long term as well?

MR CORBELL: I thank Mr Pratt for the question. Yes, the Connors inquiry is on track. Ms Connors has indicated to me, and to the department, that she still proposes to submit a report by the end of this month. She has received in excess of 40 formal submissions. Those submissions, together with fact sheets summarising the current government and non-government education funding arrangements, are available on the website she has established.

Ms Connors' recommendations are not familiar to me—it is an independent inquiry. Ms Connors has provided a briefing to me on the broad theme she is looking at. That is similar to a briefing she has provided to other stakeholders, including everyone who made a submission. Outside of that, I am not aware of the content of Ms Connors' report or, indeed, its potential recommendations. I am looking forward with interest to the issues she is to raise, and the courses of action she suggests to the government.

MR PRATT: Minister, are you unable to at least provide the key themes of what is a major inquiry into a major portfolio? I find this extraordinary.

MR CORBELL: Well, it is called an independent inquiry. That means, Mr Speaker, that the inquiry chair makes up her own mind as to the issues of relevance to her in the context of submissions received by her. She then presents the recommendations to me.

I know this is a little complex and a little innovative and contemporary, but that is the way we are trying to do it. When I get the recommendations, I will certainly be making them public so that everyone is aware of what Ms Connors has proposed.

Government land development

MRS DUNNE: Mr Speaker, my question is to the Minister for Planning, Mr Corbell. Minister, four months ago, you told the Estimates Committee, with regard to the proposed land development activity on the part of the government, that cabinet had acted on what you called, at that time, a very rigorous model. During the estimates process, you said that you would be happy to refer that rigorous model for an independent assessment. I quote from the Estimates Committee report:

> The committee recommends that the business plan and financial modelling underpinning the new land development agency proposed by the ACT Government be subject to independent assessment, the results of which are published.

The government response was:

> Agreed. The financial modelling, including any additional information that supports the proposed land development system, will be subject to independent assessment. This advice will be made available to members of the Assembly.

My question is: have you sent the model to an independent body for assessment? If so, to whom was it sent, and when will the advice be made available to the members of the Assembly?

MR CORBELL: Mr Speaker, that process is under way. The government is in the process, through the Department of Urban Services, of engaging the relevant organisation to do the work. I do not have a timeframe to hand, or the relevant organisation, but I am happy to take those details on notice and provide an answer to Mrs Dunne.

MRS DUNNE: I have a supplementary question, Minister. Can I take it, therefore, that none of this information will be available to this house before the Planning and Land Bill is debated?

MR CORBELL: It depends on your delaying tactics, Mrs Dunne!

Senate vacancy

MR HARGREAVES: Mr Speaker, my question, through you, is to the Chief Minister. Is the Chief Minister aware of reports as to the imminent retirement of Liberal senator for the ACT and former President of the Senate, Margaret Reid? Is he also aware of misguided comments from some of the heirs apparent about how a casual vacancy is legally filled in the ACT?

MR STANHOPE: Yes, I have heard reports of the imminent retirement of Senator Margaret Reid.

Mrs Dunne: On a point of order, Mr Speaker: I am interested in speculating on this. But I seek your guidance on how this relates to a question that a member of the executive might answer.

MR SPEAKER: Mrs Dunne, my advice is that—order, everybody! Mrs Dunne has asked me a question; you fellows can wait—once there is a resignation, assuming there is going to be one, there will be a letter from the President of the Senate to the Chief Minister. So it is perfectly within the scope of the Chief Minister's portfolio to respond to the question.

Mrs Dunne: On the point of order: if there is not a vacancy and the President of the Senate has not written, does that mean that this is hypothetical?

MR SPEAKER: No, it is not hypothetical. I read in the paper, this morning, that the senator has said she is going to resign—it is just a question of when. I think it is appropriate for the Chief Minister to answer the question.

MR STANHOPE: Mr Speaker, I am amazed at the sensitivity of Mrs Dunne and others around this pretend question. They are incredibly fragile, and displaying precisely what Mr Hargreaves referred to—an ignorance of the processes, an ignorance of the fact that I, as Chief Minister, have a statutory function in relation to the replacement of a senator in the ACT.

In relation to this issue, at the outset, I want to acknowledge, on the record the significant role that Senator Reid has played in the public life of the ACT over a very long time. I am aware that Senator Reid is regarded with significant affection in the hearts of Canberrans for the role she has played and the way in which she has conducted herself in that role—I acknowledge that.

I think we will all be aware, Mr Speaker—despite the sensitivity and fragility of the response—that there is now a race on to fill the impending vacancy. The response I am giving you now is directed to each of the six—I think—potential candidates. At least we have three wilting violets—but I believe that is just a tactic. Mr Cornwell could come flying off the blocks at any stage. Mr Stefaniak has a little bit of a lead there—and "Senator Pratt" has a bit of an edge to it. That sounds all right—"Senator Pratt". It rolls nicely off the tongue.

Mr Cornwell: I am too old, Chief Minister. Even if I were your age, I would not do it.

MR STANHOPE: I think you need to know. I believe it is important that I answer this question. I am sure you are all interested in exactly how it is going to pan out—how it is going to work.

Mr Humphries: Tell us all about it!

MR STANHOPE: It is section 45. I am sure you knew that, Mr Humphries. He is a sly devil. He would have looked up the law; he would have worked it out; he would have been looking for the edge. Section 44 of the Commonwealth Electoral Act stipulates that, if a casual vacancy arises—and none of us are in any doubt that it will—the Assembly shall choose a replacement.

The act is silent on exactly what process the Assembly will adopt in relation to that. It has never happened before, since the making of this provision, so I am not sure that there are any conventions which apply. It is interesting that we have a new provision here—there are no precedents.

If there are no precedents, can there be a convention around this matter? How is the Assembly going to determine this issue? What if we get, say, six nominees from within the Assembly itself—or perhaps even seven?

There is potentially nothing under the legislation, as it stands, to stop Mrs Cross nominating Mr David Cross—a member of good standing in the Liberal Party. "Senator Cross" sounds all right. That is something the Assembly will have to entertain, should it arise. There are a whole range of past members, if you think of it.

Mr Hargreaves: How about Senator Burke—Senator Jacqui Burke?

MR STANHOPE: Senator Burke. The elder statesman of the Liberal Party, Mr Kaine, could be invited back into the fold.

Mr Hargreaves: Senator Harold Hird.

MR STANHOPE: Harold Hird—Senator Hird—think about that. Tony De Domenico? Senator De Domenico.

Mr Pratt: Could somebody cross the floor—Senator Wood?

MR STANHOPE: That is right. There are a whole range of possibilities. Senator Strokowsky—he is looking for a new job. That is a possibility. Actually, maybe he has the numbers. Maybe that is what it is all about—he has taken the numbers with him. Mr Stefaniak is looking a bit worried about that. He is a significant member of the Belconnen branch of the Liberal Party. How are the numbers looking out at Belconnen? You or Strokowsky? There is food for thought!

There is the complex issue of what processes the Assembly is going to use if it is left to the Assembly to decide this matter. I think that is an issue for us—whether there is a convention or not. I have heard of a former Chief Minister—this goes to the heart of Mr Hargreaves' question—being a definite candidate. Once again, he is blushing a little bit and pretending. "Well, if the people call me, I will do it. If my people call me, I will come."

She is a bit concerned about the attitude I might take. I am not quite sure what Mrs Carnell is referring to—other than the fact that, the last time Mrs Carnell's name was mentioned in this place, it was basically in the context of a no-confidence motion—and she bolted before it could be moved. Maybe Mrs Carnell is reflecting on that. She could raise the spectre of Albert Field and Sir Joh Bjelke-Petersen in relation to her concerns about the process we might utilise here in the Assembly.

I think she was worried about the other part of section 44—that if a casual vacancy arises, other than when the Assembly is sitting, it is in fact the Chief Minister who gets to decide; the Assembly process is short-circuited. There is some real interest in the question: when Senator Reid does pull the plug, will she be perverse to the end? Will she, after a life of steady service to the people of Canberra, in a last mad rash of perversity, retire—perhaps at Christmas—and delegate to me the task of nominating a replacement? Wouldn't that be interesting?

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

Executive contracts
Papers and statement by minister

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women): Mr Speaker, for the information of members, I present the following papers:

Public Sector Management Act, pursuant to sections 31A and 79—Copies of executive contracts or instruments—
Short term contracts:
Michael Ockwell, dated 11 September 2002.
Lynette Allan, dated 11 November 2002.
Schedule D variations:
Peter Gordon, dated 5 November 2002.
Glen Gaskill, dated 12 and 13 November 2002.
Geoff Keogh, dated 5 November 2002.
Stephen Ryan, dated 31 October 2002.

I seek leave to make a statement.

Leave granted.

MR STANHOPE: Mr Speaker, these documents are tabled in accordance with sections 31A and 79 of the Public Sector Management Act, which require the tabling of all executive contracts and contract variations. Contracts were previously tabled on 12 November 2002. Today I present two short-term contracts and four contract variations. The details of the contracts will be circulated to members.

Papers

Mr Wood presented the following papers:

National Road Transport Commission Act (Commonwealth)—National Road Transport Commission—Annual Report 2002—Erratum.

Legislation Act, pursuant to section 64—
Gambling and Racing Control Act—Gambling and Racing Control (Code of Practice) Regulations 2002 (No 1)—Subordinate Law SL2002-28 (LR, 16 October 2002).
Gas Safety Act—Gas Safety Amendment Regulations 2002 (No 1)—Subordinate Law SL2002-30 (LR, 29 October 2002).
Gas Safety Regulations—Gas Safety (Appliance Worker Accreditation Code) Approval 2002—Disallowable Instrument DI2002-187 (LR, 4 November 2002).
Road Transport (Driver Licensing) Act, Road Transport (General) Act, Road Transport (Safety and Traffic Management) Act and the Road Transport (Vehicle Registration) Act—Road Transport Legislation Amendment Regulations 2002 (No 2)—Subordinate Law SL2002-31 (LR, 31 October 2002).
Supreme Court Act—Supreme Court Amendment Rules 2002 (No 3)—Subordinate Law SL2002-27 (LR, 11 October 2002).
Workers Compensation Act—Workers Compensation Amendment Regulations 2002 (No 1)—Subordinate Law SL2002-29 (LR, 25 October 2002).

Ministerial summits on insurance
Ministerial statement

MR QUINLAN (Treasurer, Minister for Economic Development, Business and Tourism, Minister for Sport, Racing and Gaming and Minister for Police, Emergency Services and Corrections): Mr Speaker, I seek leave to make a statement in relation to insurance.

Leave granted.

MR QUINLAN: Mr Speaker, some months ago I reported to the Assembly on my attendance at two ministerial summits on insurance convened by the states and territories, and finally joined by the Commonwealth. These summits were convened in response to the public liability insurance crisis. Since then, as members will be aware, the crisis developed to encompass professional and some business groups. Two further summits have been held in the past month or so to consider a number of reports commissioned to examine the crisis and offer responses to governments. The most recent was held last Friday. Mr Speaker, I table the following papers relating to the summits of 2 October and 15 November this year:

> Ministerial meeting on Public Liability Insurance—Sydney, 2 October 2002—
> Ministerial statement, 19 November 2002.
> Joint communique.

Members will see that there was significant general consensus arising from the 15 November summit in a number of key areas. Ministers agreed on a package of reforms implementing key recommendations of the Ipp report. Let me say that, while I refer to ministers agreeing, this was a majority agreement and not necessarily unanimous, which I might get to later. They agreed that the key Ipp recommendations that go to establishing liability should be implemented on a nationally consistent basis and each jurisdiction agreed to introduce necessary legislation as a matter of priority.

There was strong agreement on proportionate liability for economic loss, with some jurisdictions committed to implementing legislation and others, including the ACT, still, I think, holding back to ensure that there is adequate protection of the victims of any mishap that may arise out of professional or public negligence. Ministers agreed that a system of thresholds or scales for general damages, coupled with restrictions on legal costs, is an imperative and noted that most of the states are moving in this direction. Again, members should note that thresholds and caps are no more than restricting what a victim of a particular mishap might otherwise have received.

Since the advent of the crisis, the government has sponsored innovative strategies during the year designed to assist local community groups and small businesses. Some of those efforts and innovations by the government included sponsoring a number of changes, in an effort to assist the ACT community.

Before I elaborate on that, I would like to remind members—and I think the Chief Minister referred to this in his answer to a question—that the ACT is less than 2 per cent of the Australian public liability market, and Australia is around 2 per cent of the world insurance market. Many of the changes and restrictions within the public liability market

are driven by the world market, so that is a perspective on just how much freedom we may have to move in the long run. Certainly the states have insisted that the Commonwealth involve the ACCC in monitoring the insurance industry to ensure, within the capacity of the ACCC, that the consumer is protected. At this point, we have to accept that the insurance industry, having pulled back, is now to some extent in the driver's seat as to when and at what rate it may re-enter the market.

At the ACT level, government initiatives have included a risk advisory website that has been widely praised by local businesses and the community. It includes a unique world-first web technology capability for users of the site to identify their activities, rate those against a risk profiler online, and make decisions about a future course and engage online Australian standards, compliant risk identification, and planning and management tools. Agreement has been reached with Standards Australia to support the website with detailed instructional material on risk identification, planning and minimisation, and this is under development, or at least being enhanced, as I speak.

Agreement in principle has been reached with a group of insurance providers to provide much-needed public liability insurance to cover ACT non-profit and community groups. The ACT will be the first jurisdiction, along with New South Wales, to receive the scheme. However, commencement and continuation of the scheme is still dependent on several variables yet to be finalised. I will announce commencement of the scheme and its details as soon as I can. But, let me say, we are very confident that we will get a scheme that will accommodate most people, virtually all. We cannot guarantee absolute coverage at this stage, but we are working to make sure that that scheme is as wide as possible. The scheme involves $10 million of public liability cover, with a $1,000 deductible, which some organisations still might find difficult. The product is limited to the non-profit and community sector, and there is a $2 million upper limit on the yearly turnover of any one qualifying organisation.

The group scheme is unique. Two specific provisions of the policy are important to outline. The first will require policy holders to exercise fiscal responsibility, and the second will require policy holders to engage in risk management techniques. I think it has become part of the bleeding obvious, in terms of this insurance crisis, that to receive insurance within the means of organisations, risk management techniques are vital. The government anticipated this requirement by building the risk technology I mentioned earlier in my department's risk advisory website.

Members will recall that I outlined the government's initial approach to business assistance in my previous statement to the Assembly. With particular relevance to local business, a specialist, informal interdepartmental group has been set up to deliver immediate policy advice, including market intervention, legislation and other strategies in response to the insurance crisis. I can foreshadow the introduction of new legislation. Presently, the group is examining the security industry, equine industries and the auditing profession, all of which are facing difficulty with public liability or professional liability insurance.

Members will no doubt be interested to hear some of the observations on the state of the insurance market generally. In terms of public liability, the capital shortfall created by the collapse of HIH has been very slowly taken up. It appears to actuaries Cumpston Sergeant that the industry's capital position has now stabilised. Recovery is sporadic, and

there are pockets of insurance market failure that will persist for some time. On the other hand, a new entrant has appeared, IAG, and a new product, the group scheme, is about to be released.

Medical indemnity has continued to be a difficult area. The Commonwealth recently announced a support package for doctors. However, this is a stop-gap measure, with a number of shortcomings that the Chief Minister has already exposed. On behalf of the ACT, I raised a matter of importance in last week's ministerial agenda involving a new way of looking at long-term care and treatment of catastrophically injured people.

In relation to the issue of long-term care costs, the heads of Treasury insurance issues working group will undertake a comprehensive review of current arrangements and possible alternatives, commencing with the expeditious collection of the relevant data and analysis on the nature of the problem for discussion at the next ministerial meeting.

Mr Smyth: Oh, data collection.

MR QUINLAN: This is the collective ministers and the collective states, Mr Smyth, and I think that they have demonstrated so far that they have acted in a very sensible and collegiate manner, where it is possible. The government will address medical negligence law reform in stage 2 of its Civil Law (Wrongs) Act reform package.

Professional indemnity is a growing area of concern. There was considerable discussion at last Friday's summit. Ministers agreed, amongst other things, to consider the Commonwealth's CLERP 9 proposals with respect to proportionate liability for auditors. But, again, we need to be sure that the possible victims are not the ones that pay the total cost of this crisis.

As for future action, the Chief Minister and I have instructed our departments to proceed with stage 2 of the government's Civil Law (Wrongs) Act reform package and to present it to cabinet as soon as possible. The objective of stage 2 is to create transaction cost savings in the administration of public liability personal injury claims, while protecting the rights of claimants to just compensation. These instructions include consultation with key participants.

Discussions have commenced with the lead provider in the group insurance scheme to examine actuarial characteristics of our stage 2. Discussions will be held with the local medical profession early in December to examine stage 2 proposals as they apply to medical negligence. These discussions have been ongoing since July. However, the December meeting will encompass the government's commitment to appropriate consultation before presentation to cabinet.

The latest joint communiqué represents the strong general appetite for continued tort law reform amongst the Commonwealth and our state colleagues. More states are contemplating enactment of critical areas of the Ipp report on the law of negligence. Some elements of the Ipp report were addressed in the Civil Law (Wrongs) Act recently passed by the Assembly, but let me say, as an aside, that the Ipp report overall is genuinely the conservative view of what ought to be done. It is a collection of measures that universally limit the access of people to compensation.

Of course, the concern amongst ministers, and the concern that should pervade this place, is to ensure that there is justice and equity in the process where it is possible, and one of the reasons that I made that statement earlier about 2 per cent of 2 per cent is to allow the Assembly to appreciate the fact that we may end up with what is a compromise answer in this insurance situation, purely for expedient reasons, but it may not be the most just answer.

The insurance crisis continues to unfold, and there is evidence of further problems in the market. We are a small jurisdiction, as I have said, that has been trying to influence the overall debate by proposing and implementing innovative strategies to deal with territory-specific issues. We have also offered significant input to the national agenda. However, there is a tide of reform that approaches us from both directions on the Hume Highway—from Victoria and from New South Wales—and from the other states, and it does not take a genius to realise that we may well be subsumed by that particular tide.

As I indicated to the Assembly in my ministerial statement in April of this year, things were going to get worse before they got better. There is significant pain for claimants in some of the consensus positions taken at the 15 November summit. This government will continue to apply its principled and compassionate approach to its responses to the insurance crisis: to continue development of its reform agenda with the protection of the rights of ACT citizens uppermost. However, we cannot escape our size and our geography. Mr Speaker, I will continue to keep members informed of developments as they occur.

Retail contestability of electricity

Ministerial statement

MR QUINLAN (Treasurer, Minister for Economic Development, Business and Tourism, Minister for Sport, Recreation and Gaming and Minister for Police, Emergency Services and Corrections): I ask for leave of the Assembly to make a ministerial statement concerning implementation of full retail contestability of electricity in the ACT.

Leave granted.

MR QUINLAN: Mr Speaker, on 10 October 2002 I announced the government's decision to introduce full retail competition for electricity in the ACT from 1 March 2003. In taking that decision, the government was faced with several issues. First, it faced the situation where ActewAGL, a unique public/private partnership with commensurate focus on profitability, supplies the majority of ACT customers.

With the expiration of existing contracts for the long-term supply of power to the ACT, the ACT customers are facing rising electricity costs in circumstances where there is commercial incentive for ActewAGL to purchase electricity from AGL. The object of the government's decision is to expose ActewAGL to competitive pressures to moderate the potential cost increases, effectively to ensure that there is competition.

Secondly, FRC, or full retail contestability, cannot be looked at in isolation. Since 1998, the ACT's electricity supply has been linked to the developing national electricity market. Thirdly, the government was required to consider undertaking FRC because of

obligations under national competition policy. These obligations could be avoided only if it was in our public interest to stay within the old system. Because of the changes in Actew and the changes in the national electricity systems, the public benefit resides in moving to FRC. To do otherwise exposes us to a risk of losing annual payments from the Commonwealth relating to national competition policy obligations. For these reasons, it is time to complete the implementation of FRC, while acting in the best interests of the ACT consumers.

To be fully informed on the issue, I referred the matter to the Independent Competition and Regulatory Commission in December 2001. Let me say immediately that that was probably a reference made to the ICRC late in the day. But the previous government, consistent with quite a number of fronts on which it did nothing, had not taken any action—not only no action to change or not change, but no action to inform itself of, or get advice on, the public benefit. So it was, in fact, one of the first things that I did in assuming this particular ministerial portfolio.

I tabled the report of the ICRC in August 2002. Because it was late in the day and we are over-deadline as far as the competition commission is concerned in the implementation of full retail contestability, I received an interim report from the ICRC back in March. I used that interim report not to give any direction, but to give to ActewAGL the advice that was available at the time and the conclusions that the ICRC could have made at the time that its final answer would probably be that it was in the public interest to introduce full retail contestability. I did that so that at least ActewAGL could move where it thought appropriate. It was, if you like, fair warning of a distinctly probable outcome.

In completing the report, the ICRC took into consideration a range of matters relating to the costs associated with implementation of FRC for consumers using less than 100 megawatt hours of electricity per annum and the benefits that would be realised. In the broader national context, the move to a competitive retail sector in the electricity market marks a major step in the evolution of the national energy market. The ACT will benefit from this so long as the competition is genuine and the benefits of competition are passed to the consumers.

Further reform is going to happen. The Ministerial Energy Council, under COAG, commissioned the energy market review, chaired by Warwick Parer, to report on further necessary reform—as they see it, let me add. A draft report outlining a way forward for the energy sector for the national economy "will soon be released" it says here, but I think now has been effectively broadcast if not officially released. The national energy market represents a large element of that sector and the report has looked at ways in which it may be able to deliver even greater benefits to the end user—and let me say that it is the economic rationalist's summary.

The government has decided to join in the national electricity market reform because, on balance, we believe it is in the best interests of the people of the ACT in the longer term. This is a judgment we have made. I make no apology for that because there simply is no precise data to make life simple for the government or to make life simple for anybody else who might want to form a firm opinion on this. You look at the facts and you have to ask: in the long term, will the ACT be better off or not as a result of opening up the competition?

Moving to FRC extends the choice of retail to all ACT consumers. It enables ACT consumers to purchase electricity from their choice of 13 retailers licensed to operate in the ACT—again, to add a qualification, if all of those 13 retailers make a genuine effort to create a market. That is still not definite. I can make no guarantees, I'm sorry.

Consumers will be free to exercise choice or to remain with ActewAGL retail on aregulated electricity tariff or to move to another retailer offering a contract that better meets their specific needs and requirements, and certainly the breadth of products will develop in relation to this.

To be enticed away from the regulated system, electricity users will need to be attracted by an offer that they assess as better meeting their needs. Consumer choice for small business and domestic consumers in the electricity market is a key part of the reform. It is important that the ACT market is responsive to user needs, in the same way as the New South Wales market allows electricity consumers in Queanbeyan to exercise their choice of preferred electricity retailer—and this freedom has seen many electricity consumers in New South Wales select ActewAGL as their preferred supplier. So, in fact, our utility is already in this market on the selling side. It is just not exposed to competition for its captive customers at this stage at the low end of consumption.

Deregulation of the electricity market in the ACT already undertaken has provided to consumers of more than 100 megawatt hours per annum the opportunity to seek out the best value for their requirements. At the same time, the smaller end of the market, including domestic consumers and small businesses, has not enjoyed this freedom to shop around. This has placed some consumers, predominantly small business and higher-end domestic users, at a disadvantage relative to their interstate contemporaries.

The ACT has benefited in the past from contracts struck at extremely favourable rates, but a large part of these is due to expire soon. The expiration of those new contracts will have an effect on the prevailing market prices, regardless of whether we go to free retail contestability or not; there are other influences that are going to affect the electricity prices. The ACT is facing significantly higher costs with the expiry of those contracts. Just to give you a figure, the ACT's long-term contracted wholesale prices are up to—I stress "up to"—20 per cent below the current market price. The government is conscious of the need to protect smaller users who are not in a position to evaluate various offers that may be made from new suppliers, or in fact may receive few offers from new suppliers because they just do not represent an attractive proposition.

For this reason, government has decided to have a transitional period, initially of three years. During this period, those customers that do not wish to exercise their choice of electricity retailer will be able to continue to be supplied by ActewAGL at a regulated price. There will be continued access to the regulated tariff through the transitional period in accordance with the conditions of the May 1999 electricity prices direction by the ICRC. The ICRC will be issued with a reference to undertake price determination for the regulated tariff from the expiry of the current price direction in July 2004 to March 2006 to cover the full transitional period.

The ICRC will be required to identify and make explicit the various components of the price determination to identify costs directly associated with the implementation of free retail contestability and those that result from the prevailing conditions in the market.

A decision that the transition is complete will be one that is balanced by social outcomes rather than being determined solely by economic imperatives. Three years after the introduction of the transitional period, the government will evaluate whether there is an ongoing need for transitional arrangements.

In taking the decision to introduce FRC, the government was aware that the costs directly associated with the introduction of FRC would need to be passed on to consumers, as indicated in the ICRC report. This is unavoidable. The ICRC will be asked to determine prudent costs ActewAGL will be allowed to recover for putting in place a system to enable the introduction of FRC. The ICRC identified upper estimates for these costs in the range of $1.92 to $3.25 per month to recover them over a period of three years.

I noticed somewhere that Mr Cornwell was saying that someone else was talking about $12. They may have been talking about $12 per bill, as opposed to $3 per month.

Mr Cornwell: Who knows?

MR QUINLAN: Well, it may have even been stated; I am not sure.

Mr Humphries: It was ActewAGL that made that.

MR QUINLAN: Did they say $3 per month or $12 per bill?

Mr Humphries: I thought it was $12 a month that they were saying.

MR QUINLAN: Well, that is something that I will certainly go out of my way to check. Of particular interest to the government is the way in which any adverse impact on the disadvantaged in the community may be mitigated. The government is committed to ensuring that appropriate support is in place for those consumers who may experience difficulties because of FRC. The government will increase the value of the electricity rebate proportionally to FRC costs.

Costs attributable to the rising price of the national energy market will be considered in the context of the review of community service obligations and concessions policy. The services of the Essential Services Consumer Council will also continue to be available to all electricity consumers. The council will have a dual role in that hardship caused by FRC will need to be addressed, but also problems caused by general market movements in electricity prices will need to be covered.

By 1 March 2003 the ICRC will have in place adequate consumer protection provisions in the form of a consumer protection code and a customer transfer code under the Utilities Act 2000. Consumers will also enjoy the protection of ACT consumer protection legislation, including provisions relating to the conduct of door-to-door sales and other market activities and cooling-off periods for contracts.

The government agrees with the ICRC report recommendation that a public awareness program should be undertaken. The government will oversee a public awareness campaign developed and conducted by the ICRC in conjunction with licensed utilities, the Essential Services Consumer Council and ACTCOSS. The public awareness campaign will commence in January of next year.

The public awareness campaign will continue beyond March 2003 so that questions that arise once a market has been opened may be addressed and incorporated into advice to consumers. The government considers it essential that consumers have the best available information in making their choices. For this reason, consumers should not be individually approached by retailers until 1 March 2003. To allow otherwise would be to risk disadvantaging customers. The ICRC will monitor the activities of retailers and take appropriate action.

It is this government's objective to see that the electricity market reform is delivered within sustainable development frameworks so that our community, households and small businesses gain full economic, social and environmental benefits.

The decision that was taken by the ACT government was taken on balance, as I said, but also under advice from the independent regulator, the ICRC. We trust, and we are confident, that in the longer term it will benefit all ACT consumers. I am presuming that it will have the support of opposition members, who have over the years supported deregulation in the energy market, even to the extent of wanting to sell off all of our public owned utility. So, if there is some objection by the opposition now to FRC, then that would be something in the nature of a gigantic backflip. I will keep members informed should there be any developments not already addressed.

MR CORNWELL: I seek leave to speak on the same matter.

Leave granted.

MR CORNWELL: Whether or not the opposition does go along with it remains to be seen, Mr Quinlan, because there is a great deal of doubt and there are unanswered questions in the matter.

Ms Dundas: I raise a point of order, Mr Speaker. I seek your clarification on this. Is this anticipating debate of notice No 15 on the notice paper?

MR SPEAKER: At first blush it might look that way. But the Assembly has given leave to the minister to make a statement in the knowledge that this matter is on the notice paper.

Ms Dundas: But we didn't know what he was going to talk about until he started talking.

MR SPEAKER: He indicated what he was going to talk about when he sought leave.

MR CORNWELL: Mr Speaker, yes, I am aware that I have a notice on the paper for tomorrow. But I do not intend to address that. Rather, I intend to address the rather broad issues of what the Treasurer has said on this matter.

As I say, the opposition may very well be supporting this. But at the moment there is considerable confusion about what we have to support, what we can support. I do not need to tell Mr Quinlan that there are wide discrepancies in possible increased costs that have been bandied around.

You yourself, Treasurer, spoke of this $1.92 to $3.25. There was a further quote from ActewAGL of $12. The ICRC, in its draft report of May, spoke of a $2 per month rise. Yet, in the July final report, it spoke of a $6 per month increase. These are confusing situations. We do need some clarification. May I say, Mr Treasurer, the confusion is compounded, if that is the word, because we do not have a copy of your statement. Is it your intention to distribute what you have just spoken to?

Ms Tucker: I'd like a copy.

MR CORNWELL: Well, there you are. Ms Tucker indicates that she would like a copy. Indeed, Ms Tucker, if I may join you, I would be delighted to have a copy as well.

Mr Quinlan: Well, you are not getting it—because there is a lot in here that I didn't say.

MR CORNWELL: Excuse me. May I just say, Mr Speaker, that I think copies of such important documentation should be available to members if they wish to have a copy. It is very difficult to follow ministers' statements if you are making notes on the way. I would like a copy of it.

I was interested to hear that you said that the government, on balance, has joined this national competition policy arrangement. I would suggest that at the moment the balance on the basis of which you have joined is out of whack, because we do not have enough information. I notice that you admit that there is no precise data. There might be 13 retailers in the market. We do not know about that.

Mr Quinlan: I'm presuming you've read the ICRC report.

MR CORNWELL: I have. I am interested in your reference to the Parer report. I have seen media comment about it. I do not have a copy of that report yet, and I understand from your comments that it is not necessarily available.

Mr Quinlan: It will definitely be on the right-hand side of your desk.

MR CORNWELL: Yes, and I will feel very comforted by that, Mr Quinlan—extremely so. I remain concerned about the need for further information in relation to this whole matter—1 March 2003 is not that far away. We have Christmas and various holiday sessions in the middle of that. It is important that all consumers know what is proposed, particularly the domestic users, who certainly appear to be faced with paying more for their electricity. There is no question or argument about this. The only question that arises is how much more.

Nevertheless, I thank you for your comments, undetailed as they may be, and look forward to following this matter in the months ahead. I also foreshadow, Mr Speaker, that there will be a motion on the notice paper tomorrow in relation to an aspect of this matter.

Planning and Environment—Standing Committee
Report No 9—government response

MR CORBELL (Minister for Education, Youth and Family Services, Minister for Planning and Minister for Industrial Relations) (4.04): Mr Speaker, for the information of members, I present the following paper:

> Planning and Environment—Standing Committee—Report No 9—*Planning and Land Bill 2002 and associated legislation* (presented 14 November 2002)—Government response, dated November 2002.

I move

> That the Assembly takes note of the paper.

In presenting this paper, I wish to extend my thanks and the thanks of the government to the committee members and secretariat for their efforts in producing this report. The report and the government's response, I am sure, will assist members in their deliberations on these very important issues.

I also extend my appreciation to those who contributed to the committee's proceedings and deliberations. Submissions to the committee covered many aspects of the legislative package of bills. The committee's work has brought out issues requiring further clarification, identified some misunderstanding and flagged matters for further consideration and debate. It has contributed significantly to the consideration of a legislative package.

Members will recall that this matter was referred to the committee to enable more time for people in the broader community to participate, through an Assembly inquiry, in the consideration of the package of legislation. In its report, the committee has made 15 recommendations and presented seven further conclusions.

In response to the recommendations, the government agrees with nine, notes two and does not agree with four. In other words, a clear majority of the recommendations are agreed to by the government.

In particular, the government has given considerable thought to the first recommendation, which relates to the timing of debate on this legislation. The committee is concerned that we, as an Assembly, should not rush the passage of the bills. It is concerned that more time is needed to examine issues such as the manner of implementation of the new structures.

The government does not believe that it is rushing debate. This legislation was developed through almost six months of extensive consultation and also consideration by an expert advisory group. The government is most concerned that implementation of this legislation should not be rushed, because that is where, having set up an effective governance structure, the most damage can be done to the ability of the Planning and Land Authority and the Land Development Agency to perform effectively.

I would like to make the following observations in support of the government's position. The main Planning and Land Bill was tabled on 27 June this year, almost five months ago. In that time, the Planning and Land Development Taskforce has undertaken a comprehensive and a thorough program of briefings and presentations to a wide selection of organisations as well as to members and to the Planning and Environment Committee. The taskforce has held many key informant interviews throughout the first half of this year and was advised at all times by an expert advisory committee, comprising highly experienced and respected people from a range of planning and land related backgrounds.

It is the government's view that it is time for the Assembly to consider the package of legislation that is based on the pre-election policies contained in Planning for People, the government's pre-election document.

The passage of these bills before Christmas will provide the certainty needed to allow the smooth transition to the new structures on the proposed date of 1 July 2003. Apart from the major task of merging and reshaping the existing organisations and ensuring appropriate financial and budgetary bases, the Planning and Land Council is to be established, a chief planning executive recruited, a Land Development Agency and its board established, and a chief executive officer appointed.

By 1 July 2003, it will be very nearly a full year since presentation of the principal bill in this package. Given the amount of consultation and discussion of the policies underlying the proposal, and the lengths to which the government and the taskforce have gone to explain all the details, the government believes that there has been more than enough time to consider and pass this legislation to provide for a commencement on 1 July 2003.

Only four of the committee's recommendations are disagreed with. Before discussing the government's proposals for changes to the package in response to the report, I should explain the government's position on these areas of disagreement.

The four recommendations and the government's positions on them are as follows. The first is:

> That a direction of the Minister and a statement of planing intent be tabled in the Assembly on the next sitting day after they have been given to the Authority.

The provisions currently outlined in the bill reflect standard tabling timeframes and the committee has not, in the government's view, presented persuasive reasons why they should be changed. However, I should signal that the government is open to further discussion on this issue.

The second recommendation is:

> That the relation between the Authority and the Assembly be formalised by requiring the Authority to report on its activities to the appropriate Assembly Committee at least once every six months.

The government does not agree with this recommendation. Because the Planning and Land Authority will be subject to the provisions of the Financial Management Act, the Annual Reports Act and other government reporting requirements, the government

believes that the recommendation proposes an unnecessary burden on the operations of the authority.

The third recommendation is:

> That the provision relating to the Authority delegating its function of granting of leases be deleted from the Bill to make explicit that the power to grant leases cannot be delegated to another agency.

The government believes the provisions of the Planning and Land Bill provide an authorisation for the authority to grant leases on behalf of the executive. The bill has been framed to ensure that the Land Development Agency can grant a lease only when the authority gives an appropriate delegation. Clause 17 (2) of the Planning and Land Bill enables the process of selling land to be more effectively fulfilled by enabling it complete its contractual agreement to grant an estate. This could occur as a normal part of the land agency's procedures, once all development and infrastructure requirements in respect of the land have been met. This procedure avoids unnecessary administrative double handling, whereby leases would be prepared by the authority and forwarded to the land agency for issuing to purchasers of particular parcels of land.

The fourth recommendation is:

> That directions by the Treasurer to the Land Development Agency relating to the payment of funds to the Territory should be notifiable instruments.

The government does not agree with this recommendation. It is not considered appropriate for directions by the Treasurer for the payment of funds to the territory to be notifiable instruments. For the purposes of accountability and transparency, any outcomes from the Treasurer's directions will be available for public scrutiny through quarterly performance reports, annual budget papers, statements of corporate intent, audit reports, annual reports and the estimates committee hearings. For these reasons, the government believes that adoption of the recommendation would impose an unnecessary procedural burden.

Those are the recommendations the government does not agree with. The government has responded positively to the majority of the committee's recommendations and conclusions. Regarding the proposed date for review of the act, at clause 75, the government has noted the committee's concerns about the timing for review and proposals to amend the bill to require review as soon as practicable after 31 December 2006. This is a year earlier than currently provided for in the bill, and provides for a review more than three years after the commencement of the legislation.

The committee also expressed a concern about the primacy of the Territory Plan in respect of the proposed statement of planning intent. The government proposes to amend the bill to include a note making it clear that section 8 of the land act, which prohibits acts that are inconsistent with the plan, cannot be overridden by a statement of planning intent. That would clarify the position that a statement may present policy intentions that were inconsistent with the plan, but those could not be acted upon unless and until the plan was varied to permit that action.

The committee has also raised the issue of the experience and qualifications expected of a chief planning executive. In response, the government is proposing that the experience and qualifications expected of a chief planning executive will be expanded, by amendment to the bill, to state that the person must have experience and expertise necessary to perform the functions of the position. Those functions are, in fact, the functions of the Planning and Land Authority, as stated in clause 8 of the bill.

As to making public advice from the Planning and Land Council to the minister on the use of the call-in powers, it is proposed to amend the bill to require that that advice be notified publicly. Where an Assembly committee is examining a matter that the council has advised on, that advice will also be made available to the committee. In saying this, I note that Assembly committees are, in any case, in a position to seek relevant background information on matters under consideration.

Regarding the availability of internal guidelines and procedure manuals developed by the authority or Land Development Agency, the government agrees that those should be made available for inspection.

The government proposes to include the field of engineering as an additional criterion to the areas of expertise relevant to the appointment of members of the council and the land agency board. This would cover construction, as recommended by the committee.

The committee recommended that a review of community participation in the proposed planning instructions be undertaken. The government agrees that this will be part of the new authority's responsibilities and will include a review of the role of the newly established Planning and Development Forum.

In all, the government's response to the committee's report reflects the importance we place on it, and on the consultative and advisory role of the committee. Of course, the government will continue to pursue its policy objectives and will sometimes disagree with a recommendation that compromises those objectives. In this case, I think we can see there have been many areas in which the government can see the benefit of accepting the recommendations.

For that reason, as I have said, the government is appreciative of the committee's contribution to the process. I wholeheartedly repeat my earlier thanks to the committee members and contributors to the inquiry.

MRS DUNNE (4.15): Just briefly, I thank the minister for his comments, and for his decisions to come part of the way on some of the important issues here. By way of seeking clarification, I notice that recommendations 18 and 19 have been conflated, and there is no comment on recommendation 18. I think that is probably an administrative oversight but, before we get to the debate, it might be nice if the government could make comment on that.

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

Recycling
Discussion of matter of public importance

MR SPEAKER: I have received a letter from Ms Dundas proposing that a matter of public importance be submitted to the Assembly, namely:

> The need for the ACT Government and the Canberra Community to recommit to the target of "No Waste" by 2010.

MS DUNDAS (4.16): The ACT government, the Australian government and governments across the world have committed to a vision of a sustainable future, one where we do not consume more resources than our natural environment can support.

We all know intuitively that it isn't acceptable to keep contaminating more and more land with our waste. The fact that no-one wants to live on top of a landfill is a clear sign that we don't think that burial of our waste is an acceptable, permanent solution. To achieve a sustainable society we need to both reduce the amount of waste we generate and change the type of waste we generate to make sure that everything we produce and consume can ultimately be recycled.

Concern for our environment has grown steadily since the early 1970s. As is inevitable with every global movement, progress has been patchy and perhaps uneven. Global trade has served to both help and to hinder the progress of effective environmental strategies, and the area of waste management is no exception. Waste crosses international borders, so countries can seldom act alone.

Despite the difficulties posed in the national and international context, back in 1996 the ACT government committed to the bold vision of no waste to landfill by the year 2010. The ACT was one of the first jurisdictions to do this. I think most ACT residents hear about the target and scoff, and that is unfortunate. They think it simply isn't possible to reuse or recycle everything we produce and consume. But there are companies like Xerox and Ricoh, cities like Hong Kong and Dunedin, and countries such as Japan proving that it is possible. All that is needed is a genuine commitment.

Like the Californian zero emission vehicle program, the no waste target is stimulating innovation in recycling. When landfill disposal is priced at or near its true cost, new markets somehow open up for waste and, with that, new jobs are created. We have seen new markets recently opening up for waste such as old electrical equipment. Even complex mixed-material items, such as computer monitors, can be recycled under a true-cost-of-disposal pricing structure. We have also seen new markets open up for demolition waste and for food waste.

In the ACT, a detailed study estimated that it costs around $110 a tonne to dispose of waste in landfill. But tip fees are not currently meeting the cost of this disposal, so we are actually subsidising those who produce excessive waste. We need to turn this around.

Further, this $110 a tonne figure does not account for the flow-on impact on the environment of losing our non-renewable resources to landfill. Many items are made from materials which damage the environment during the mining or manufacturing stages, and these environmental impacts are seldom reflected in the cost of production

and sale. We all need to be pushing for the full costing of manufacturing and disposal to reflect the flow-on environmental impacts. But it is not something that we in the ACT can do alone; it does require national and international cooperation.

In the ACT the total weight of waste going to landfill has actually declined by 13 per cent since 1996, and the amount of material being removed from the waste stream has risen by 116 per cent. In reducing waste to landfill, the largest reduction has been brought about by an increase in tip charges for private delivery to landfill. Although there may have been a small increase in illegal dumping, far more waste has ended up being reused or recycled because there is now a financial incentive to do so.

I think it is incredibly important to remember that we have been able to divert waste away from landfill. We know that what is needed is a true commitment. However, it is disappointing to see that money in this year's budget is to be used for building a new trench as opposed to seeing if we can increase and improve on the targets we have already set for diverting waste away from landfill.

Another area where there has been a substantial reduction in waste to landfill is the construction industry. We have amendments to the Building Act that now require a waste management plan to be incorporated into an application for approval of building demolition or refurbishment. Again, this change has greatly increased the recovery of metals and other demolition waste. However, commercial and industrial waste and actual household collection going to landfill has increased slightly since 1996, and these are areas that clearly need greater focus by the government, business and the community.

The National Packaging Covenant signed by Australia and New Zealand in 1999 is making some inroads. Though it is a voluntary covenant, the growth of the movement promoting corporate responsibility has led to a high level of compliance by Australian packaging manufacturers. The goals of the covenant are to minimise the environmental impacts of consumer packaging waste throughout the entire life cycle of the packaging product, close the recycling loop, and help develop economically viable and sustainable recycling collection systems.

We need similar programs in every industry, and I commend successive ACT governments for the work they have done to achieve this. But, clearly, we have more work to do if we are to meet our target of no waste by 2010. More community education is needed, as public awareness is not keeping up with developments in the waste management field. The ACT government needs to do more internally if it is to achieve best practice. Even here in the Assembly, each office is not automatically issued with a bin to separate glass and plastics, and it would be hypocritical of us to call on the community to try harder when we could be doing more ourselves. We know that every little bit counts.

Another area in which we could improve is that of food waste going to landfill. The bio-bin trial earlier this year and late last year showed that there are new ways of diverting waste away from landfill, and it is disappointing that that trial was not picked up and continued across the territory. I understand that there were problems with it, but we need to be able to work through these problems to find solutions. Not everybody has the ability to compost, and as we move to more high-density and medium-density dwellings in the ACT to enable us to deal with our land shortage, fewer people are going to be able

to compost. The bio-bin was a good first step. We need to work out why the government thought that program wasn't going to work, address those problems and have it reintroduced.

Re-use of waste is integral to sustainability. Reducing waste will help create jobs, save land, conserve our non-renewable resources and help strengthen our communities. It can help alleviate poverty and bring people together through networks and markets to exchange goods. There are so many reasons—not just the environmental ones, even though they are a key concern—to make the no waste target a reality. We have to give the target our full commitment.

Hopefully the debate today will remind the ACT government of the commitment that we have to no waste by 2010, and spark further debate. Hopefully we won't be sitting here in eight years time lamenting the fact that we were unable to reach our goal. I hope we do not have a future where high amounts of waste still go to landfill and impact on our environment and where our garden city is a waste dump. I hope that members participate in this debate and that we can continue to push forward for no waste by 2010.

MR WOOD (Minister for Urban Services, Minister for the Arts and Minister for Disability, Housing and Community Services) (4.25): Mr Speaker, I am pleased today to be able to talk about the importance of the no waste by 2010 strategy. I don't know about recommitting; I am not aware that we have ever uncommitted in order to recommit. It is a bit like asking me when am I going to get married again, when I haven't got unmarried. But certainly it is important.

Mrs Dunne: You need more commitment there.

MR WOOD: Indeed. I will just watch what I say to you. It is an important issue and it is well to be reminded of it.

When the no waste by 2010 waste management strategy for Canberra was developed and released back in 1996, the ACT was the first community, I think anywhere, to set a target to achieve a waste-free community. Now, as then, I congratulate the former government on its introduction. At that time, 2010 was almost 15 years away. Although it was recognised that it would be a significant challenge to get there, it was also believed that if government, industry and community worked at making this happen, we could achieve the goal. And that is still the case.

It was recognised that this strategy would position the ACT as a centre of excellence in waste management and assist us to make real progress towards sustainability. I understand that other local authorities in Australia and beyond have also, by this time, set such a target.

Implementation of the no waste strategy has been progressing in stages and we are now reaching the end of the second stage, which was the next step for the years 2000 to 2002. So far we are making good progress, and for the year 2001-02 we achieved a 64 per cent resource recovery rate. That is the highest rate in Australia and is certainly a world-class result.

Recent achievements of the no waste strategy include the establishment and operation of the Mitchell Resource Management Centre and the small vehicle transfer station at Mugga Lane. These facilities provide the necessary infrastructure to allow maximum recovery of resources before disposal. In conjunction with the establishment of the Mitchell centre, Belconnen was closed to general waste disposal. This continues the ongoing rationalisation of the territory's waste management infrastructure.

Education, of course, is a critical element of the strategy and a no waste education centre has been established as part of the improvements to the infrastructure at Mugga Lane. The education centre will provide the focus for waste minimisation and resource recovery education.

The centre itself is a prime example of what to do, as it and everything in it, other than the people, have been recycled. The education centre will become an important resource, especially for schools, and will provide access to informative displays, hands-on activities, brochures and leaflets, composting, worm farms and other helpful examples of reducing waste.

Waste wise schools is a new program that will take waste minimisation activities and education directly into our schools, to ensure that our children embrace the ethic that unwanted materials are a resource rather than a waste to be discarded.

Ms Dundas made some mention about what we do here in the Assembly. I understand from a conversation I had recently with someone in the building that a little more attention will be paid to that in the future.

Other initiatives that take waste minimisation education into the wider community include ecobusiness, a program that has been developed to assist the commercial sector to reduce waste generation as well as water and energy consumption. This program will be further developed. Indeed, I will be giving an address to and making further comments about this at a seminar held by the business community.

The ACT has the highest national participation in kerbside recycling services. Kerbside Recycling in the ACT recovers more than 28,000 tonnes of material a year. Improvements to this system will be implemented early in 2003 to make it easier to use and to provide for the recovery of a wider range of materials.

Modifications which will come with the new garbage contract will include removing the divider from the recycling bin and accepting a wider range of material in the yellow-lidded bins. To accommodate the changes to this system, a new materials recycling facility will be constructed in the planned resource recovery estate at Hume, adjacent to the Mugga Lane landfill. This estate will be further developed as the major site for future resource recovery and reprocessing activities.

One of the major issues facing future waste management is how best to deal with the 51,000 tonnes of domestically collected residual solid waste. The household organic material collection, or bio-bin, trial in Chifley in 2000-01 was one step in considering options for the appropriate management of this stream. I recall that Ms MacDonald was much interested in that, and she may have some other comments to make about it.

Although the Chifley trial successfully collected 60 per cent of the targeted food and kitchen organic material, it was apparent that an appropriate reprocessing technology might still be needed to deal with the mixed waste remaining in the residual bin. Accordingly, it was decided at that time that it would not be financially responsible to fund collection of a third green-waste bin as well as funding future processing technology for the residual waste. Instead, it seemed sensible to seek a reprocessing technology that can effectively recover the resources from this stream. That whole issue, which is an important one in the steps that are being taken, is constantly under review. We don't wipe anything out.

While this technology for the domestically collected waste stream will undoubtedly require increased funding for new technology or other systems, significant increases in funding would also be necessary in the future for continued land fill disposal. So there is money required one way or the other, and we know the way we want to go. Therefore, we are approaching the point where the ACT will need to decide whether the community is prepared to pay the cost necessary to achieve no waste versus the cost of establishing another landfill. This can be seen obviously as a choice between sustainable and non-sustainable.

Urban Services has recently undertaken a review of the no waste strategy and will shortly bring back to government recommendations for continuing implementation of the strategy with details on the cost of achieving no waste. Based on this review, new initiatives will be developed for implementation during the period 2003-06. We recognise that as we move forward it will become harder and more costly to make the big gains needed. This government was supportive of the no waste strategy when in opposition and remains committed to seeing the no waste strategy continue to success.

MRS DUNNE (4.34): Mr Speaker, I have pleasure in rising to support the matter of public importance proposed by Ms Dundas. I am a keen supporter of the no waste by 2000 target and I commend Ms Dundas for her initiative in promoting further discussion on this vital matter.

The matter of public importance talks about recommittal, and I think this is something that we need to do. I think, as in some marriages—I presume not Mr Wood's or mine—from time to time one wanders from the point a bit. From time to time some of those people who seem to wander from the point sometimes come back and make a recommittal of their vows. I think this is an appropriate time to recommit to the notion of no waste by 2010.

One of the issues I would like to raise is putrescible waste. This issue, which has been raised by Mr Wood, is a key component of the debate that has for too long been overlooked. Mr Wood said that one of the reasons the Chifley trial came to an end was that we didn't have in place appropriate reprocessing technology; and that there was a greater need to seek one rather than continue collecting putrescible waste in the form undertaken in the Chifley trial. I think that is a very valid point.

So when we are recommitting to no waste by 2010, as we are requested to do by the matter of public importance we are debating, we should look at the really difficult issue of putrescible waste. We generate putrescible waste—that is, food scraps, the remains of agricultural crops and grass clippings—every day. Putrescible waste consists of all plant

and animal matter capable of being decomposed by micro-organisms and includes natural textiles, paper and wood, although recycling and reuse are the preferred management choices for paper and wood.

The rapid disposal of this waste is imperative for obvious public health reasons. In the summer especially, organic material rots and gives off unbearable odours after only a few days. If not managed properly, it is liable to attract vermin and release pathogens that contaminate water, air and food.

If composted, on the other hand, organic material produces a soil-like product, which is essential to plant and crop production. Compost improves soil fertility and water retention and returns nutrients to the soil, reduces erosion and lessens the need for pesticides. Diversion of organic waste for composting, therefore, has a major environmental as well as agricultural benefit.

Approximately one-third of municipal waste can be composted—that is, food scraps, green waste such as dead leaves and grass clippings, and tissue paper. Industrial, commercial and institutional establishments also generate compostable organic materials, especially in the form of food processing residuals and wood waste.

While putrescible materials are not toxic in and of themselves, they are the main source of pollution at disposal sites. When incinerated, for example, their high water content lowers the temperature for incineration to such an extent that the materials are not fully combusted and they contribute therefore to the formation of highly toxic chemical substances such as dioxins and furans.

In landfills, the anaerobic breakdown of organic matter produces odorous, explosive gases that can migrate through the ground and into nearby buildings, where they can accumulate, posing a threat to human health and vegetation. These gases also contribute to the greenhouse effect.

In addition, the decomposition of organic material leads to acidification, which facilitates the mobilisation of other pollutants, such as heavy metals, and releases organic compounds which migrate with leachates discharged by landfills and can pollute the ground water and surface water, making them unfit for human consumption and even harmful to aquatic organisms.

Therefore, Mr Speaker, dealing with putrescible waste in a safe fashion is an important issue and it needs to be addressed in the no waste by 2010 strategy. Safe landfilling of putrescible waste requires sophisticated and, as Ms Dundas has pointed out, costly leachate collection/treatment and gas recovery systems. I think this is a path we need to follow if we are to take a truly responsible approach to putrescible waste.

When performed properly, composting poses no threat to human or environment health—at least none that is uncontrollable. Adequate leachate and odour control are required to prevent adverse effects on the environment and especially on the quality of life of those living nearby. Its water-absorbing capacity makes compost a valuable soil amendment as well as an excellent replacement for soil as a cover for material landfills. Water evaporation during the composting period reduces waste volume by 30 per cent.

Around the world, pollution of the air and water from municipal and agricultural operations which are inappropriate continue to grow. Governments and industries are constantly on the lookout for techniques that will allow for more efficient cost-effective waste treatment.

One of the technologies that I would like to deal with today is anaerobic digestion, which has been successfully used to treat the organic fraction of wastes. Members who took an interest in the presentations to the Planning and Environment Committee's inquiry into renewable energy will note that this is a technology that has come a long way. When used in a fully engineered system, anaerobic digestion, or AD, not only provides pollution prevention but allows for sustainable energy, compost and nutrient recovery. Thus, anaerobic digestion can convert a disposal problem into a profit centre.

As technology continues to mature, anaerobic digestion is becoming a key method for both waste reduction and the recovery of renewable fuel and other valuable products. The technology is new but the fundamentals are quite ancient. We know that the Assyrians were using gas, known as biogas, in the 10th century BC to heat water. In 1808, Sir Humphry Davy determined that methane was present in gases produced from the anaerobic digestion of cow manure.

The first digestion plant was built at a leper colony in Bombay, India, in 1859. This process reached England in 1895 and biogas was recovered from "carefully designed" sewage treatment facilities and used to fuel street lamps in Exeter. The development of microbiology as a science was led by Buswell and others in the 1930s. It was particularly useful during the Second World War when there were high demands on energy. Anaerobic digestion facilities have been in operation in many parts of Europe for more than 20 years.

The great advantage of anaerobic digestion is that it can be used on a small scale or a large scale. Many farm-based digesters operate in Europe, where the key factor found in successful facilities is their design simplicity. In fact, more than 250 of these systems have been installed in Germany alone in the past five years.

Other factors influencing success have been local environmental regulations and other policies governing the use of land waste and waste disposal. Because of these environmental pressures, many nations have implemented or are considering methods to reduce the environmental impacts of waste disposal. Denmark has the greatest experience of using large-scale digestion facilities and currently has 18 centralised plants in operation. We can take a leaf out of the book of countries like Denmark.

Denmark's commitment to anaerobic digestion increased with an energy initiative aimed to increase biogas production in the years leading up to 2000 and to triple it by 2005. One of the key policy tools being used to encourage technology deployment is "green pricing"—that is, allowing manufacturers of biogas-generated electricity to sell their product at a premium. Interestingly, the sales of co-generated hot water to specially built district heating systems is becoming an important source of revenue for project developers.

All in all, there is a great deal to think about in this field, and if we are to become a truly sustainable community we will need to look very hard at the available alternatives to treat waste as a resource and not just a problem.

I commend to the Assembly the matter of public importance proposed by Ms Dundas.

MS TUCKER (4.43): Ever since the Greens entered the Assembly in 1995 we have been concerned about the need to reduce the level of waste generated in the ACT. We have raised questions and moved motions on this issue many times and have put forward various initiatives to reduce waste—for example, our legislation to require recycling of building and demolition waste.

We were surprised and delighted by the announcement of the former Liberal government in December 1996 that they had set a target to eliminate waste going to landfill by 2010. Coming from a Liberal government, this was certainly a visionary and courageous act and I give full credit to them.

The Greens have no doubt that a waste-free society is an essential element of a sustainable society. As someone once said, if you are not in favour of zero waste, how much waste are you in favour of? It has to be noted that waste is a human creation. There is no such thing as waste in the natural world. Cast-offs of one species become food or resources for another. Materials go through circular processes of breakdown and renewal in other forms. On the contrary, our modern society developed a linear approach to the use of our resources, where we mine, make, use and then throw away. Waste production became a key part of the market economy. This approach is, however, extremely wasteful of non-renewable resources. As well, it generates significant environmental impacts at landfills themselves.

In the late 1960s recycling began to be taken up by governments in an effort to reduce the growing mountains of rubbish around the world and the declining suitable land available for rubbish dumps. Yet, after more than three decades of trying, society is still making more waste. The three Rs—reduce, reuse and recycle—have barely made a dent in all but a minority of communities. The setting of a no waste target is so important because it sets a new standard in our attitude to waste and a willingness to go beyond current recycling practices.

In the ACT though, the reality of the large amount of waste continuing to be generated has hidden the grand vision of the no waste target. In 1999 the ACT Commissioner for the Environment undertook a review of progress towards the no waste target. He found that there was a lack of a whole-of-government commitment to achievement of the target. Work on the target was being left to a small but dedicated team within Urban Services and a handful of committed community and business interests.

To achieve the target, the government needs to give a high priority to the implementation of measures but the commissioner found that this commitment was lacking. The commissioner also found that not enough was being done to get community commitment to the no waste target. He put forward a number of recommendations to provide a clearer focus for the government's implementation of the strategy and to facilitate the identification of further actions to achieve the target.

The commissioner has maintained an ongoing interest in the no waste strategy and recently reported on progress towards the target in his 2001/02 annual report. Overall, the commissioner remained disappointed with progress on the implementation of his recommendations.

He noted that the government may be almost one year behind schedule in the completion of various tasks in the strategy. He also expressed concern that the level of funding by government for this strategy may not be sufficient for it to progress at the necessary rate to achieve the target. The bottom line on his comments are that we are now reaching a critical time in the no waste strategy, and I quote from his report:

> I see this no waste strategy as an activity that has captured international attention, and in being successful, can bring new business to Canberra as well as a steady stream of visiting delegations that want to learn how we have done it. Failure would not be a beneficial outcome, directly or indirectly. The ACT is showing world leadership in this world-wide problem. I suspect that 2002-2003 will be a critical year in determining how realistic the strategy can be.

He concluded that publication of the goals and programs of this strategy had only been partly implemented and that additional funding for community education and the identification of community champions was essential at this time.

He also noted that there was a lack of clear evidence that the government was taking the lead in implementing its own best practice of waste management and in communicating with other business sectors as to how they can become more efficient and effective in their management of waste.

It was also unclear as to what role the government was taking in national intergovernmental forums, such as the national environment protection measure on used packaging materials. The government reported that over a year ago it had set up an interdepartmental committee to coordinate work on the strategy but the commissioner couldn't really work out what it had done. He wanted much clearer reporting of its outcomes.

So overall, the government's success in implementing the no waste strategy is far from clear. It has to be recognised, though, that these concerns were directed more at the previous government's performance, as they set the no waste target and have done much of the work so far in implementing the related strategy. However, the Labor government has now had a year in office and should have had time enough to take over control of the no waste strategy. It is now time for the Labor government to commit itself to completing the task started by the former government.

There is no doubt that achievement of the target will become harder the closer we get to it, when we are forced to seriously address the more intractable waste materials. Ways to reduce these waste streams need to start being identified now and progressive targets should be set to help measure progress towards the 2010 target.

It has to be recognised as well that we need to focus much more on reducing the amount of waste being generated in the first place and not just think about more ways to recycle the waste that is produced. More work has to be put into promoting waste-wise buying practice by the public and business—for example, accepting less packaging of goods and

buying products made of recycled material or of material that can be easily reused or recycled.

The ACT government also needs to show leadership by giving preference in its purchasing to products with high recycled content, promoting a regional approach to waste reduction and recycling and assisting the establishment of recycling businesses in the ACT which can also generate local employment.

Given the ACT's lack of a manufacturing base, the government also needs to work with other governments through national forums like the National Environment Protection Council to put more pressure on industry to reduce their own levels of waste, improve the recyclability of the products they make, and provide a better market for the recyclable waste so that recycling activities can be economic.

In conclusion, the elimination of waste is the way of the future. We cannot just keep burying valuable resources in the ground. It is now up to the ALP government to demonstrate its commitment to sustainability on this issue and commit to the achievement of the no waste by 2010 target.

On a related matter, earlier this year I raised in this place the question of container deposit legislation and I asked the government to take a strong position at the intergovernmental forum on that subject. For members' interest, very recently the National General Assembly of Local Government threw its overwhelming support behind container deposit legislation and extended producer responsibility in all states and territories. Nearly 900 local government leaders from across Australian who attended the National General Assembly of Local Government in Alice Springs supported the South Australian lead and agreed to seek a commitment to CDL from Commonwealth and state governments.

CDL has operated successfully in South Australia for 25 years. There is absolutely no reason why the ACT and New South Wales couldn't do it. There is no reason why we couldn't work much more proactively to achieve that. I hope this resolution of the national assembly has some impact on state and territory governments.

MR CORNWELL (4.52): I am very pleased to participate in this debate. I think one of the problems we face in Australia is the sheer size of the country. We haven't seen the need to concern ourselves about waste because there is plenty of room out there to dump all our rubbish. Unfortunately, too often there has been the general view that it doesn't matter, that we have ample room. Therefore, people have to be constantly reminded of the need to recognise this problem.

I am looking forward to amendments being made to the Litter Act. Mr Wood is well aware of my interest in this matter and he promised that amendments would be introduced in the spring of this year. However, I don't think we will see those amendments until autumn 2003, but never mind.

Mr Wood: I have a response to your question, Mr Cornwell, which says you're right.

MR CORNWELL: Thank you. This is one step. I think I mentioned in this place before that when my wife and I go walking each morning we take a plastic bag with us and pick up bottles and cans. I must admit that there is more to pick up on a Monday morning than perhaps a Friday.

Obviously people still need to be reminded of this problem of waste. It is not just litter; it clearly is waste. The fact is that you can take it home, you can put it in your own bin and it can be recycled. People just don't realise that so much can be recycled. I wonder, minister, whether we shouldn't be putting yellow bins in parks and areas where people go for picnics. People are used to the yellow bin, which is divided by a barrier into two sections, and perhaps better use would be made of such bins if they were placed in these areas.

I deplore the fact that we do not have the number of rubbish bins around Canberra that we used to have. I don't think we can expect people to always take their garbage home. Because of the absence of bins, too many people are just dropping their garbage on the ground.

There are some practical problems with disposing of garbage. What happens if you are standing at a bus stop with a can of drink when the bus comes? You can't drink on board a bus so, unfortunately, people deck their can; they leave it at the bus stop. If there isn't a rubbish bin, where are they going to leave it? They are going to leave it on the ground. This is a small point but it is worthwhile mentioning. This example covers perhaps litter rather than waste, but cans are a form of waste which can be crushed or flattened.

At times you have to ask yourself the question: what is waste? I have a pen with me that will eventually run out. What am I to do with the empty casing? Will it become waste? I understand—I may be wrong—that people from some Pacific island countries use empty pens to write on banana leaves and the like because of a shortage of paper. In such circumstances, empty pens could be recyclable. The difficulty, of course, is to find the wherewithal to be able to do so.

I don't believe that this country has advanced to the extent that we can export useable waste overseas. We are too busy concentrating on what we can do in this country and certainly in this territory. However, no doubt this will come.

We must always remember, of course, that one person's trash is another person's treasure. There are ample opportunities in this territory to dispose of such material. We have fetes in summer, spring and autumn—not so much in winter—and there is always a trash and treasure stall at most of these fetes. Items can always be taken to church or school fetes; they don't have to be taken out to the tip and dumped.

In the home, waste placed in the kitchen compost bin can be taken out and put into the main compost area; special shower roses and suchlike can be used to cut down on the amount of water that is used; newspapers and bottles can be placed in the appropriate recycling bin; and water tanks and watering systems are useful in conserving water. By growing your own vegetables and fruit you can avoid having to dispose of the packaging that purchased goods are placed in.

We have been talking lately about the problem of plastic bags. I think there are two major difficulties. One is, of course, that there are product limitations. Some items that you may want to buy are made only of plastic. Try it some time. A number of household items that used to be made of wood, or something of that nature, are now made entirely of plastic. It is difficult to recycle such items.

The other difficulty, I suspect, is time and money. I have spoken about vegetable gardens and fruit trees. The fact is that you need to be perhaps of a particular age and certainly of a particular financial circumstance to enjoy the luxury of being able to have fruit trees and a vegetable garden. There is also a time factor. I am thinking of my own circumstances: my wife enjoys gardening and she has the time to do these things. Many other people, particularly younger people with young families, don't.

These are aspects that we need to think about in addressing the whole question of no waste by 2010. We have eight years to think about it. I support the matter of public importance that we are discussing.

MS MacDONALD (4.59): I am very glad to be able to contribute to the debate on Ms Dundas' matter of public importance relating to the no waste 2010 target. Anyone who has followed my time in this place, and indeed my campaign more than a year ago now, will recall my commitment to waste reduction and better waste management. In fact, I, too, raised a matter of public importance on a similar topic in June this year when I spoke about the related bio-bins trial and subsequent developments in waste management and landfill, and this has been referred to by a couple of speakers here today.

Mr Deputy Speaker, today I would like in particular to address the opportunities and barriers presented to us as a government, and to Canberra as a community, in reducing landfill. There is no doubt that being the first community in the world to set a no waste goal has positioned Canberra as a leader in waste management. It has also created significant national and international interest. In fact, each year the ACT hosts delegations and individuals from around the world who visit specifically to see and learn about our strategy and its implementation.

The no waste strategy, or "zero waste" as it is called in many other countries, is becoming the expectation for many communities and countries. I suppose I would agree with what Ms Tucker said about the comment that if you don't have a zero—

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.

MS MacDONALD: As I was saying, I would agree with what Ms Tucker said about the comment that if you don't have a no waste or a zero waste strategy, how much waste is acceptable?

It is steadily becoming recognised that unwanted materials need to be seen as a resource to be used and that burying our resources in a hole in the ground is not sustainable or appropriate. Already, many places, such as New Zealand, Toronto and San Francisco, are setting similar targets and many others are moving in that direction.

In all cases, Canberra is acknowledged as being the leader in the field and the model to follow. I must say, however, that like all world leaders in any field, we must strive to maintain our lead. Canberra must continue to develop strategies and activities which address waste and reduce landfill. We cannot sit on our hands and be happy about where we are, and I am glad that this government—and by all indications, the entire Assembly—is committed to constant improvements. Being environmentally focused, I would urge all Assembly members to determinably pursue the no waste goal. The future of our environment, our economy and our quality of life is dependent upon it.

Mr Deputy Speaker, unique circumstances in the ACT position us to be able to do better than most other cities in reducing waste. Our size, geographical isolation, the government structure, a lack of heavy industry, as well as our well-educated and environmentally aware community are all factors that position us to be the leader in sustainable waste management, and in a lot of ways I believe that we are. Of course, as I have also said, that doesn't mean we cannot continually strive for improvements.

To date, the no waste strategy has been responsible for the creation of 260 local jobs. It has saved an enormous amount of resources, reduced water and energy consumption and avoided the need to search for new landfill sites. So there you have it: proof that the no waste strategy and, indeed, a strong commitment to environmental management creates jobs and helps grow the economy.

More than 130,000 tonnes of garden organics were processed last year through the green waste drop-off centres. I would just add that a friend of mine whom I was talking to in Sydney at the weekend was most impressed to hear about our green waste drop-off centres and wished that she had some as well to take her green waste to. This arrangement significantly reduces the amount of harmful greenhouse gases and leachate generated from the burial of these materials. Indeed, initiatives under the no waste strategy have been identified as a key measure to achieve abatement targets under the ACT's greenhouse strategy. For those organic materials that have already been buried, the methane extraction and energy generation plant that was established under the no waste strategy will ensure that our greenhouse emissions from this source are minimised.

There are a couple of concerns that I have despite some significantly good news. Although progress and implementation on the strategy has resulted in a 64 per cent recovery of the total waste stream—which is three times what it was less than a decade ago—waste generation on both a total tonnage and a per capita basis has also increased. In 1995-96 the ACT produced a total of 1.3 tonnes of waste per capita, and in 2001-02 waste generation has risen to a total of 1.8 tonnes per capita.

Quite clearly, the whole community has a part to play in reducing their waste generation. As always, education and cultural change must be encouraged to assist with a per capita reduction in waste. I would say that the one thing that the Chiefly bio-bin trial has taught us is that people in this town are not resistant to those education campaigns and are prepared to make the cultural changes.

Of the current 220 tonnes of waste disposed at landfill in the ACT annually, 59,000 tonnes is collected at kerbside in the ACT and Queanbeyan. Approximately 161,000 tonnes of waste is delivered to the landfill by both commercial and private users. Of the

161,000 tonnes of commercial waste and privately delivered waste, only about 16,000 tonnes is not easily recyclable through current recycling services. The rest is made of easily recyclable material, such as paper and cardboard, food and kitchen waste, garden and timber waste, clean fill, concrete and bricks, metal, glass and plastic.

In order to divert more of this waste to recycling and reprocessing alternatives, education programs will need to be expanded further to ensure that the whole community has access to the knowledge of how best to manage their wastes; what alternatives are available; and how to use them appropriately.

Mr Deputy Speaker, future no waste initiatives will need to focus on establishing suitable reprocessing services for commercial organic wastes and building wastes as a priority. An equally important aspect of the no waste strategy is the need to grow markets for recycled and reprocessed material. The development and promotion of these markets facilitate the commercial establishment of alternatives to landfill disposal and allow us to recover the true value of resources.

Mr Deputy Speaker, we have all made an excellent start to the strategy. However, we have been making the easy gains by targeting the large volume and relatively easy to recycle materials. A lot of material is still ending up as waste in landfill because disposal remains underpriced.

I would like to share with the Assembly a few facts and figures about pricing, but I will be brief as I have raised this here before. Members would be aware that this year's budget—I would say, in the presence of the Treasurer, that it is an excellent budget—included an announcement of an increase in tip fees. The tip fee increases are actually part of the strategy to encourage people to recycle where possible, rather than just dump all their refuse at the tip.

While some people might say that an increase in tip fees does not benefit them, if you look at the comparison of tip fees here in Canberra to tip fees in a place like Sydney or Melbourne, we are much cheaper and affordable. For example, tip fees here in Canberra were $33 per tonne, and they will be going up to $44 per tonne. To make a comparison, the tip fee at a place like Chullora in Sydney is $93.60 per tonne; Lucas Heights is $76.90; Wollongong is $51.20; and Newcastle is $65. Similarly in Victoria, Bairnsdale Council has the same rate as Canberra of $44 per tonne, and Manningham Council has $60 per tonne—yet again, more than we have.

There are initiatives, too. A government information pack has been prepared which will encourage people to look at sorting out what they are dumping. We are aiming that information mainly at commercial operators.

To address the problem of underpricing, a waste pricing strategy has been developed that will steadily move the territory towards a user-pays system for waste disposal. The first of the pricing increases, some of which I have previously mentioned under this strategy, was introduced on 1 August this year. We need to do more to establish alternatives that are commercially viable, and use differential pricing to encourage the use of alternatives. Further development of the waste pricing strategy is essential to ensure that the disposal charges are set at levels that provide incentives to reuse and recycle.

It is possible to achieve no waste through a combination of recycling and reprocessing technologies, with the assistance of pricing incentives and regulation to ensure resources are directed appropriately. It is absolutely vital, however, that everyone in the community plays an active part in the wise re-use of our resources.

I'm glad to tell you, Mr Deputy Speaker, and also Ms Dundas, that this government is committed to ensuring the implementation of the no waste 2010 strategy. We will continue the important environmental strategies and do our best to ensure that the community commitment to landfill reduction is reinvigorated.

MR SMYTH (5.09): Mr Deputy Speaker, no waste by 2010 is a matter of will—you actually have to have the will to do it and you actually have to make decisions to make it happen. When the previous government put this train on the tracks and set it off on its path, we had the will to make a difference and that is why we led environmental reform in this country for about seven years.

The flagship of what we were about and what we wanted to achieve was the no waste by 2010 target. I think the verification of that is the way in which Canberrans adopted the art of recycling, using their split bins, and made concrete efforts to do the right thing. What we have to do as an Assembly, and what the government has to do, is continue to give Canberrans the opportunity to participate.

You will recall that when the Asian meltdown occurred in the late 1990s there was talk that we would be dumping straight into landfill some of the cardboard we had collected through the recycling process, and Canberrans were rightly outraged that that might happen. Why? Because they had made a commitment. It was great that we didn't have to do this, as the contracts that we had negotiated with the buyers allowed us to continue to send our product to market instead of to landfill. The residents of Canberra endorsed and wanted to be part of this arrangement and they wanted this sort of thing to make a difference.

The initial results were very pleasing. In 1993/94 only 22 per cent of material was recovered before it went to landfill. By 1999/2000 66 per cent was being diverted from the waste stream. That is a threefold increase. Canberrans have done the right thing. We gave them the opportunity to participate, and they took that opportunity.

The next step is based on a couple of serious decisions, and those decisions fundamentally but not entirely revolve around the business sector. This is where the government must be proactive. They must engage with the business sector and say, "Yours is now the element of the waste stream that is causing us the most grief. You and your business practices are causing the maximum amount of material that could be recycled to go to landfill." We are going to have to come up with some innovative ways to change that. We are also going to have to continue to be watchful that we do not slip down as well in the domestic sector. That is a matter of will, and it is the challenge that faces the government.

It is a pleasure to note that Ms Dundas has brought this matter to the attention of the Assembly. Perhaps there needs to be a "buy recycled" commitment from the government whereby, if there is a recycled product, the government can buy it and only it. Perhaps we need to come up with some sort of certification for businesses that commit to

recycling—like the ISO 2002 sticker that says, "This is a firm that's committed to recycling. You back us, we'll back your environment and make it better for all of us." These sorts of measures don't necessarily cost a lot.

Perhaps something could be implemented such as what we achieved when we were in office through NEPC. We got a paper packaging covenant in place whereby the manufacturers of paper packaging took greater responsibility for ensuring that products that they were putting into the marketplace did not end up in landfill. Under that covenant some of the biggest manufacturers of packaging containers agreed that they have a responsibility to do something to make things better.

Perhaps we need to look at how we deal with other products, particularly those that cause us the most grief. Typically, one of the hardest products to recycle is babies' disposable nappies. We have to challenge the community to come up with ideas to help us to do that, and then encourage the producers to make sure they are doing that as well.

Perhaps we need a jobs-through-recycling program. Maybe we can work out a variation of the old work for the dole program and get those jobs into the recycling area. We have to encourage companies which have innovative ideas. Before the election the last government put out a tender for the next phase—do we go bio-mass; do we go combined stream recycling; do we slip to three bins? There are some decisions inherent in that that I suspect haven't been taken yet, and I think it is up to the government to take them. Certainly the Democrats, the Greens and the Liberal Party will be watching what is happening and we look forward to some leadership on this issue from the government.

MR DEPUTY SPEAKER: The discussion has concluded.

Cooperatives Bill 2002

Debate resumed.

Detail stage

Clauses 1 to 141, by leave, taken together and agreed to.

Clause 142.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.15): I move amendment No 1 circulated in my name *[see schedule 1 at page 3777]*.

Mr Speaker, amendment 1 is to clause 142 (2). The amendment simply ensures that the exemptions process under section 142 is open and transparent, and a new requirement provides that any dispensing action be by way of notifiable instrument.

Amendment agreed to.

Clause 142, as amended, agreed to.

Clauses 143 to 217, by leave, taken together and agreed to.

Clause 218.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.16): I move amendment No 2 circulated in my name *[see schedule 1 at page 3777]*. As in clause 75, the amendment to clause 218 makes it clear that the board may delegate its powers.

Amendment agreed to.

Clause 218, as amended, agreed to.

Clauses 219 to 240, by leave, taken together and agreed to.

Clause 241.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.17): I move amendment No 3 circulated in my name *[see schedule 1 at page 3777]*. Clause 241 is amended in line with the first amendment to ensure that the exemption process is open and transparent.

Amendment agreed to.

Clause 241, as amended, agreed to.

Clauses 242 to 275, by leave, taken together and agreed to.

Clause 276.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.17): I move amendment No 4 circulated in my name *[see schedule 1 at page 3777]*. The amendment to clause 276 is in line with the first amendment, once again to ensure that the exemptions process is open and transparent.

Amendment agreed to.

Clause 276, as amended, agreed to.

Clauses 277 to 288, by leave, taken together and agreed to.

Clause 289.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.18): I move amendment No 5 circulated in my name *[see schedule 1 at page 3777]*. Again, this amendment is the same as the previous ones.

Amendment agreed to.

Clause 289, as amended, agreed to.

Clauses 290 to 296, by leave, taken together and agreed to.

Clause 297.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.19): I move amendment No 6 circulated in my name *[see schedule 1 at page 3777]*. The import of this amendment is the same as the previous ones.

Amendment agreed to.

Clause 297, as amended, agreed to.

Clauses 298 to 300, by leave, taken together and agreed to.

Clause 301.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.19): I move amendment No 7 circulated in my name *[see schedule 1 at page 3777]*. For the information of members, the import is the same as the previous amendments.

Amendment agreed to.

Clause 301, as amended, agreed to.

Clauses 302 to 317, by leave, taken together and agreed to.

Clause 318.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.20): I move amendment No 8 circulated in my name *[see schedule 1 at page 3777]*. For the information of members, the import is the same as the previous amendments.

Amendment agreed to.

Clause 318, as amended, agreed to.

Clauses 319 to 337, by leave, taken together and agreed to.

Clause 338.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.20): The government will be opposing this clause.

Clause 338 negatived.

Clauses 339 to 394, by leave, taken together and agreed to.

Clause 395.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.21): I move amendment No 10 *[see schedule 1 at page 3777]*. This provision inserts a detailed standard provision concerning entry with consent.

Amendment agreed to.

Clause 395, as amended, agreed to.

Clauses 396 to 401, by leave, taken together and agreed to.

Clause 402.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.22): I move amendment No 11 circulated in my name *[see schedule 1 at page 3777]*.

At the suggestion of the scrutiny of bills committee, the phrase "Legal professional privilege" is replaced with "Client legal privilege". Members will be aware that the Legislation Act 2001 and the Commonwealth Evidence Act 1995 make other provisions concerning client legal privilege applicable in these circumstances. The Legislation Act 2001 preserves the operation of ordinary law concerning confidential communication between a lawyer and a client.

The Evidence Act 1995 makes detailed provision concerning the admission of such a communication into evidence. In particular, evidence is not to be adduced if, on objection by a client, the court finds that adducing of the evidence would result in disclosure of a confidential communication or document. In addition to the protections in the act concerning self-incrimination, these other provisions will also continue to apply in the provisions under consideration.

MR STEFANIAK (5.23): The opposition will be supporting the amendment.

Amendment agreed to.

Clause 402, as amended, agreed to.

Clauses 403 to 407, by leave, taken together and agreed to.

Clause 408.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.24): I move amendment No 12 *[see schedule 1 at page 3777]*. As with government amendment 11, the phrase "Legal professional privilege" is replaced with "Client legal privilege".

Amendment agreed to.

Clause 408, as amended, agreed to.

Clauses 409 to 445, by leave, taken together and agreed to.

Clause 446.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.24): The government will be opposing this clause. At the suggestion of the scrutiny of bills committee, the proposed amendment omits a redundant provision.

Clause 446 negatived.

Clauses 447 to 457, by leave, taken together and agreed to.

Clause 458.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.25): I move amendment No 14 circulated in my name *[see schedule 1 at page 3777]*.

MR SPEAKER: Is this consequential?

MR STANHOPE: No, this is in relation to the change of name of a cooperative and the fact that it should be subject to AAT review. Similar to this, a Registrar-General decision under the Associations and Corporations Act 1991 can be reviewed.

Amendment agreed to.

Clause 458, as amended, agreed to.

Clauses 459 to 468, by leave, taken together and agreed to.

Clause 469.

MS DUNDAS (5.36): I move the amendment circulated in my name *[see schedule 2 at page 3780]*.

As I mentioned at the in-principle stage, the scrutiny of bills committee raised concerns with the uncommonly broad power to be granted to the registrar of cooperatives to exempt persons from the application of numerous requirements of the act. The exemption power, as it stands in the bill, can be exercised for any reason and is subject to no restriction, guideline or accountability to the Assembly. As such, I believe that this power is excessive. The amendment I move today requires the registrar to develop guidelines to govern the exemption powers before he or she grants an exemption.

The concern is that the unchecked power in the bill gives the registrar the scope to play favourites with particular cooperatives or particular officers of cooperatives. My amendment serves to prevent the arbitrary exercise of discretion by bureaucrats. Although I would hope that we would never have public servants we could not trust, I believe our law should minimise the scope for abuse.

I cannot see an equivalent exemption power in the Cooperative Societies Act, so Ipresume that exemptions are not commonly required. In fact, I am informed that the current registrar believes it is not likely that he would ever have occasion to use the power. If the registrar does indeed have no need to use the power, then it will not be necessary for guidelines to be developed. However, under my amendment, I believe guidelines must be developed before any exemption can be granted.

There are currently only three cooperatives in the ACT, so the potential impact of this bill, as has been said, appears small. However, the main reason for amending the act is to make the cooperative structure easier and cheaper to adopt. I understand that the registrar is currently developing a plain English step-by-step guide to encourage and assist groups to incorporate as cooperatives. There are thousands of cooperatives currently operating in Victoria, so this does have substantial potential here in the ACT.

Assuming that this style of corporate structure becomes more common, it seems proper to have the same safeguards for administrative decisions affecting them as is the case in other areas of our law. More broadly, I wish the government to be aware that the granting of unchecked powers to bureaucrats is not something that I am comfortable with, and I hope that we will not see similar provisions sneaked in in future bills.

I seek the support of the Assembly for this simple amendment.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.29): The government supports the amendment proposed by Ms Dundas concerning the dispensing powers in the act. Earlier in the debate, I moved a number of amendments to ensure that the exercise of the dispensing power is open and transparent. Ms Dundas' amendment attempts to achieve the same end—to constrain corrupt or partial behaviour by a public official by requiring the responsible minister to publish guidelines.

While it is difficult to predetermine the types of matters that might be incorporated by guidelines, I think it is probably fair to suggest that the cooperative principles in clause 8 of the bill might provide a useful start.

The government and I thank Ms Dundas for her proposal.

MS TUCKER (5.30): Ms Dundas has proposed in this amendment to add controls to the registrar's new power to give exemptions to particular sections or whole divisions. She proposes that the minister must make guidelines before the registrar can give exemptions under a number of sections, specifically section 142, which refers to requirements for active membership and entitlements of members; section 241, which relates to management and administration; section 276, which relates to acquisition and disposal of assets; section 289, which is about restrictions on share and voting interests; section 297, which is about restrictions on share offers; section 301, about disclosure statements

regarding mergers and transfers of engagements; section 318, about restrictions on voluntary winding up; and clause 44 of schedule 3, which is relevant to registration processes.

These are quite involved processes, so I am not sure what guidelines the minister will come up with, beyond the general guidelines of clauses 7 and 8. I would have preferred a bit more time to work through this and the implications, but the government is obviously supporting it, so I will not oppose it.

MR STEFANIAK (5.31): I have some reservations similar to those of Ms Tucker. I note the government is supporting the amendment and that Ms Dundas is trying to address a concern raised by the scrutiny of bills committee. Her reason is: "This unchecked power gives the registrar the scope to play favourites with particular cooperatives or particular officers of cooperatives." I suppose you can be absolutely safe and attempt to cover potential for abuse. That is what she is doing.

It does not surprise me what the registrar told her—that he could not envisage a situation where this would occur. I have been associated with government officials in the ACT in a professional capacity since 1978, regularly since July 1979 when I became a prosecutor, through my experience in this Assembly, and during the two times during that timeframe when I was in private practice. Government officials here are invariably very scrupulous and take great pains to ensure that they do not play favourites. I can imagine that the registrar may have taken a bit of umbrage.

The government is supporting the amendment. I will be interested to see what they come up with. I do want to put on record that I think we are blessed in the territory with our public service, in that people rarely point the bone at them or make accusations of corruption or improper behaviour against them. It has been my experience over 23 years of dealing with local public servants that invariably they do their very best to be scrupulously fair. Nevertheless, Ms Dundas is addressing a concern and making absolutely certain. I suppose there is the occasional bad egg anywhere. I look forward to seeing what the government comes up with.

I note the Chief Minister does not have any idea what he is doing yet. That is understandable. We only got this amendment late yesterday. I will be watching this one with interest.

Amendment agreed to.

Clause 469, as amended, agreed to.

Clauses 470 to 478, by leave, taken together and agreed to.

Schedule 1 agreed to.

Schedule 2 agreed to.

Schedule 3.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.34): I move amendment No 15 circulated in my name *[see schedule 1 at page 3777]*. The proposed amendment is in line with the first amendment, to ensure that the exemptions process is open and transparent.

Amendment agreed to.

Schedule 3, as amended, agreed to.

Schedule 4 agreed to.

Schedule 5.

MR STANHOPE (Chief Minister, Attorney-General, Minister for Health, Minister for Community Affairs and Minister for Women) (5.35): I move amendment No 16 circulated in my name *[see schedule 1 at page 3777]*. The government's attention has been drawn to the possibility of argument in relation to the effect of the bill on share premium transactions that occurred before commencement. This amendment confirms the ordinary retrospective effect of the provisions of the bill.

Amendment agreed to.

Schedule 5, as amended, agreed to.

Schedule 6 agreed to.

Dictionary agreed to.

Title agreed to.

Bill, as amended, agreed to.

Adjournment

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

> That the Assembly do now adjourn.

Milk vending businesses

MR HARGREAVES (5.36): I rise in this adjournment debate to mourn the loss of yet another small business in my electorate. In the course of the last Assembly the then Liberal government oversaw the slow and excruciating death of the home-vending industry in the form of milk delivery to people's homes. It came up with a paltry compensation process which was grossly inadequate. It was pointed out to them on numerous occasions that the process they had embarked on would mean that that industry would die. Some people have tried their best to keep going. There are a few of these people left, but they get knocked over one at a time.

The Barich family operated a home-vending service for milk in the Kambah area. They have just advised their customers that they will be ceasing trade.

For people who have cars and can zip off to the shop, it is all well and good, but for elderly people in North Kambah it is not all right. These people will be without milk. If you have a choice between gross stupidity and political bastardry, I would say to go with gross stupidity, because it works every time for me, especially with that lot over there. They are either deaf or stupid, possibly a little bit of both. I told them time and time again in the course of the last Assembly that these small businesses were going to go to the wall. What was their response? They said, "We will come up with a compensation scheme but, bad luck, you are gone. Tough, tough, tough."

This regime that has now been fortuitously tossed out on its ear, with absolutely no hope of ever being returned, such is the disarray it has displayed in recent times. You can see them deserting the ship in droves to seek the sanctuary of the Senate.

There was no need for them to take the action they did. They sacrificed small home businesses on the altar of competition policy. There was no need for these people to have their businesses pulled out from underneath them or, as in the case of the Bariches, to die a slow death. I lay the death of this small business at the door of the Liberal Party. It is absolutely appalling. I hope they think about it a little bit more before they stand up in their self-righteous way and say they are the supporters of small business. They want to have a look around the ACT and see just how many bodies lie around the streets.

These small business should not have had to go to the wall. No public benefit test was done to show why these businesses ought to go to the wall. There was no public benefit test to show why the oldies should not get their milk delivered to their homes. All we saw was the forelock tugging at the altar of Allan Fels and the national competition policy. I do not give a fat rat's who invented the national competition policy. I do care about the victims of it. I do care about it when we told this Assembly that this would be the case. I stand here before you mourning the loss of yet another small business.

I just wonder which one of those people opposite, who are responsible for this, is going to go around to the customers of these people, particularly the older ones, and volunteer to take them down to the shop to pick their milk up. I mourn their loss. I lay the death of the Barich company at the feet of the Liberal Party.

Disorderly behaviour

MRS DUNNE (5.41): Mr Speaker, last week Ms Tucker raised in this place the issue of disorderly behaviour. Standing orders took a fairly large battering this morning, and I think there was a fair amount of disorderly behaviour. I did raise matters with you earlier in the day, Mr Speaker, and I would like to quote to you from page 490 of *House of Representative Practice*. It says under "References to and reflections on Members":

> Offensive words may not be used against any Member and all imputations of improper motives and all personal reflections on Members are considered to be highly disorderly. The practice of the House, based on that of the House of Commons, is that Members can only direct a charge against other Members or

> reflect upon their character or conduct upon a substantive motion which admits of a distinct vote of the House.

MR SPEAKER: Order, Mrs Dunne! That being the case, you seem to be raising a point of order. Are you?

MRS DUNNE: No, I am not raising a point of order. I am just reflecting on what happened this morning. I call on us all to be a bit more careful about the appropriateness of the devices we use and the remarks we make, and I am calling on you, Mr Speaker, to review the remarks of Mrs Cross and rule on their appropriateness and make a ruling about the device of making a statement which was used this morning, to the disrepute of this house.

MR SPEAKER: Mrs Dunne, that came pretty close to criticising the Speaker and the Speaker's rulings. I warn you that that will not be tolerated. I said this morning that if you take issue with any of the language Mrs Cross used in bringing the matter before the Assembly this morning then you should raise the specifics. To say that you are concerned about the criticism level of your group in the Assembly is not an adequate approach to take in relation to a point of order. I had said this before. In this place members are criticised by other members. That is not to say that the standing orders have been breached.

Temporary remand centre

MR QUINLAN (Treasurer, Minister for Economic Development, Business and Tourism, Minister for Sport, Racing and Gaming and Minister for Police, Emergency Services and Corrections) (5.43): During question time I undertook to provide what information I could in relation to the number of remandees housed on behalf of the ACT. I did at the time thank Mr Smyth for advance notice of the question. I now realise that that was not done out of concern for me but as assurance that I would not take the question on notice, so can I first withdraw those thanks.

I would also like to go the further mile and congratulate Mr Smyth on the apparent information that he has at his disposal. I will try to make sure that information in future is available to government at least as soon as it is available to others, whatever it takes to achieve that appropriate end.

It is the case that as recently as yesterday prisoners were sent to Junee. Although the temporary remand centre is open, there is one glitch—and one would expect that—in the process, and that is the provision of nursing services, particularly nursing services to administer daily injections.

At this stage the protocol for selection of detainees for transfer to the temporary remand centre precludes a number of detainees who would otherwise be able to, because of the need for them to remain at BRC to receive medication. There have been quite extensive negotiations between Health and Corrections to ensure that the appropriate mental health services are there, to ensure that all of the services that are required to house prisoners at the temporary remand centre are in place. Unfortunately they are not. I freely admit to this place that that is something that I would like to have known about sooner.

I have expressed the view today that I ought to have known if we were still sending prisoners out of the ACT, even though we had spent considerable resources setting up a 30-bed annexe. That is in light of the fact that our numbers had gone over 90. I think 94 is the high in recent times. We should have been able to cater for most, if not all, of those prisoners. At 94, we may not have been able to cater for all of the women, if we wanted to maintain appropriate separations.

I will not try to pretend that I am an expert in the detail. I have had discussions with the Minister for Health, the Chief Minister, and we are working actively to make sure that the necessary services at the Symonston temporary remand centre will be provided. As we go through the commissioning process—and I do not guarantee that that is going to happen tomorrow, and I do not guarantee that that is going to happen next Monday—we will solve this glitch and we will optimise the use of the Symonston temporary remand centre. When we have invested taxpayers' money in it, we do not want to be paying for the housing of remandees outside of Canberra.

I hope that satisfies the question that was asked. I will try to get as much of that information as possible into the media. I gather the media was probably advised before question time, tactically—and I respect the tactics. We were not to know until afterwards.

Question resolved in the affirmative.

The Assembly adjourned at 5.47 pm.

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Schedules of amendments

Schedule 1

Cooperatives Bill 2002

Amendments circulated by the Attorney General

1
Proposed new clause 142 (2)
Page 82, line 22—
insert
(2) An exemption is a notifiable instrument.
Note A notifiable instrument must be notified under the *Legislation Act 2001*.

2
Proposed new clause 218 (2) and (3)
Page 123, line 10—
insert
(2) To remove any doubt, if the rules of a cooperative so provide, the board may delegate its functions under section 75.
(3) Subsection (2) does not limit subsection (1).

3
Clause 241 (4))
Page 140, line 8—
omit clause 241 (4), substitute
(4) An exemption is a notifiable instrument.
Note A notifiable instrument must be notified under the *Legislation Act 2001.*

4
Proposed new clause 276 (3A)
Page 162, line 6—
insert
(3A) An exemption is a notifiable instrument.
Note A notifiable instrument must be notified under the *Legislation Act 2001.*

5
Proposed new clause 289 (3)
Page 170, line 4—
insert
(3) An exemption is a notifiable instrument.
Note A notifiable instrument must be notified under the *Legislation Act 2001.*

6
Proposed new clause 297 (3)
Page 174, line 27—
insert

(3) An exemption is a notifiable instrument.

Note A notifiable instrument must be notified under the *Legislation Act 2001.*

7
Proposed new clause 301 (7)
Page 176, line 29—
insert

(7) An exemption is a notifiable instrument.

Note A notifiable instrument must be notified under the *Legislation Act 2001.*

8
Proposed new clause 318 (3A)
Page 187, line 8—
insert

(3A) An exemption is a notifiable instrument.

Note A notifiable instrument must be notified under the *Legislation Act 2001.*

9
Clause 338 (4)
Page 198, line 25—
oppose the clause

10
Proposed new clause 395 (3), (4) and (5)
Page 238, line 16—
insert

(3) If the occupier consents, the inspector must ask the occupier to sign a written acknowledgment—

(a) that the occupier was told—

(i) the purpose of the entry; and

(ii) that consent may be refused; and

(b) that the occupier consented to the entry; and

(c) stating the time, and day, when consent was given.

(4) If the occupier signs an acknowledgment of consent, the inspector must immediately give a copy to the occupier.

(5) A court must assume that an occupier of premises did not consent to an entry to the premises by an inspector under this division if—

(a) the question whether the occupier consented to the entry arises in a proceeding in a court; and

(b) an acknowledgment under this section is not produced in evidence for the entry; and

(c) it is not proved that the occupier consented to the entry.

11
Clause 402 heading
Page 243, line 1—
omit the heading, substitute
402 Client legal privilege in relation to requirements under div 15.1

12
Clause 408 heading
Page 247, line 19—
omit the heading, substitute
408 Client legal privilege of involved person who is a lawyer

13
Clause 446
Page 265, line 23—
oppose the clause

14
Proposed new clause 458 (k) and (l)
Page 278, line 7—
insert
(k) under section 256 (6) (Change of name of cooperative) to refuse to approve a change of name of a cooperative; or
(l) under section 256 (7) to order a cooperative to change its name.

15
Schedule 3, proposed new clause 44 (2A)
Page 329—
insert
(2A) An exemption is a notifiable instrument.
Note A notifiable instrument must be notified under the *Legislation Act 2001.*

16
Schedule 5, proposed new clause 15
Page 374, line 11—
insert
15 Existing share premium accounts
To remove any doubt, section 150 (4) (Issue of shares at premium) does not apply in relation to amounts transferred to a share premium account before the commencement of this clause.

Schedule 2

Cooperatives Bill 2002

Amendments circulated by Ms Dundas

1
Clause 469 (1)
Page 282, line 9—
omit clause 469 (1), substitute

(1) The Minister—

(a) must, in writing, make guidelines about the exercise of the registrar's function of giving exemptions under section 142, 241, 276 (2), 289, 297, 301 (4), 318 (2) or schedule 3, clause 44; and

(b) may, in writing, make guidelines about the exercise of any other functions of the registrar under this Act.

(1A) The registrar must not give an exemption mentioned in subsection (1) (a) until the Minister has made the guidelines mentioned in the paragraph.

(1B) Subsection (1A) expires on the day after the day guidelines mentioned in subsection (1) (a) are notified under the *Legislation Act 2001*.