



**DEBATES**

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

**HANSARD**

6 May 2003

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**Tuesday, 6 May 2003**

**MR SPEAKER** (Mr Berry) took the chair at 10.30 am, made a formal recognition that the Assembly was meeting on the lands of the traditional owners and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

### **Statement by Speaker Standing order 117**

**MR SPEAKER:** Members, immediately following questions without notice on Thursday, 3 April 2003 the Leader of the Opposition, Mr Smyth, queried a ruling I had made earlier concerning a question by Mr Pratt. Mr Pratt's question was in the following terms:

My question is to the minister for education. Minister, why did you say in debate yesterday that you could not spend the \$7.4 million slush fund, because "it is not in the budget this year", when Mr Corbell has previously told the Assembly "that that money is in the budget so that we fulfil in full our election commitment" and we know that the money is there, because we put it there?

Why have you contradicted Mr Corbell? Is the money there, or has it been swallowed up by your government's financial incompetence? Who has misled the Assembly—you or Mr Corbell?

As I indicated at the time, Assembly standing order 117 (e) (i) stipulates that questions shall not refer to debates that have taken place that calendar year. In querying my ruling, Mr Smyth directed my attention to the relevant section of *House of Representatives Practice* and stated that what the question was asking was on an entirely different subject than the debate the preceding day. He contended that the ruling I had made was incorrect and so broad that in the context of time it would rule out 95 per cent of the discussion in this place.

I undertook to review the *Hansard* on the issue. I have reviewed the *Hansard* report of relevant proceedings; in particular, the question asked by Mr Pratt and the arguments put forward by the Leader of the Opposition. I have to advise that I am not prepared to change my ruling. I note the arguments put forward by the Leader of the Opposition and his clear concerns that such a ruling would impede or stifle the ability of the Assembly to scrutinise the executive. However, the standing order is there for a purpose, chief of which is to preclude debates that have taken place or have been adjourned being further pursued in question time. When a member commences a question by querying a minister as to the contribution he or she made in a debate the preceding day, as Mr Pratt did, I have no option but to rule the question out of order. I think the standing orders are clear.

As to the concerns expressed by Mr Smyth, I believe that my ruling does not necessarily preclude questions being asked of ministers on matters relating to the administration of their portfolios. As I mentioned at the time, drafting assistance is available to assist members in framing questions and I would urge members to take advice if they are unsure on these matters.

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It is also open to members to pursue through the Administration and Procedure Committee the amendment of standing orders, if they so choose. However, if members were to adopt this course in one way or another, they should keep in mind the necessity to try to avoid an arrangement whereby members could ignite any debate—an anticipated one or one that has concluded—at any time in this Assembly. I contend that that is why the standing order is there. Thank you, members.

## **Petitions**

### **Telopea Park School**

*The following petitions were lodged for presentation:*

*by Ms Gallagher from 367 residents:*

To the Speaker and Members of the Legislative Assembly for the Australian Capital Territory.

This petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that:

In 2003 Telopea Park School celebrates its 80th year as Canberra's first school with a strong public reputation, strong enrolments, a vibrant future as Canberra's binational school, and with old buildings which fail to meet modern teaching and learning needs. There is an urgent need to upgrade the inadequate space of the Primary School Library to the current ACT standards for language and literacy learning.

Your petitioners therefore request the Assembly to give effect to Telopea's 80th birthday with action to upgrade the school's Primary Library to contemporary ACT standards.

### **Coleman Court Shopping Centre**

*by Mr Cornwell from 154 residents:*

To the Speaker and Members of the Legislative Assembly for the Australian Capital Territory.

The petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly, a full investigation should be undertaken by the Minister for Urban Services with the view to immediately upgrade the night lighting arrangements at the public car parking areas surrounding the Coleman Court Shopping Centre, Weston.

The petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that this investigation should be undertaken as a matter of urgent priority, due to safety of night shoppers using the public car parking surrounding Coleman Court Shopping Centre.

Your petitioners therefore request the Assembly to call on the Minister to take this action as a matter of priority within 3 (three) months from the tabling of this petition in the Assembly.

## Duffy Shopping Centre

by **Mr Cornwell** from 12 residents:

To the Speaker and Members of the Legislative Assembly for the Australian Capital Territory.

The petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly: that the Duffy Shopping Centre is in urgent need of a full refurbishment program. This should be implemented as a matter of priority by the Minister for Planning, Mr Simon Corbell (the Local Member).

Your petitioners therefore request the Assembly to call on the Minister for Planning to have this urgent refurbishment program (upgrade) to be incorporated in the coming Budget 2003-2004 Works Program.

*The Clerk having announced that the terms of the petitions would be recorded in Hansard and a copy referred to the appropriate minister, the petitions were received.*

## Suspension of standing and temporary orders

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

That so much of the standing orders and temporary orders be suspended as would prevent:

- (a) any business before the Assembly at 3.00 p.m. this day being interrupted to allow the Treasurer to be called on forthwith to present the Appropriation Bill 2003–2004, the Revenue Legislation Amendment Bill 2003 and the Bushfire Reconstruction Levy Bill 2003;
- (b)
  - (i) questions without notice concluding at the time of interruption; or
  - (ii) debate on any motion before the Assembly at the time of interruption being adjourned until the question—"That debate on the Appropriation Bill 2003-2004 be adjourned and the resumption of the debate be made an order of the day for the next sitting" is agreed;
- (c) at 3.00 p.m. on Thursday, 8 May 2003, the order of the day for resumption of debate on the question that the Appropriation Bill 2003–2004 be agreed to in principle, being called on notwithstanding any business before the Assembly and that the time limit on the speech of the Leader of the Opposition, the Australian Democrats, the ACT Greens and the Independent Member be equivalent to the time taken by the Treasurer in moving the motion—That the bill be agreed to in principle; and
- (d)
  - (i) questions without notice concluding at the time of interruption; or
  - (ii) debate on any motion before the Assembly at that time being adjourned until a later hour that day.

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## **Legal Affairs—Standing Committee Scrutiny Report No 31**

**MR STEFANIAK:** I present the following report:

Legal Affairs—Standing Committee (performing the duties of a Scrutiny of Bills and Subordinate Legislation Committee)—Scrutiny Report No 31, dated 11 April 2003, together with the relevant minutes of proceedings.

I seek leave to make a brief statement.

Leave granted.

**MR STEFANIAK:** Mr Speaker, Scrutiny Report No 31 contains the committee's comments on nine bills, four pieces of subordinate legislation, and one government response. The report was circulated to members out of session. I commend the report to the Assembly.

## **Planning and Environment—Standing Committee Report No 14**

**MR HARGREAVES (10.40):** I present the following report:

Planning and Environment—Standing Committee—Report No 14—Draft Variation No 175 to the Territory Plan—Industrial B3 Land Use Policies—Industrial Area Policies and Definitions: Fyshwick, Symonston, Mitchell and Hume, dated 16 April 2003, together with a copy of the extracts of the relevant minutes of proceedings.

The report was circulated to members out of session. I move:

That the report be noted.

Mr Speaker, on behalf of the Standing Committee on Planning and Environment, I have presented the report on variation 175 to the Territory Plan which was tabled out of session on 16 April 2003. The committee cannot recommend draft variation 175 to the Assembly. It is strongly of the view that draft variation 175 failed to adequately take account of commercial trends and possible community developments in these industrial areas.

The committee feels that draft variation 175 was weak on strategic analysis, overlooked fundamental environmental considerations, was narrowly focused, lacked analysis of relational aspects across adjacent areas or areas to be serviced, and lacked consistency or clarity in terms of the long-term intended planning outcomes to cater for, say, 10 years down the track.

The committee's overall conclusions are articulated in chapter 7 of the report and these are drawn to the attention of the Assembly. It is the hope of the committee that the recommendations contained in this report will be accepted and implemented in the near

future so that the areas in question are afforded more forward-looking planning treatments that have a consideration and an appropriate co-relation with adjacent areas.

In addition, the committee must express its concerns for the Jerrabomberra Wetlands and the need for sound land use environmental policies that will preserve and protect them and the wildlife that inhabit them into the very long-term future. The committee's recommendations reflect a holistic look at each of the areas and provide a suggested way forward to better benefit Canberra and its community.

The committee wishes to express its appreciation to those who gave generously of their time to submit their views and also to the officers from PALM who assisted the committee during its hearings. Also, I express the appreciation of the committee for the hard work of the committee secretary, Linda Atkinson.

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

## **Report No 15**

**MR HARGREAVES** (10.43): I present the following report:

Planning and Environment—Standing Committee—Report No 15—Variation to the Territory Plan, No 200, Garden City Variation—Residential Land Use Policies, Modifications to Residential Codes, and Master Plan Procedures, dated 29 April 2003, together with a copy of the extracts of the relevant minutes of proceedings.

The report was circulated to members out of session. I move:

That the report be noted.

On behalf of the committee, I have just presented a report on variation 200 to the Territory Plan which was tabled out of session on 30 April 2003. The committee could not recommend draft variation 200 to the Assembly. It believes that, in its overall effect, draft variation 200 does little to address, let alone safeguard, Canberra's garden city heritage or provide a long-term platform for the city's residential land use. The committee agreed that it failed to adequately reflect changing residential trends and that these could be best addressed in the forthcoming spatial plan.

Other features of the report included: criticism that the proposals were too broad in their application; there was no guarantee of protection of elements in the garden city; the proposals were too uniform and prescriptive; there was a lack of a strategic framework; and the proposals were too short term. In its deliberations, the committee found there were unresolved tensions between urban consolidation, urban sprawl and the garden city idea.

While agreeing that steps needed to be taken to preserve heritage areas and areas of significance, the committee concluded that some areas of Canberra and their architectural features were being protected irrespective of their architectural or planning value while other features were not, often simply because of their proximity to shops.

The committee sees this report as a valuable part of the government's process of consultation in planning matters and asks that the Assembly accept the report and its

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recommendations as being an advisory document on the suggested way forward. The committee spent considerable time coming to its conclusions, including receiving over 100 submissions and undertaking over 25 hours of public hearings for draft variation 200.

As the recommendations for draft variation 200 suggest, there is a pressing need to stand back and assess the parallel and sometimes tandem relationship of other planning processes, including the spatial plan and the neighbourhood planning processes, as these are in danger of either going into conflicting directions or being redundant because of the timing or the direction that draft variations like 200 have been steered. The recently-completed neighbourhood planning process in Turner is just one example that came to light during the public hearings.

The committee also expressed concerns about a consistent message coming from both the lay and business community during its inquiry about the public consultation throughout the development process of these variations resulting in the final version reflecting community views. This message had also been expressed to the committee for other variations under its consideration. With regard to DV 200, witnesses did suggest that the consultation process was inclusive, but that the concerns expressed were not taken on board sufficiently. They seemed to believe that PALM listened to them but did not hear them, nor did PALM agree with their views.

The committee feels that, as the ACT is limited in the land available to it to serve the needs of the community, planning for land use merits careful and rigorous strategic analysis. Such an approach, the committee argues, has not been altogether evident with both of the variations on which I have presented reports today. As I have said, the committee feels that there is some merit in giving serious thought to taking a breath with the layers of planning processes now current and reviewing them side by side to see what has been achieved, where we are going, where we want to go, and what outcomes are envisaged over the longer term.

The committee has a sense that many of the draft variations that it is receiving—it has six under consideration at present—appear to be ad hoc, reacting to some particular situation regarding a developer or another and it is difficult to always see how these might fit into an overall strategic direction. This could mean that variations such as 175 and 200 are prepared very much on the run, and so then lack the very fine planning considerations that appear to make them in some small way even consistent with the overall thrust of the written statements of the Territory Plan.

The committee acknowledges the efforts of PALM, but feels that the ACT must receive an improved level of land use analysis as insurance for sound highly and sustainable future outcomes. The committee wishes to express its appreciation to those who gave generously of their time to submit their views and also to officers from PALM who assisted the committee during its hearings.

To digress for a second, the officers of PALM spent an enormous amount of time with the committee in the hearings, gave generously of their time and gave honestly and, I thought, very professionally to the process. I would not like undue negativity to come out of this report and be directed towards PALM officers.



I also record the committee's appreciation to the committee secretary, Linda Atkinson, whose hard work, long hours and deep appreciation of the materials so ably assisted the committee. Also in respect of this variation report and the previous one, 175, I express my appreciation to the members of the committee. Both of these variations had the potential to be political footballs, but neither of them did. I would like the record to show that the committee actually considered those variations, the submissions and the presence of witnesses in a particularly multipartisan way. I pay my respects to the committee for that.

**MS DUNDAS** (10.49): I wish to speak briefly to the report on draft variation 200. I echo the sentiments of the Deputy Chair in expressing deep thanks to the secretary and to all the members of the committee for the work that went into preparing the committee's reports on both draft variation 200 and draft variation 175.

The Planning and Environment Committee has an advisory role in this Assembly and its members study draft variations to the Territory Plan to inform this Assembly as it considers the final variations on their merits. Draft variation 200 was a major variation to residential land use policies and impacted directly on every ACT resident. Hence, we considered it quite carefully, as Mr Hargreaves has said. We looked at it from a number of angles in an attempt to provide a balanced report. I am quite happy to say, as was Mr Hargreaves, that we were able to reach a consensus position on it and have a report that every member of the committee supports.

I wish to touch on and highlight some of the concerns with draft variation 200 as put forward to the committee. The areas of territorial significance that are listed in planning guidelines PPN 6 were not fully covered by the policies in draft variation 200. A particular area of concern was the brickworks in Yarralumla and how draft variation 200 would impact on the areas of territorial significance that I believe, if we are trying to maintain garden city values, need to be protected. The garden city is not just about the houses that we live in; it is also about the streetscapes and the amenities that we enjoy. We need to be looking at how we can enshrine their part in our planning processes into the future.

One other area of concern was the idea of having a residential core area and how it fitted around the local shopping centres. Already, 75 per cent of the local centres in the ACT, suburban shops, have higher development around them than the rest of the suburb. There were concerns that focusing on development around the shopping centres would devalue the ability to look at residential development along transport corridors and that it would put greater pressure on the housing market and perhaps force those on low incomes who need affordable housing further out into the suburbs.

It also appeared that the designation of areas was quite arbitrary. Concern was expressed by a number of members of the community that the decisions being made did not seem to reflect the area that they lived in and how the suburb wanted to develop into the future. The one size fits all approach was not one that the committee or the community were pleased to see in the draft variation. There was also concern that draft variation 200 fell outside the spatial planning process. The committee was quite supportive of the spatial planning process and believed that it should be informing a major draft variation such as this one as opposed to this draft variation pre-empting it.

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A question put to the committee for consideration was whether draft variation 200 would result in better planning policies than were in place before. I would draw members' attention to paragraph 4.14 for a more detailed answer to that question. But was the real problem the application of the current rules, which also needed to be looked at? If we are really trying to put in a framework to support the garden city values, would this draft variation do that? The committee agreed that it would not and that it would not result in a better outcome for planning in the ACT.

We see this report as an input to the planning processes. We hope that the minister will take it on board and consider it carefully in any redrafting of draft variation 200 to come up with a better outcome for planning in the ACT, one that addresses the concerns the community has about affordable housing and about the ecological values of the garden city and our streetscapes. Again, I would like to thank the committee, the government officials and the committee secretary for the work that went into the development of this report.

**MRS CROSS** (10.54): Mr Speaker, I will keep it brief because I do not have much of a voice. I support the comments made by my committee colleagues, Mr Hargreaves and Ms Dundas, and add the following: I believe that it is vital that we, as elected members of this place, never forget or ignore the views of the community as expressed in the submissions made on both DV 175 and DV 200. It appears that some of those comments were ignored, changed or presented in a creative way that the community was not very happy with. It is very important that we, as elected members of this place, do not forget who put us here and it is important that all the work that we produce is a reflection of those views.

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

### **Appropriation Bill 2002-2003 (No 3)**

**Mr Quinlan**, presented the bill and its explanatory memorandum and supplementary budget papers.

Title read by Clerk.

**MR QUINLAN** (Treasurer, Minister for Economic Development, Business and Tourism and Minister for Sport, Racing and Gaming) (10.55): I move:

That this bill be agreed to in principle.

This bill provides for an increase in appropriation of \$23.993 million to meet the costs associated with the clerical wage increase, additional bushfire-related costs, and the costs of the ambulance officers work value case.

The majority of the bill relates to the recent clerical wage increase, with \$19.489 million being provided for this purpose. This covers an increase in clerical wages of 6.5 per cent, which will be backdated to October 2002. The original 2002-03 budget included a provision of \$13.7 million for upcoming clerical wage negotiations. This bill now

appropriates that amount. Mr Speaker, this is the first time for many years the clerical wage increases have been supplemented by additional budget funding.

In addition to the amount appropriated for wage increases, the bill provides for the appropriation of further moneys associated with tragic events of the January 2003 bushfire. Mr Speaker, the government has acted quickly to assess the damage and put in place programs to ensure quick recovery of urban assets and the environment. An appropriation of \$3.374 million is being provided to the Department of Urban Services to assist in bushfire recovery and addressing environmental issues.

The appropriation includes: \$1.5 million towards the removal of damaged trees and debris from road verges; \$659,000 for the greening of fire affected areas; \$210,000 for the removal of pines and casuarinas from the Cotter Reserve area; \$300,000 for urgent remedial action involving landslip rectification; \$50,000 towards suppression of potential encroachment of noxious weeds in fire affected areas; \$80,000 for the replacement of garbage and recycling bins; \$25,000 to extend the free plant issue scheme to assist in rebuilding gardens damaged or destroyed by the fire; \$100,000 towards community engagement in restoration of the Murrumbidgee; and \$450,000 for fuel management, recovery of ACT heritage places and fire suppression trails and walking trails.

Mr Speaker, \$630,000 will be appropriated to ACT Forests to assist in the clean-up of burnt trees in Duffy and for aerial grass seeding of burnt areas. Finally, \$500,000 is being provided for the ACT Ambulance Service to meet the cost of the new paramedic skills allowance that resulted from the AIRC decision of September 2002 on the ACT ambulance officers work value case.

The impact on the Territory's operating result will be \$15.9 million. This includes \$3.2 million for wages above the original provision; \$8.2 million for the impact of the revaluation of employee provisions—the increase in employee-related provisions is a non-cash cost; \$4 million for bushfire recovery costs; and \$500,000 for the ambulance officers work value case.

Mr Speaker, I commend this bill to the Assembly.

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

## **Education advisory bodies Papers and statement by minister**

**MS GALLAGHER** (Minister for Education, Youth and Family Services, Minister for Women and Minister for Industrial Relations): Mr Speaker, for the information of members, I present the following papers:

### Education Advisory Bodies—Reports—

Government School Education Council —Reallocation of \$7.4 million.

Government School Education Council—Future Directions and Budget Priorities for ACT Government School Education for the 2003-2004 Budget.

Government School Education Council—Curriculum Development Process.

Ministerial Advisory Committee on Non-Government Schooling— Distribution of funding created by the termination of the Free Bus Scheme dated 3 May 2002.

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Ministerial Advisory Committee on Non-Government Schooling—Distribution of second round of funding created by the termination of the Free Bus Scheme dated 28 November 2002.

I seek leave to make a short statement on the reports.

Leave granted.

**MS GALLAGHER:** Today, in keeping with the government's commitment to consultation and consistent with the intent of the draft education legislation, I have tabled reports by the Government School Education Council and the Ministerial Advisory Committee on Non-Government Schooling. I am pleased to table the five reports, three by the Government School Education Council and two by the Ministerial Advisory Committee on Non-Government Schooling, and I commend the five reports to members for their consideration.

**Mr Smyth:** Is the minister going to move that the Assembly takes note of the papers?

**MR SPEAKER:** Ms Gallagher has not. It is really up to Ms Gallagher or for a member to seek leave to do so.

**Mr Cornwell:** We are inviting her, sir.

**MR SPEAKER:** Members, I am going to move on if we do not have a move in some direction here.

**Mr Smyth:** Mr Speaker, I wonder whether the minister, Ms Gallagher, will move that the Assembly takes note of the papers so that members can read them at their leisure and come back to comment on them later, if appropriate.

**MR SPEAKER:** That is entirely up to Ms Gallagher.

**Ms Gallagher:** I do not believe that I have to move that the Assembly takes note of the papers, Mr Speaker.

**MR SPEAKER:** You are not obliged to do so. It is open to members to seek leave to move such a motion, if they want to do so.

**MR PRATT (11.02):** Mr Speaker, I seek leave to move a motion.

Leave granted.

**MR PRATT:** I move:

That the Assembly takes note of the papers.

Question resolved in the affirmative.

**MR Cornwell:** I take a of order, Mr Speaker. Mr Pratt has moved that the Assembly takes note of the papers. Could I move now that the debate be adjourned on that motion?

**MR SPEAKER:** I am sorry, Mr Cornwell, the motion has been passed. If you want to return to that issue, you will have to work out some other device.

**Mr Cornwell:** Mr Speaker, my understanding of the motion passed was that it was that the Assembly takes note of the papers.

**MR SPEAKER:** You are correct, Mr Cornwell. What happened is that Mr Pratt sought leave to move a motion that the Assembly takes note of the papers and leave was granted. Mr Pratt moved accordingly. The Assembly then considered the motion and voted in favour of that motion. To revisit it, you will have to work out another way of doing so and it gets more complex by the day.

**Mr Cornwell:** I take your advice, Mr Speaker.

**MR SPEAKER:** I think you ought to talk to the Clerk.

**Mr Cornwell:** I will. Thank you.

### **Financial Management Amendment Bill 2003**

Debate resumed from 3 April 2003, on motion by **Mr Quinlan:**

That this bill be agreed to in principle.

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

### **Construction Practitioners Legislation Amendment Bill 2003**

Debate resumed from 1 April 2003, on motion by **Mr Corbell:**

That this bill be agreed to in principle.

**MR SMYTH** (Leader of the Opposition) (11.06): Mr Speaker, the opposition will be supporting this legislation. We are aware that the building and construction industry is a major driver of the local economy. The rebuilding from the tragic fires has added stress to the system and the removal from the register of two certifiers, for various reasons, has created some difficulties.

Unlike other jurisdictions—New South Wales, Victoria and Queensland especially—which also have private building certification, there has been no capacity in the ACT to enable the government to provide certification services. This bill addresses that shortcoming.

On our side of the political fence, we are very wary of the government intruding into what is essentially the sphere of the private sector. However, in this case we are satisfied that the provisions in the bill provide for what is essentially a safety net or, to put it another way, a certifier of last resort.

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We are satisfied that this is not a foot-in-the-door tactic to enable the reintroduction of a full government certification scheme, which we would strongly oppose. However, in this case, we see no real danger of that—neither in the bill itself nor in the spirit of its creation. The opposition is also satisfied that the relevant sectors of the building industry support this measure and that any concerns they had have been addressed in the consultation process.

The criteria for the use of a government certifier means that they will primarily be confined to an inspection and certification role. They will not issue an initial building approval, but they will be able to certify any required amendments. The government certifier will be subject to the same audit and disciplinary provisions as private certifiers. These provisions are enshrined in the Construction Practitioners Registration Act of 1998.

Mr Speaker, as an extra precaution and measure of protection, this bill provides that, where the certifier is a public servant, as he or she may be under this scheme, the usual disciplinary measures contained in the Public Sector Management Act 1994 are applicable. This is a sound measure. It addresses a fundamental flaw in the current system of building certification in the ACT, which can potentially leave people high and dry, through no fault of their own.

The integrity of the process is vital if public trust is to be maintained. People embark on such projects and undertakings in good faith. If they have taken the required steps to have their buildings certified, it is important that they are in no way penalised because of certifiers, for whatever reason, being unable to complete their work.

The opposition did have an issue and we considered moving an amendment to clarify questions of who pays. One concern was that the user of the last resort system of certification might find himself or herself in a position of being billed by both the certifier—if appointed from the private sector—and the government, as part of the recovery costs. We were subsequently assured that normal contractual provisions—in this case between the government and client—will apply, and that double billing will not happen. Should this ever eventuate, it may well be that we will have to look at this matter again. Mr Speaker, the opposition supports the bill.

**MS DUNDAS** (11.09): The ACT Democrats will also be supporting this bill, which allows the government to become building certifiers of last resort. It will allow consumers the ability to get their buildings certified in the event of private certifiers being unable to complete the job.

As I understand it, the need for the government to step into the private market has been brought to the fore by three unrelated events—that of the disciplinary matters against private certifiers; the bushfires, meaning an increase in building, which will require an increase in building certifiers; and, thirdly, the insurance crisis, which has forced a couple of certifiers out of the market.

I am also aware that PALM does not intend to put on any new staff to cover these jobs, but rather to use existing expertise in the department and, if required in the future, may in

fact contract-in some interstate certifiers on a case-by-case basis. In speaking to the department, it is clear that this is a much needed reform.

However, this is also a new market that the government is entering into. As such, it needs to be monitored closely at an administrative level, to ensure that PALM remains a certifier of last resort and is not actively competing in the market and, if demand does increase for PALM certifications, that the department is able to keep up with the demand.

The ACT Democrats welcome this reform and hope that consumers who have been left waiting by private certifiers are able to get quality and timely certification through the new government certification regime.

**MRS CROSS** (11.11): I also will be supporting this bill. I seek leave to have my speech incorporated in *Hansard*.

Leave granted.

*The speech read as follows:*

The Construction Practitioners Amendment Bill 2003 closes a hole in the legislative framework and ensures consumer protection whilst protecting private enterprise from government competition.

This bill tightens a hole in the Construction Practitioners Registration Act 1998 and the Building (Amendment) Act 1998 that could potentially lead to large consumer losses. Currently, building certification is wholly privatised in the ACT, and hence each certifier has the right to decide what work they will accept.

It has been the case that midway through the completion of a house, a certifier has decided not to complete their work. In many cases, landowners who have invested their hard earned savings into building their dream house cannot have their house completed because nobody will certify their building.

Hence, landowners can be left with a half built house they cannot live in and no money. This bill protects these landowners in two ways. First, the government is providing a “certifier of last resort”. This means the government will appoint a certifier if a landowner cannot find a private certifier to complete already started work. The use of a certifier of last resort means that the government will not be in competition for certification work with the private sector.

Secondly, it provides that a certifier will complete a job once they start it. Currently, a certifier does not have to give a reason as to why they have decided not to complete their work. This bill gives the government power to make sure a certifier completes their duty or provides for the certifier to find another certifier to complete the work, unless there is a valid reason. The provision places the cost of the change on the certifier, not the consumer.

This bill protects consumers whilst having no outstanding negative effects on the building industry. Hence, I will be supporting the Construction Practitioners Amendment Bill 2003.

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**MS TUCKER (11.12):** The Greens will also be supporting this bill. We see it as a necessary patch-up job to make workable the flawed privatised certification arrangements introduced by the Liberal government in 1998.

People conducting building work have found themselves unable to have their work certified because two of the major private certifiers have been the subject of disciplinary action and are unable to meet their commitments. The clients of these certifiers have to find another certifier and are having great difficulty finding one of the remaining certifiers who will take on their work, partly because of the risk and partly because of increased demand as a result of post-bushfire building activity.

I agree with the government that people who have taken the necessary steps to have their buildings certified should not be penalised because the certifiers cannot complete their projects. The problem arises because the private industry certifiers on whom the Liberal government relied proved to be unreliable, and the government did not retain an in-house capacity to provide a certification service on its own behalf.

This situation provides a salutary lesson about the problems we can face just a little way down the track as a result of privatisation initiatives. This is a case of the Liberals' chickens coming home to roost. However, the Liberals are no longer in government to face the problem. The current Labor government is now required to patch up the problems.

It is interesting to recall the debate in 1998 when Labor, the Greens and Paul Osborne opposed the package of bills that brought in these privatised industry self-certification arrangements. Our concerns were met with all sorts of bland, unsubstantiated assurances from the then minister, Brendan Smyth, that all was well. "She'll be right, mate" was essentially the message.

Mr Smyth lamented that Labor's not supporting the bills was the result of what he called the loony left in the ACT Labor Party rolling the moderate Mr Hargreaves in caucus. Those who questioned whether the safeguards were adequate were branded as "true ideologues and were accused of head in the sand sort of stuff. That is a direct quote from Mr Smyth at the time.

Instead of being prepared to re-examine their approach and fix the problems before the bills became law, the minority Liberal government passed the bills with the support of Michael Moore, Trevor Kaine and Dave Rugendyke, who were all persuaded that the measures were sound. So why did they leave the public exposed in this way?

In their blind pursuit of privatisation, they were so keen to remove the certification function from government and have the industry certifying itself that they reduced the government role to rubber-stamping private certifiers' papers and relied on limited random auditing to alert government to problems that might be going on.

The Liberals rid the government of its in-house capacity to certify and now the government needs it back. But, as I said earlier, this bill represents only a very partial patching-up. When newly elected Labor governments, with anti-privatisation platforms in opposition, inherit recent Liberal corporatisations or privatisations, they rarely have



the drive for reform to reverse them—although introducing Medicare after the Liberals' dismantling of Medibank is one example from some time ago.

More often it is a case of Labor finding the budget savings convenient and saying that the changes are by now too entrenched; it is all too hard, and, "Sorry, party members and voters, but we can't go back." Instead, they do a little tinkering—so that a limited government function is available to mitigate the deficiencies of the industry-based arrangements.

That is what we have in this bill. I see no sign of a view on the part of this government that certification of building work in accordance with government regulations is really core government business and should therefore be restored to government—put back in the hands of accountable public officers.

This bill takes no such stance and will not upset any private interest applecarts. The government is so careful not to offend private sector interests that it timidly assures them that its in-house certification capacity will be used only as a certifier of last resort and will in no way compete with industry certifiers. Indeed, the government certifier can be appointed by the building controller only where no other private certifier has agreed to take on the work.

The question I have is: in whose interests do we have certification, if not that of the public? Largely it appears it is in the interests of industry and that the public's stake as citizens—and therefore the employers of public servant certifiers—has given way to that of consumer and having to hunt around for reasonable service with no power to require it. So while this bill patches up what the minister describes as a fundamental flaw in the system, we are left with the question of whether this fix-up is adequate to provide a sound system. Or do other fundamental flaws remain, and will further measures be needed?

For example, we know that the limited random auditing done by government under this system has uncovered significant poor practice in the industry, requiring disciplinary action against two major providers of certification services and resulting in a shortage of alternative suppliers.

What we do not know is what undiscovered problems have simply gone through, with the government's rubber stamping of the papers, for which the industry self-certification scheme provides. I am interested to hear how the Labor government's thinking has been shaped by its experience of this system and, given its earlier philosophical opposition to it, its thoughts on future directions and what the optimal certification system should be.

**MR CORBELL** (Minister for Health and Minister for Planning) (11.17), in reply: I thank members for their support for this important legislation. Mr Speaker, as Ms Tucker rightly points out, the government's response is one designed to address a gaping hole left by the previous administration when it introduced private certification. It left no capacity whatsoever for certifier of last resort, unlike other jurisdictions that had also introduced private certification, including Victoria. In Victoria, under Jeff Kennett, the Liberal government left the government as certifiers of last resort—or indeed even in competition with private certification.

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So the ACT's movement under the previous government was to the extreme. This amendment does address the issue of certification of last resort but it does not, as Ms Tucker rightly points out, address a number of other issues in relation to private certification.

The approach I have adopted as minister is that I want to see the adequacy of the audit process currently in place for private certification. The fact that disciplinary action has been taken against private certifiers, which has required this legislation to be introduced—certifiers have been refused permission to further certify because of lack of appropriate process—shows that we have an audit process that is operational. Whether or not it is operating adequately is a matter I am continuing to consider. Once I have seen that, Mr Speaker, over the coming year or so, I think the government will be in a better position to determine whether a move to reintroduce full government inspectorate services in competition with the private sector should be underway.

I think it is reasonable to state that, under a public inspectorate, there was not necessarily a rigorous level of inspection. For the 10 years leading up to the abolition of public inspection activity, not every house was inspected, whereas under private certification every house must be inspected. Under public inspection, only spot checks of work were done, and there was a random audit process. So a public inspector did not go out to every building—they went out to a collection of buildings and did spot checks. They did not seek to approve the work on every single building, whereas private certification does that.

So there are some balances that need to be struck. I want to see exactly how effective private certification is, and certainly over the next six to 12 months I intend to do that. If I am of the opinion that private certification is still presenting significant issues as far as quality of building work is concerned, then I believe there is an argument for the reintroduction of public inspectorate processes. However, that is a policy debate for another day.

I thank members for their support for this legislation and foreshadow that I will be introducing an amendment in the detail stage. That will be a minor change to the provisions of the bill.

Question resolved in the affirmative.

Bill agreed to in principle.

### **Detail stage**

Clauses 1 to 9, by leave, taken together and agreed to.

Clause 10.

**MR CORBELL** (Minister for Health and Minister for Planning) (11.22): I move the amendment circulated in my name [*see schedule 1 at page 1601*].

Mr Speaker, this new amendment amends clause 10, regulation 6A—the criteria for appointment of government certifier. The amendment provides for this provision to apply at any time when a builder or leaseholder is unable to obtain a private certifier. The legislation, as introduced, allowed for the certifier of last resort to be accessed only if the development application was lodged prior to the introduction of this bill.

The amendment provides for the certifier of last resort to be accessed, regardless of when the development application was lodged, so that development applications post the introduction of this bill can also seek the services of the government certifier as a certifier of last resort.

Amendment agreed to.

Clause 10, as amended, agreed to.

Remainder of bill, by leave, taken as a whole and agreed to.

Title agreed to.

Bill, as amended, agreed to.

## **Agents Bill 2003**

Debate resumed from 13 March 2003, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

**MR STEFANIAK** (11.24): The opposition will be supporting this bill. The bill has had a fairly long gestation period. I can recall releasing a discussion paper on the bill back in April, 2001, so it certainly has had a fair growth period. There has been a lot of consultation, and I will come to that.

Generally, the opposition is very happy with the bill. It is along the lines of what we anticipated and there has been some very good consultation with the industry. I thank the Attorney for the briefing given to me, and the officers in the department who assisted there. I commend them for conducting a very good consultation with the industry over a lengthy period of time.

I had some concerns in relation to the consumer compensation fund and the statutory interest account. I will read out basically what is proposed to occur with those. I say, however, that because that is a bit different we will be keeping a good watch on exactly how it operates. I would think it should be okay, but it is something we will be monitoring.

The amount of money currently standing in the community compensation fund is \$2.2 million. Funds are received from the interest on real estate, agents' trust accounts, licence and registration fees from real estate, travel, and employment agents, and from interest earned on funds invested by the Agents Board kept in a statutory interest

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account. At the moment, that account holds about \$8.2 million, so we are talking about a fair amount of money—some \$10.4 million all up.

I understand that, at present, the department is working with the board to see if they can properly size the consumer compensation fund. Past attempts to properly size that fund have been relatively informal. I am advised that that is proving to be difficult, because the ACT does not have a broad enough claims history. For example, if the sizing of the fund indicates that it should be at \$10 million, then under the new act there will, I understand, be a mechanism—and obviously available funding—that will permit the transfer.

The new act will permit the minister to approve annual transfers from the statutory investment interest account to a specially designated fidelity guarantee fund which, under the new act, will be renamed the Consumer Compensation Fund. I think that is a sensible name—it basically tells it as it is.

That fund was established to meet the claims of persons who have suffered pecuniary loss because of an agent's failure to account. Under the new act, the arrangements will largely remain intact. However, the statutory interest account and the consumer compensation fund account will be moved to within the department's accounting structure and renamed, and will be subject to the provisions of the Financial Management Act.

Moneys received from interest, licence fees et cetera will continue to be paid into a designated departmental trust account and the minister will continue to determine, each year, how much should be transferred to the renamed Consumer Compensation Fund, which will continue to be invested with the Central Financing Unit in Treasury.

The new legislation provides that funds not transferred to the consumer compensation fund can be used for a number of things—for example, to promote education of agents, staff and the public; dispute resolution services; reimbursed costs incurred in proceedings against agents; and to reimburse the department for the costs of administering the legislation. That seems quite logical to me, Mr Speaker. We will be watching, though, to see how this not inconsiderable amount of money is divvied up and how it all pans out in practice.

The bill delivers a number of significant reforms. It deals with licensing and registration of agents, which will now be done by the Commissioner for Fair Trading; sales people, including property managers, will now be regulated under the act; and Fair Trading officers will be given power to serve on-the-spot fines on agents who commit offences under the act. I note also that the fines have been increased. The old act is a 1968 act and I do not have any real query with the fines proposed.

Agents who give financial investment advice will also be required to give warnings to consumers when they provide general financial advice as an incidental part of selling real estate. The warning can be fairly simple—that is, they may say, “Look, I'm a real estate agent—I'm not a financial agent. I must give you this warning because I am not a qualified financial expert.” It can be a simple warning like that. Again, because that might happen occasionally, it is a protection to all concerned.

There are also provisions where an agency which quotes unrealistically high or unrealistically low estimated prices for real estate will commit an offence. It will not be an offence for unrealistically quoting a high price or a low price, it will be more—this is under section 89 of what will be the act—for not putting in documents. Whilst it is clever, I think it is reasonably effective.

That section will enable the Commissioner for Fair Trading, by written notice to an agent, to require that agent to give evidence of what the agent relied upon in making the representation about their estimate of the selling price—that is, if they give that estimate to a seller or a buyer—or place it in an advertisement.

The commissioner, of course, has to give reasonable notice to let the agent comply with it. However, if a person fails to comply with a notice—that is a notice to give that information—they will commit an offence. The maximum penalty is 100 penalty units, which is a fine of \$10,000. That effectively forces the agent to provide whatever documentation they had. If it is reasonable, I would not think anything further would happen but, if they fail to give that information or if they are relying on shonky information in the first instance, they would be subject to a fine. In the second instance, I am sure some other potential problems would arise as a result. That is basically what that means.

It also provides that agreements between agents and sellers have to be in writing. That will allow home owners to better understand rights and obligations under agency agreements. Agents also have to disclose anything such as kickbacks they now receive from real estate transactions. That is not to say they cannot do it, but they have to disclose it.

There will be a register of licensed principals and registered salespersons, including property managers. Details of disciplinary action taken against them will be maintained by the Fair Trading Office. That will be available for public inspection. The register will assist consumers in their choice of agent. If they check that and find that an agent has a particularly bad record, they would probably—sensibly—pick an agent with a clean record.

A consumer compensation fund will continue to operate to protect consumers in the event of the financial collapse of a licensed real estate, stock and station or business agent. I have already expressed some of the issues we will be watching closely in relation to that.

Whilst some of those steps perhaps seem fairly severe I note that the agents are pretty happy with it. The industry has been very helpful. The consultations have included people such as Ken Roberts of the Real Estate Institute and a number of other persons there; agents; consumer organisations; the CIT; the Agents Board; and our old Assembly colleague, Harold Hird. He is very happy with this and has had significant input. Might I publicly thank him for his interest and the input he has had. I note that the Attorney has already done so, but Mr Hird has had an interest and an input in this, going back a number of years.

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As I indicated, the community will be able to lodge grievances with the Commissioner of Fair Trading. If there are grounds for discipline, the matter will go to the new tribunal set up as a result of the act passed by the Assembly in the last proceedings in April.

Salespeople will be required to be registered. As to the standards here, there will be such things as a police check—and basic qualifications. This is to be set out by regulation. It has not been completely developed yet, I understand. I point out that all other jurisdictions are registered.

I understand there will be a two-year period, to give existing salespersons time to obtain any qualifications they need. Prior recognition will be taken into account. I believe that is essential in an industry like this. We have some very good, well-qualified and experienced people—indeed, the sort of people who might be running a few training courses for new people, if need be.

The training will include people such as property managers, which I believe is important. There has been training for real estate agents, although probably in a fairly ad hoc way. Back in 1994 I ran a course for real estate agents at the CIT. As I recall, there was a six-month agents course and I lectured in introduction to business law. To digress a little, my real estate agents were a classic bunch of people and it was a lot of fun doing the course.

I incorporated into my course a two-week period where I taught them how to complete claims in the Small Claims Court. Agents often have to do that, especially when it comes to trying to get bond money returned, which has been forfeited for various reasons in relation to real estate agreements et cetera.

No-one other than an insomniac goes to the Small Claims Court to watch a case in action. It is that not kind of place. But I took my class to the Small Claims Court. It was then in a courtroom in the AMP building. We happened upon a case which was very embarrassing for the agent representing the plaintiff, who was conducting the case, to try to ensure that some bond money was forfeited.

Imagine his surprise when about 20 of his colleagues descended on the court. We will call him Fred, although that is not his real name. Fred was incredibly embarrassed and turned a bright shade of red. I do not know if my class had any effect on the matter but, unfortunately, Fred subsequently lost the case. Maybe it did not, because the magistrate was not being terribly sympathetic as Fred was prosecuting his efforts to retain some of the bond money. The point there is that education is terribly important, as is recognition of prior learning. I believe that is something that will assist the industry.

Mr Speaker, I do not have any more to say in relation to this legislation. There are a number of things which still need to be worked out. Some of the on-the-spot fines still have to be worked out with the Real Estate Institute.

I do not have a problem with that. It shows the desirability, I suppose, of the consultation process—the way the department is working very closely with the industry to come up with an act that I feel not only greatly benefits the consumer but also imposes some logical obligations on agents—obligations which they themselves think are very important in properly regulating their industry. Other states are of course regulated.

All in all, there has been a very good effort from all concerned. Whilst it has been a fairly lengthy period of time—it is over two years since I released the discussion paper—the end product seems to be well worth it. There are a few things we will continue to monitor, and a few things yet to be finalised. The opposition will watch those with interest. However, all in all, I believe this is a piece of legislation well worth supporting.

**MS DUNDAS (11.36):** Mr Speaker, the ACT Democrats support the reforms contained in the Agents Bill. This, alongside the Consumer and Trader Tribunal Bill and the Security Industry Bill, brings a consumer focus to the regulatory bodies who provide services to Canberrans. It creates a strong regulation of real estate, stock and station, business, travel and employment agencies, and I understand it is the first major reform in this area for about 35 years.

Part of the reform is that the Commissioner for Fair Trading becomes a one stop shop for consumer affairs. This makes for a more consumer focused office and will streamline the bureaucracy. Sensible reforms, such as repealing the Auctioneers Act of 1959 and treating auctioneers in the same fashion as real estate agents, will take the duty out of the Magistrates Court, which will free up some time for them to address other matters.

I am pleased to note the stronger enforcement measures to protect clients' moneys held in trust, and regulating the interest to be paid on trust accounts as 70 per cent of the current cash rate. This measure again provides certainty to the consumer and has been a constant issue raised by the Auditor-General.

I acknowledge that this bill focuses on the consumer. However, not addressed in this bill are some of the unethical practices of agents and auctioneers. I have raised these concerns with the department and the Attorney-General and have been assured that they will be addressed as part of the gazumping legislation. I agree that that would be the appropriate place to do this.

As has been said by the Attorney earlier, this bill has been a long time coming, and many people have been consulted throughout the process. The ACT Democrats add their support to the reforms and look forward to a streamlined consumer focused area of fair trading.

**MS TUCKER (11.38):** This bill is the second stage in reorganisation of the consumer and trader legislation in the ACT. It deals with the registration and licensing of real estate, stock and station, employment, and travel agents, and—very importantly—salespeople in their employ.

Consumers will be able to complain to the Commissioner for Fair Trading, who will be obliged to investigate each complaint. Matters can then be referred to the Consumer and Trader Tribunal, as established earlier this year. Key features the Greens are pleased to support include the imposition of specific standards for agents and salespeople, including qualifications and training, and the fact that consumers can have recourse to the commissioner and the relevant tribunal with consequences, such as disqualification and penalties, imposed upon salespeople and agents.

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This signals an important shift in the balance of power between consumers and agents. Many existing practices are clarified or, on occasion, ruled out by this bill. Agency agreements between agents and sellers must be in writing. Benefits accruing to agents must be disclosed prior to contracts being entered into, although no sooner than that, as it happens. Real estate agents are prohibited from acting for buyer and seller. Estimated selling prices must be justifiable. All expenditure and all funds held on trust must be properly accounted for.

This bill establishes a consumer compensation fund so that, if any agency collapses, for example, and cannot account for funds, consumers are eligible to apply to the fund for compensation. Decisions are reviewable by the Consumer and Trader Tribunal.

There are some issues and concerns. Rules of conduct for agents and salespeople may be prescribed by regulation, and I understand that is the government's intent. Similarly, I understand the regulations will require real estate agents to disclose all offers made to purchase properties, up to the point of contracts being agreed.

Our preference would be to have these rules as a schedule to the act. It is an ongoing difference of perspective. In this case, as these regulations are disallowable in the Assembly and the act is passed, it will not be able to come into force until the regulations are complete. We will give them close scrutiny when they are tabled.

Most of the penalties in this bill are strict liability offences. That makes sense when it comes to issues such as allowing others to use your licence, for example; failing to comply with a notice to produce evidence; or engaging an unregistered salesperson. However, the increasing reliance on strict liability offences does raise issues of fairness.

In the context of the introduction of a new scheme for licensing of operations, governing trade and representing the interests of consumers, of which this bill is the second stage, we probably need to take a longer-term view. At the next stage of this project, I will consider introducing a requirement for the scheme to be reviewed after two or three years, with particular focus on the efficacy of the new tribunal arrangement, the acceptability of the strict liability offences, and overall effectiveness of this regime of business regulation and governance.

**MR STANHOPE** (Chief Minister, Attorney-General, Minister for Community Affairs and Minister for the Environment) (11.41), in reply: Mr Speaker, the Agents Bill replaces the old Agents Act 1968 and represents the first major revision of this legislation since 1968. The bill recognises, for the first time, the significant part consumers play in the dynamic of real estate property transactions. The bill modernises the regulatory regime and delivers a cost-effective, streamlined, independent licensing and disciplinary system that is more accessible, transparent, and accountable to the ACT community.

Members have touched on many aspects of the bill but, for the sake of completeness, I will repeat the range of significant reforms contained within this legislation. The licensing and registration of real estate, stock and station, business agents, and travel and employment agents will now be done by the Commissioner for Fair Trading. Salespeople



and property managers will be regulated under the act. ACT Office of Fair Trading officers will be given power to serve spot fines on agents who commit offences under the act.

Agents who give financial investment advice are required to give warnings to consumers, when they provide general financial advice as an incidental part of selling real estate. Agents who quote unrealistically high or low estimated prices for real estate will commit an offence. Agency agreements between agents and sellers must be in writing, as a consequence of this legislation. This measure will allow home owners to better understand their rights and obligations under agency agreements.

Agents must now disclose any kickbacks they receive from real estate transactions. A register of licensed principals, registered salespeople and property managers, and details of disciplinary action taken against them, will be maintained by the ACT Office of Fair Trading and will be available for public inspection. The register will, of course, assist consumers in their choice of agent.

The consumer compensation fund will continue to operate to protect consumers in the event of the financial collapse of a licensed real estate, stock and station, or business agent. Consumers of travel agency services will continue to enjoy the financial protection provided by the travel compensation fund. The new Consumer and Trader Tribunal will hear and determine disciplinary matters relating to agents and appeals against licensing and registration decisions.

Consumers will, for the first time, be able to lodge their grievances with agents with the ACT Office of Fair Trading for investigation and, where appropriate, the Commissioner for Fair Trading will refer matters to the tribunal for determination. Empowering the tribunal to deal with consumer complaints against agents on referral by the commissioner acknowledges the significance of property transactions in people's lives. The tribunal will also deal with consumer complaints against travel agents and employment agents.

This bill, Mr Speaker, is the result of extensive industry and consumer consultation. I would like to thank all the people and organisations that contributed to the development of the bill, including key members of the Real Estate Institute of the ACT, the Agents Board, the ACT Office of Fair Trading and ACT consumer groups. I also acknowledge, as Mr Stefaniak has, the interest, assistance and advice which Mr Harold Hird, a former member of the Assembly, has provided in the development of this legislation. I thank all of those for their positive and constructive contributions to government's reform proposals for ACT agents and I thank members for their support of this legislation.

Question resolved in the affirmative.

Leave granted to dispense with the detail stage.

Bill agreed to.

**Sitting suspended from 11.45 am to 2.30 pm.**

## Questions without notice

### Rex Airlines

**MR SMYTH:** Mr Speaker, my question is to the minister for business and tourism. Minister, Rex Airlines has recently stated that it would end services to Canberra unless governments allowed it to be able to compete freely with Qantas for public service travel. As you may be aware, Rex Airlines is employing many of the staff previously employed by Kendell and Hazelton Airlines.

While the Commonwealth is obviously the main target of their concerns, the ACT government also has the second biggest travel budget in the territory. A check of the website revealed that a return trip between Sydney and Canberra on Rex would cost as little as \$151, as opposed to \$356 on Qantas. What actions have you taken to ensure that ACT government employees can travel with Rex, if it is a competitive option for that particular trip?

**MR QUINLAN:** Yes, it is a concern that Rex has not been patronised. I guess that has to do with the processes which have been in place for a long time in terms of individual choice and individual management by agencies. I have issued instructions. We do investigate the various means we have to ensure that a reasonable proportion of travel by the ACT government goes to Rex.

I have, of course, had some discussions with Rex Airlines. They are now providing lounge accommodation in various airports, which apparently is a big selling point. They are also selling memberships for those lounges. I am confident that, from our perspective, we can push a reasonable degree of trade towards Rex without necessarily breaching any competition policies and whatever rules might exist. Hopefully, we can also encourage the Commonwealth to follow suit, because that is where the real money is.

**MR SMYTH:** Mr Speaker, I have a supplementary question. Minister, would you like to detail to the assembly what actions you have taken to persuade the federal government to compete more fairly for their business?

**MR QUINLAN:** No, as I said, I have not. We would be interested in doing that, but I have not chased the Commonwealth government. I know that the Rex management and directors have been dealing with the Commonwealth government. Without great certainty, I understand that a couple of them might have connections to the political party of the federal government's persuasion and in fact might have, without interference from me, a better chance than I of convincing ministers of the federal government of this. However, in my discussions with those representatives, I have offered to do what they feel might be appropriate to assist them at a suitable time.

### Australian International Hotel School

**MR HARGREAVES:** My question is to the Treasurer. Can the Treasurer inform the house of the outcome of discussion he has had with representatives of the Australian International Hotel School over the question of the school's future?

**MR QUINLAN:** Yes, thank you, Mr Hargreaves. I think it is important now that I at least detail to the Assembly the series of events that has taken place in relation to the Australian International Hotel School, which has been the subject of some political discussion. Members will recall that, fairly early in the period of this government, I commissioned a commission of audit to look at a number of enterprises in which the government was involved. That included the Australian International Hotel School.

The conclusions of that commission of audit were not strong, so there has been since that time, a review of the school—from the school's operational perspective rather than as an external audit—which came up with some conclusions, including that it may possibly survive if amalgamated with the University of Canberra or Canberra Institute of Technology.

I also met with the board some months ago with a view to getting their opinion. They committed to setting out a business plan in order to advise government as to what was necessary to make that school viable. They were quite clearly the ones with the most intimate knowledge to put that business plan together. I also set up an interdepartmental working party to review all of the objectives and plans and to objectively assess the school.

At the end of the day, the board of the Australian International Hotel School believes that it is capable of survival, but the interdepartmental working party identified that that proposition carried with it considerable risk, and more risk than I think a government ought to be involved in, particularly as there didn't seem to be much genuine up-side. It is one of those things that I think was really something that offered the town prospects in the first instance, but that was never realised.

In recent times, I had discussions with the board representatives with a view to advising them that the government wanted to phase out funding of that school because we really could not continue to justify the flow of taxpayers' funds to it. I agreed with the board that it would go away and work through all of the options, and there are many options available for the school itself or for the students and staff therein. The government is concerned and remains concerned that the moral obligations and the contractual obligations that we have to students and staff are exercised to the full.

There are some people involved here. It is one of those processes we might not like but it is very difficult to undo, so I did in fact agree with the board that it could work through the proposal that the government would wind down funding on the school and that the board would, with its expertise, consider all of the options for the school and get back to me.

**MR HARGREAVES:** Can the Treasurer please advise the house of the status of the students currently enrolled in courses at that school?

**MR QUINLAN:** Of course we have a contractual obligation. As fate would have it, some of those students are doing exams this week. I want to register, Mr Speaker, my extreme disappointment that this information in relation to the hotel school was leaked to

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the media. I did discuss with leaders of this place the damage that could be done if information about the government's decision was leaked before the board had a chance to come up with the options that it might want us to work through.

Unfortunately, that information has leaked out. I do not know the source. I certainly hope and trust that it was not from this place, because if it was from this place, then given the size of this parliament and the fact that we are working in a minority government, this place will not work. Many pious words are spoken in this place about accountability and about, on the other hand, secrecy, but if the information cannot remain confidential when it is not particularly important to the government that it remain confidential, that will have potentially damaging effects on other individuals and the place is going to have difficulty working. I hope and trust that it was no-one in here because if it was someone in this place, that person does not deserve to be here and should not be here. We just cannot make it work.

It will be difficult from here on. I will stay in contact with the board and hope that the school doesn't, as a function of somebody's indiscretion, virtually disintegrate. There is considerable chance of that. As reports have come out, the school board believes that it has the potential to continue. It intends to work through that. Let me also advise that, from time to time, there are also external parties that show some interest in the process, at least, that goes on here. There are quite a number of options, but somehow this got to be "school to close" in the media and that causes immeasurable damage, not only in this instance, but to the way this place can operate in future.

This event will be mentioned again because there will be time when this government, or a future government, is asked, "Why didn't you tell us?" The government will reply, "Remember the hotel school?"

### **ACTION bus employees**

**MRS CROSS:** My question is to Mr Wood, Minister for Urban Services. On 5 May 2003 it was reported in the *Daily Telegraph* that New South Wales rail transit officers are being bashed, bitten, kicked, spat on and threatened, amid claims of inadequate training. Minister, does that occur with ACTION bus employees? What security is currently in place to protect both ACTION bus personnel and the travelling public as they wait at the bus interchanges?

**MR CORBELL:** Mr Speaker, I am responsible for ACTION and I am happy to answer the question. I am not aware of serious incidents of assault against ACTION bus drivers, but it is true that from time to time ACTION bus drivers are abused by some—I stress "some"; in fact, a very small number—members of the travelling public.

ACTION does have a range of responses in place to address these issues. In particular, there is an emergency duress button fitted to every ACTION bus that opens a channel in the communications system and the driver is then able to communicate to both the communications centre for ACTION and all other bus drivers that they are suffering some form of assault.

The government believes that this is not an adequate level of protection for bus drivers. Members will recall that in last year's budget the government allocated a significant

amount of money to upgrade the communications system for ACTION bus drivers. One of the reasons behind that was the occupation health and safety issues faced by bus drivers. The new communications system is currently being progressed through the tender process. I anticipate that the new communications system will have an improved level of security, including potentially a GPS system, so that drivers will simply have to push a button, their location will automatically be known and there will be able to be a response to that bus.

The level of instances of assault physically is quite low. Verbally, it happens more often, but certainly not at a significant level. ACTION also has the appropriate range of counselling and support for drivers following any such incident. The government and ACTION management are conscious of this issue and the new communications system is designed to improve the situation for ACTION bus drivers. I have to say that the communications system project was repeatedly stalled by the previous government. I am very pleased that this government was able in its first budget to respond to that very important occupational health and safety issue.

**MRS CROSS:** I have a supplementary question. Minister, given that you have acknowledged that this problem does occur at a small level, are the staff that are subjected to this abuse encouraged to come forward or are they gagged as to the transparency of the complaint?

**MR CORBELL:** The government's view is that all staff should come forward and report incidents. From time to time, I am made aware of incidents being reported by staff. The government in no way condones any behaviour that seeks to hide or dismiss these incidents, regrettable as they are and as infrequent as they are.

### **Superannuation investments**

**MR STEFANIAK:** My question is to the Treasurer. In the *Canberra Times* of 3 May this year you flagged that the ACT government would look at having its superannuation fund invest in properties that the ACT government rents. Treasurer, this seems to have the obvious appearance of conflict of interest between the interests of the government to pay low rents and the interests of superannuants to have high returns. In order to prevent private superannuation funds having such conflicts of interest, APRA circulated superannuation circular No II.D.5 in 1998 requiring all investment transactions to be made and maintained at arm's length. Why are you putting forward an investment strategy that does not meet the requirements of "arms length"?

**MR QUINLAN:** I thank the member for his question. I truly thank him for the opportunity to reply. This was an example I gave when I was talking about superannuation. I said that we intended to examine more conservative investment. Bearing in mind the history of the portfolio that we took over a year and a half ago and found it difficult to dismount from, we are going through a process of insuring that our superannuation investments contain a lower risk profile than one that is designed to try to make consistently a 5 per cent real return. So I said that we could invest in other investments and maybe property, particularly property that we occupy ourselves. I actually said that. So it was only an example and it was confined to property.

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I said that it does seem a little ridiculous, depending on the returns that are available, to be renting property at the same time as investing in volatile shares—something, as you know, Mr Stefaniak, I warned against in 1998. Some of my 1998 predictions have come true—I just happened to be the mug on the other side of this house when they happened.

I have looked no further. I cannot even give you any detail. I do not even know what the real rate of return is on property investment—whether it can get anywhere near our more recent targets of 3 per cent in the short term and 4 per cent in the medium term before we are game to increase our risk profiles. So it is really one of those things that was picked up and probably gained a little bit more prominence than it ought have had.

**MR STEFANIAK:** Mr Speaker, I ask a supplementary question. Minister, you said that this is something you have not looked at in detail. Why are you putting forward possible options for superannuation investments when you actually have not done adequate research into them?

**MR QUINLAN:** There has been a lot of work done, by the way, in Treasury. It was an example. It is a matter that I have discussed with Treasury—that here are the areas we will look at; we do actually talk to each other. We might look at the profile of a portfolio that we carry. As I just said, this was an example. So really I was not putting it forward. I guess that is where the confusion lies. I did not put it forward and say, “Yeah, yeah, we are going to do that.”

### **Trees in Nettlefold Street, Belconnen**

**MS TUCKER:** My question is to Mr Stanhope as Minister for the Environment and as Chief Minister. It is about significant trees. I say it is an all-of-government question because it does require that perspective, given that the Commissioner for the Environment stated, in his report of October 2002, that a more empathetic system is needed for dealing with such stands of remnant trees on all land to be considered for any type of development in the ACT—this applies especially for unleased land identified for possible sale.

My question today relates to the impact of the proposed development on the survival of the remaining trees and, in particular, their water needs. As the Environment Commissioner has pointed out—and, as I am sure you are aware—the significant alteration to ground levels for the driveway and parking area, and the hard surfaces that will surround the remaining trees, are likely to have a drastic impact on their water supply.

My question is: when the decision was made, was a long-term hydrological assessment conducted and, if so, can you table it in this place by close of business today?

**MR STANHOPE:** Thank you, Mr Speaker. I thank Ms Tucker for the question. In relation to the last part of the question you asked, I don't know whether there was an independent hydrological assessment undertaken in relation to the watering requirements, or the impact of proposed development on the root systems, of the trees at Nettlefold Street. If there was such an assessment done, I am more than happy to table it. I will obtain it from my department today and happily table it.

In relation to the other issues you raised around the Nettlefold Street trees, it is important that we understand the history of the matter. The Nettlefold Street site was sold around two or 2½ years ago—indeed just before the last election. Perhaps one of the last actions of Mr Smyth as Minister for Planning at the time was the sale of that land, excepting that the Nettlefold Street site had been designated on the Territory Plan since 1976 as a site for commercial use. It was designated in 1976 for commercial use as part of the Belconnen industrial estate. It remained on the Territory Plan, designated as industrial, from 1976 until the previous government took the decision to sell it. It was sold for \$560,000 to the owners of Farmers Bros Liquor Stores—proprietors with an establishment in Phillip, who sought to expand into Belconnen.

There are some significant trees on that site. There are certainly some beautiful trees. This is one of the issues that, over the years, we have become increasingly conscious of—and it is twofold. There is the importance of significant trees, particularly remnant yellow box red gum trees, the importance of trees as part of the amenity of our suburbs and also, in a planning sense, the difficulties around those blocks of land which are designated for development but are not developed immediately, and essentially for very good reason, until after a period of time. During those periods, residents become very attached to those little oases of open space such as the Nettlefold Street site has become.

It always was designated for industrial use. It was sold pursuant to that. The appropriate planning arrangements were pursued. There is concern among some residents that perhaps it was not done so openly or efficiently, but the law was complied with at every step of the way. A developer bought the block, paid his \$560,000 and the money was spent. These are difficult issues. The money was spent on health, education and other aspects of the running of this city.

A range of issues has been raised in relation to Nettlefold Street. Why don't we buy it back? Why don't we find the \$750,000 and just buy it back? Why don't we swap it for another block of land? Those are potentialities which this government is not prepared to pursue.

There was an assessment of each of the trees by an independent tree assessor, somebody independent of government. At the time of the first assessment it was Mr Robert Boden, an acknowledged expert in relation to trees in this town. It was Robert Boden who assessed the site in the first instance, pursuant to the legislation then applying. It was Robert Boden who approved the removal of the trees that it was decided could be removed to facilitate the development proposed on the block. Robert Boden is somebody who was independent of government. Not only that; he is a person in relation to trees and the environment of enormous standing in this community, whose standing cannot be gainsaid or questioned.

It was on the basis of Robert Boden's advice that the Conservator of Flora and Fauna at the time took the decision that certain trees could be removed or damaged. There was a question about the nature of the law that applied at the time and the process was redone. At the time it was redone there was a new independent tree assessor and that second independent tree assessor, operating under separate or different understandings, made the same decision that the trees be removed and that the development could proceed.

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Yes, there are certain issues around access and egress and there are certain issues around how to maintain the continuing health and life of the significant trees that are to be protected. I have every expectation that the development arrangements and plans in relation to those significant trees will ensure that they survive and survive healthily. I have no reason, in relation to all the advice that has been provided to me by the Conservator of Flora and Fauna, to doubt that that will be the case.

I know that the commissioner, Dr Baker, continues to have concerns, as do a significant number of residents, around the continued health of these trees. All the advice available to me from the Conservator of Flora and Fauna is that all steps that can be humanly taken are being and will be taken to preserve those trees in the context of the development that has been proposed and approved in relation to that site.

I know that these are issues that affect a lot of us, and quite rightly so. Trees are so significant to us and these are very significant trees. I might say by way of concluding that it was in the context of these sorts of issues that I was so pleased to release last week the lowland woodlands strategy in relation to the need for us to protect the yellow box/red gum grassy woodland ecosystem, which is iconic in the ACT. It is the woodland that is iconic, that is so significant in terms of what it is about Canberra that we love so much, and we accept our responsibility to protect in perpetuity that woodland ecosystem because of its fundamental importance for a whole range of reasons.

I hope that through that strategy we can agree, as a community, on the decisions that we need to take to balance our commitment to the environment as well our need to ensure some certainty in relation to all of the other land management decisions that any functioning community must take and make. These are fraught issues. I am hoping that, through some process or some agreement around the scientific validity of the lowland woodlands strategy, we can find a way forward without the continuing division that issues such as this create.

*It being 3.00 pm, questions were interrupted pursuant to the order of the Assembly.*

## **Appropriation Bill 2003-2004**

**MR QUINLAN** (Treasurer, Minister for Economic Development, Business and Tourism and Minister for Sport, Racing and Gaming) (3.00): I present Appropriation Bill 2003-2004, together with its explanatory statement and the following supplementary budget papers, in accordance with section 13 of the Financial Management Act 1996, and other associated budget papers:

Budget 2003-2004 –

Financial Management Act, pursuant to section 10 –

Budget Speech (Budget Paper No. 1)

Budget at a Glance (Budget Paper No. 2)

Budget Overview (Budget Paper No. 3)

Budget Estimates (Budget Paper No. 4)

Bushfire recovery—supplementary Paper



Later this afternoon I will be presenting ownership agreements and purchase agreements relating to all portfolios.

Title read by Clerk.

**MR QUINLAN:** Mr Speaker, it is my pleasure and privilege to present the 2003-2004 budget for the Australian Capital Territory.

This budget, Labor's second, builds on our achievements and continues the process of reform since the Stanhope Labor government came to office 18 months ago.

It is also a budget formed against the confronting backdrop of the tragic January bushfires, an event unparalleled in Canberra's history.

Mr Speaker, this is a budget that provides a balanced response to the many competing needs of the territory.

This budget measures well against the targets that we have set ourselves.

It continues Labor's strong commitment to addressing the areas of real need in the community. There is more spending in health, education, housing and the environment. The budget also provides for business and continues to create an environment for business growth and expansion.

Mr Speaker, I am delighted to announce that this budget remains in surplus over the economic cycle. Labor will achieve an aggregate surplus of \$66 million over the four year time frame. The budget keeps Canberra on the positive side of the ledger in very challenging economic conditions.

This budget has no new debt and no major asset sales.

Mr Speaker, the general government sector will be in deficit by \$7.7 million in 2003-04. New spending in this budget, while considerably less than previous years, still allows for much needed pressures to be responsibly addressed. Importantly, this budget provides a program of bushfire related activity that will help restore the physical and social fabric of the territory. This activity is already well underway. I might add that this is very important to the psyche of Canberra.

Just as importantly, we have not let the job of bushfire recovery distract us from our main objectives of addressing key social, economic and spatial goals. This budget provides well targeted funding for health, education and economic growth.

It is a budget that reflects the government's commitment to building our city and building our community.

### **Employment and the economic outlook**

Mr Speaker, I turn now to the economy. This budget has been framed upon the expectation of a solid ACT economy. Historically, the territory economy has generally

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outperformed the national economy. Recently, our stronger performance has been due to our relative insulation from the adverse impacts of slowing global economic growth and the drought.

As and when global growth picks up and the drought ends it can, however, be expected that the national economy will recover at a rate more quickly than the ACT.

Mr Speaker, the territory has benefited from the low interest rate environment and recent expansion in Commonwealth government outlays. The low interest rates have stimulated both the housing industry and household consumption. This has supported jobs growth in labour intensive industries.

It is the case that, both in the ACT and nationally, households have increased their indebtedness and increased wealth accumulation through increasing home equity. This, of course, cannot continue indefinitely and we are already seeing signs of a slowdown in household consumption as household debt reaches record levels. It is important that we accept the expectation of normalised growth in both construction and household consumption against which this budget has been framed. Combined with the expectation of only moderate growth in federal government outlays, the ACT economy is forecast to grow more steadily over the budget period. Gross state product is forecast to moderate from 3.9 per cent in 2001-02 to 3.4 per cent this year and 3.1 per cent in 2003-04.

Mr Speaker, consistent with this forecast, employment is expected to moderate from its exceptionally strong growth this year of better than 2 per cent to 1.4 per cent in 2003-04 and similar levels in future years. These rates of growth are in excess of the forecast population growth of approximately 0.9 per cent annually, reflecting in part an increase in the working age population as a proportion of the total population.

### **Commonwealth-state financial relations**

Mr Speaker, let me now turn to the territory's financial relations with the Commonwealth.

The territory stands in good stead with respect to Commonwealth-state finances and continues to receive an above equal per capita share of the GST revenue pool, which is fully deserved given the special circumstances faced in managing the territory.

Mr Speaker, 2003-04 will, however, see the ACT suffer a setback, with the territory's per capita relativities down on 2002-03 levels. Consequently, the territory's general revenue assistance is estimated to increase by just \$6.9 million or 1 per cent in the coming year. This is a smaller than expected increase, and one that places some additional pressure on the territory's budgetary position.

The decrease in the relativities is, however, reflective of the strong economic trends the territory has experienced over the past 12 months. The Commonwealth Grants Commission has concluded that the ACT's capacity to raise revenue has increased, citing payroll and gaming taxes as well as stamp duty and conveyancing as areas where the territory could generate further revenue.

Despite the generally positive outlook for the ACT, there remain areas of concern in the future of Commonwealth, state and territory financial relations. The states and territories have consistently pushed the Commonwealth to keep its commitment to maintain specific purpose payments in real terms, which I might add was part of the intergovernmental agreement that supported the GST. The territory will continue to press the Commonwealth.

Further, the federal Treasurer has shown reluctance in accepting the Commonwealth Grants Commission's recommendation of \$15 million to the ACT for special fiscal needs. The Prime Minister has indicated the federal government is considering the issue right now and we expect to see the money in Peter Costello's budget when it is handed down on 13 May.

### **Bushfire recovery**

On 18 January 2003 the ACT experienced a fire disaster, unprecedented in its history, and of a scale ranking it as one of Australia's worst single day natural disasters.

The government's strategy has been to respond quickly and comprehensively with a range of measures supporting those affected, and promoting the clean-up and recovery effort.

The 2002-03 budget supports programs totalling \$29.7 million.

Mr Speaker, this budget continues to support the bushfire recovery process. An additional \$22.8 million has been allocated across four years, bringing the total to be spent on bushfire recovery initiatives to \$52.5 million. There is no doubt that this represents a significant financial effort that has taken priority in the budget.

A fire reconstruction levy will be introduced in 2003-04 to partly offset the costs of the recovery program. The levy is based on the average unimproved value of each rateable property in the territory. The levy will be implemented for only two years, and will raise a net \$5 million each year.

Mr Speaker, if circumstances permit, the government will look to remove the fire reconstruction levy in 2004-05 so that it remains in place for one year instead of two.

ACT Housing properties will be excluded from the levy, as will eligible pensioners.

Mr Speaker, the cost of the disaster will also be somewhat offset by the Commonwealth government under the natural disaster recovery arrangements, or the NDRA. An estimate of this reimbursement of \$17 million is included in the budget for planning purposes.

The government intends to maintain the momentum through bushfire recovery initiatives with the aim to achieve much more than a simple return to the pre-bushfire situation. Canberra will be more secure, revitalised, and able to capture and build on the community spirit that has come to the fore in the wake of the bushfires.

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A significant program of re-greening fire affected areas has already started. This allows for the reinstatement of urban assets destroyed or damaged in the bushfire that were not covered by insurance. These include verge and shrub beds and screen plantings, grass areas, sportsgrounds, providing new line marking, replacing signs and painting of bridge rails and street furniture. This budget provides \$4.8 million across the four years from 2002-03.

The environmental impact of the bushfire will be addressed through a number of measures, including \$2 million over three years for the restoration and rehabilitation of fire suppression trails and walking trails in national parks. Other environmental initiatives relate to weed suppression, the conservation and restoration of the Murrumbidgee corridor and a review of heritage places, including Aboriginal places.

The government will look closely at the lessons learned from the bushfire. The inquiry into the operational response to the bushfire and the coronial inquest will provide important advice to the government. The budget provides for \$1.5 million for the continuation of the coronial inquest.

## **Health**

Mr Speaker, this is another strong budget for health. This budget builds our health services, with an extra \$18.8 million for initiatives next financial year.

An additional \$1.5 million, providing for a range of services to those in need, will boost mental health services in the territory. The government is meeting its commitments outlined in our health action plan to increase resources and to enhance collaboration between all elements of the mental health service system. This is on top of the additional \$2 million annually that our government provided for mental health in the 2002-03 budget.

Mr Speaker, this funding will be put towards initiatives to assist patients about to be discharged from hospital and in need of adequate support once back at home. This budget funds new services for mental health users who need help with every day social interaction and basic living skills. Of this, \$400,000 per annum will enable the Belconnen Mental Health Service to offer improved clinical service delivery.

Supported accommodation services will be boosted by \$240,000 per annum. Extra resources of \$400,000 per annum will also be provided for community teams to enable a greater effort on early mental health promotion, early intervention and resilience building.

Mr Speaker, this budget will provide \$2.1 million over four years for adult dental health services to reduce the waiting list for restorative and denture services and provide better general dental care for holders of current Centrelink concession cards. This initiative goes some of the way towards restoring the damage that was done when the Commonwealth government significantly reduced its funding on the dental health program some years ago.

The budget provides \$8.3 million over four years to Calvary Public Hospital to increase access to elective surgery, targeting the areas with the largest waiting lists, including orthopaedics, ophthalmology, general surgery, plastic surgery and ear, nose and throat surgery.

This budget continues Labor's commitment to putting health resources where they are needed the most.

### **Community safety**

Mr Speaker, community safety will never be viewed in the same way again since January 18. This budget reflects the need to address issues in the emergency services area.

Labor has provided \$2.1 million in 2003-04 for computer aided dispatch for the Emergency Services Bureau. This system improves call taking and dispatch processes for the delivery of emergency services assets to the community.

The emergency services communications infrastructure will also benefit from this budget with nearly \$24 million over four years being provided to significantly upgrade emergency services assets. The upgrade will provide increased radio interoperability, an entirely new radio communications system, portable radio communications, mobile data and automatic vehicle location equipment. This measure builds on work commenced several years ago in preparation for Y2K.

This budget also includes a \$1.5 million provision for costs associated with the bushfire coronial inquest.

Funding to the Australian Federal Police—contrary to rumour—also increases by \$2 million in this budget, which builds on the significant increase in funding and police numbers incorporated into last year's budget.

### **Environment and sustainability**

The January bushfires inflicted severe damage on our environmental and heritage assets. Almost 81 per cent of reserve land in the ACT was burnt. The government recognises that while we had good insurance coverage for our assets, with regards to the environment, significant further resources will need to be directed towards fire recovery and protection of environment.

For example, threats to water quality from soil erosion in catchment areas, threat of weed infestation following the loss of ground cover, damage to fire trails and the need for re-greening of fire damaged urban areas will need to be urgently addressed.

The first priority for the government, of course, is the clean-up of public land to ensure it is safe for the community. This includes the removal of hazardous materials as well as the ongoing assessment and removal of dangerous trees in high use areas. The budget allocates \$750,000 for the Stromlo disposable site, and removal of pines in areas adjacent to Duffy and along the Murrumbidgee River corridor.

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Aerial and satellite imagery has played a key role in the management of the bushfire recovery process, particularly with regards to catchment management. The budget provides support for continued collection and collation of data to assist with effective planning for recovery of natural and cultural assets, with \$130,000 in 2003-04 and \$40,000 per annum for ongoing data management.

The government considers community involvement as a key to recovery and environmental protection. The budget provides \$200,000 in 2003-04 and a further \$100,000 the following year towards fostering partnerships with the community in the planning and implementation of conservation and restoration works along the Murrumbidgee River corridor and the Cotter catchment.

The development and implementation of operational plans for the control of weeds and feral animals is pivotal to fire recovery, and will be undertaken as a matter of priority. To mitigate potential threats to the environment, the budget allocates \$2 million over three years for restoration and rehabilitation of fire trails cut during the fire fighting effort. A further \$1 million over three years is provided for additional weed suppression effort in Canberra Nature Park, Namadgi National Park and Tidbinbilla Nature Reserve.

A lowland woodland conservation strategy is a key conservation initiative for the territory. The strategy sets a framework for the protection of the endangered ecological community yellow box/red gum grassy woodland. The budget provides \$640,000 in 2003-04 and a further \$1 million over the following three years to support enhanced management of endangered grassy woodlands, and other woodlands.

Mr Speaker, the government will enhance the operation of the Environment Protection Act 1997, including the efficiency and effectiveness of the Environment Protection Authority. The recent drought has highlighted the need for a strategic approach to the management of the territory's water resources through a strategy to address issues of water quality as well as quantity, and catchment management. The budget provides \$750,000 over the next four years for both the act and the authority, as well as the development of a water resources strategy.

Against the backdrop of the continuing drought and falling water levels in the ACT, the government will increase the water abstraction charge by 10c per kilolitre. This recognises the value of water to the territory and the importance of encouraging sensible use of this scarce resource.

## **Education**

True to Labor's priorities, education receives significant support from this budget.

The 2003-04 budget allocates \$10.2 million across four years for projects within the school gate, as part of the government's \$27 million commitment.

In a major commitment by this government, every government high school will receive a youth worker to complement existing counselling and welfare services. The proposal

will target disadvantaged families and students, including those students most at risk of not completing school. Funding of \$2.6 million will be allocated across four years for this initiative.

Mr Speaker, funding of \$2.3 million over four years will be provided for the curriculum renewal project for preschools through to Year 10 in government schools.

The non-government school sector will receive an additional \$1.5 million over four years for kindergarten and Years 1-3 in recognition of the importance of the early years of schooling.

These initiatives will have a real impact where it is most needed—inside the school gate. At the end of the day, there will be a very significant list of programs that the school community of the ACT will benefit from because of Labor's decision to turn the Liberal's \$27 million bribe into something actually useful in education.

### **Building community capacity**

Mr Speaker, this government again demonstrates its commitment to assisting those with the greatest need.

An extra \$6.9 million, over four years, has been allocated for services for people with a disability. This will address unmet needs, enhance allied health services for post-school aged adolescents and adults with disabilities, and provide an economic incentive to encourage drivers of wheelchair accessible taxis to give priority to people in wheelchairs.

Mr Speaker, the budget targets key priority areas identified in the *Needs Analysis of Homelessness in the ACT* and the standing committee report on *Accommodation and Support Services for Homeless Fathers and their Children*. Funding of \$13.4 million over four years will be provided to confront the issue of homelessness in the territory.

This will provide increased short-term supported accommodation for families and single men in crisis, extended outreach services for homeless people, and capacity enhancement of existing supported accommodation assistance program services to more effectively respond to issues of homelessness in the ACT. In the next two years this will provide crisis and transitional accommodation, as well as support for more than 90 families, 90 men and 12 couples.

Mr Speaker, in light of recent increases in property values in the ACT, the current home buyer concession scheme for low income earners will be updated to better reflect current property prices and income levels. This will assist those on lower incomes to purchase homes and improve housing affordability. This initiative will assist at least 400 eligible homebuyers from next financial year.

Mr Speaker, the government is also consolidating its relationship with the community sector. As a result of the review of service purchasing the government has approved in principle a change in the government's relationship with the community sector from one of purchaser/provider to one based on a partnership approach. This is in line with the compact of understanding between the government and the community sector.

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Community consultation is now under way on the draft policy *From Purchaser/Provider to Partnerships—Working Together to Maximise Outcomes*. This policy aims for a consistent framework across government for how we fund non-government services. These services currently total \$65 million per year.

The approach proposed would result in performance reporting which is proportional to risk and value, and useful to both parties. Information collected will not just be for assessing individual services, but aggregated to help identify community needs, and fed back into the policy, planning and funding cycle.

Mr Speaker, this budget will provide assistance to the community sector to meet increased costs associated with recent SACS Award decisions by the Australian Industrial Relations Commission, which will affect community sector organisations contracted by the territory to provide community services. Funding of \$1.5 million each year will be provided to offset the costs of this increase.

This government recognises the public sector's role in the community and Labor has been left with the legacy of the previous Liberal government's neglect of public sector wages. Provision is made across the budget to begin to address the wage disparity that was allowed to develop under the previous government. The public sector wage increases are by no measure overly generous but do begin to redress the imbalance. We have been left these problems and we are acting to address those problems, as a government should.

It is important to note at this point, Mr Speaker, that this budget was framed without input from Assembly committees who, for the first time, rejected the government's offer to participate.

### **Building Canberra's economic future**

Mr Speaker, the 2002-03 budget laid the foundation for building the territory's economic future by making the most of economic opportunities and creating new opportunities, in line with the directions of the economic white paper.

The economic white paper, which will be released before the end of the year, will present a coherent vision and strategy to make the most of the territory's economic development opportunities. This budget progresses some of the issues of the white paper, such as business attraction, education, growing local businesses, smart technologies and tourism.

### **Business and economic development**

Mr Speaker, the budget contains an array of initiatives to support and encourage the growth of business in the ACT.

The government has allocated \$1.3 million over four years to establish a not-for-profit business attraction organisation, Partners Canberra, which will provide a one-stop shop for companies and individuals here and overseas to make the investment and expansionary relocation decisions.



As the title implies, Partners Canberra will be a partnership, in which the government, the private sector and research institutions each provide matching funding. Its charter will be to build our competitive advantage by attracting new businesses, retaining existing ones and facilitating population growth in our economic area.

A new Council of Education Export will receive \$150,000 a year for the next four years to establish the ACT as a preferred study location for international students. Membership will be drawn from the heads of various education institutions, peak industry bodies and government agencies.

Export of education and training provides employment for around 4,000 people in the ACT region, and earns over \$110 million a year in export revenue. The government intends to continue to build this important industry.

The government continues to support small and micro business, which makes up 96 per cent of all businesses in Canberra. The government is providing \$922,000 over four years to extend the existing suite of programs for small and micro businesses, which ultimately will lead to jobs growth in the sector.

New funding provides for, amongst other things:

- an online enhanced business advisory service, complementing the Canberra Business Advisory Service;
- an improved online business licence information service, which will reduce the time it takes to comply with red tape;
- enhancements to the business acceleration program, which provides dollar for dollar grants to developing businesses to help them in expansion; and
- the creation of a 'Frustratagram' web site which businesses can use to log their views on regulatory issues as a part of the process of reforming regulation.

The new funding is in addition to \$250,000 being provided for the small business employment ready program in 2003-04, allocated in the last budget. The program enables non-employing businesses located in the ACT to overcome barriers when taking on their first and subsequent employees. It is aimed at assisting individual businesses to overcome the issues relating to employing staff and 175 businesses have accessed this program to date in the current financial year.

Funding will also continue for other grant programs, such as the trade development program. The trade development program provides assistance to help ACT businesses enter international markets and to establish or grow offshore commercialisation activities that will ultimately expand business and increase profits. Six companies were offered funding totaling \$165,000 in 2001-02. To this financial year, 12 companies have been offered funding over \$106,000.

The government continues to focus on developing and supporting the ACT's knowledge-based economy through the Knowledge Fund, an initiative funded from the previous

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budget, which will offer \$4.5 million in the 2003-04 budget for projects that help build a knowledge-based economy—a key focus of the economic white paper.

The government's Knowledge Fund continues to attract high quality 'smart concepts and potentially commercial ideas' both in product and services throughout the ACT. The fund continues to uncover the tremendous depth of innovation and creativity within the ACT community, funding projects that will develop a knowledge-based economy in the ACT.

These projects include intelligence sharing technology, superabrasives, pharmaceutical development, technology to assist people with a visual impairment, interactive games, and medical, solar energy, finance and agriculture projects. The three rounds of grants have demonstrated the strong interest of ACT and regional businesses in researching, commercialising and developing industry activities.

The government's focus on the continuing development of a knowledge-based economy is demonstrated in other ways through its ongoing support to the Australian Science Festival and ICAN, the ACT hub of the Australian Innovation Festival.

The government continues to assist firms to undertake major investment and/or employment growth through the ACT Business Incentive Fund. Assistance for two firms has been approved in 2002-03, with a further four firms currently being considered.

A number of small and micro businesses were victims of the January 2003 bushfire. These businesses will benefit from budget initiatives which provide ongoing funding for the bushfire business assistance package, including \$30,000 for applications expected late in the 2002-03 financial year, and \$189,000 a year for four years for the interest subsidy component of the bushfire assistance package.

The budget also continues to support the establishment of the ACT node of the national ICT Centre of Excellence. The 2002-03 budget allocated \$10.3 million towards this work, of which \$10 million is to be provided in the form of land. A further \$600,000 was allocated for 2003-04.

The business community will also be pleased to learn that the government has not increased payroll tax in this budget—again another rumour.

Mr Speaker, the government has for some time recognised the need for an upgrade to Canberra's convention facilities. This need has existed for some time and it has taken this government to act.

I am pleased to announce that the government has provided \$40 million towards the convention centre project. This funding in 2004-05 will make Canberra competitive in the lucrative convention market and will allow the city to take full advantage of its status as the national capital. The funding is significant although, based on information to date, probably represents the minimum figure that would be required.

## **Tourism**

Mr Speaker, tourism has done it tough in the wake of September 11, the war in the Gulf and now SARS—and you can add to that our bushfires. The list of airlines filing for bankruptcy is growing, as is the list of airlines cutting back flights into Australia.

While international tourism is facing some very significant challenges, domestic tourism is being recognised as the deserving focus of our efforts.

The Canberra Tourism and Events Corporation has recently launched its autumn campaign headlined by the TV commercials that members would have seen. The response to that campaign has been very positive and anecdotal evidence suggests that Canberra has been doing very well in terms of visitor numbers. This is an early but encouraging sign that Canberra will be the destination of choice for more and more Australian travellers.

The government has received community input to the review of tourism and we will be making a major announcement regarding the future of our tourism effort in coming weeks. Labor is keen to build on the momentum generated within the sector and we look forward to seeing the private sector take more of a role in promoting this city and region.

## **Capital Works**

I turn now to the capital works budget. There will be considerable activity in the construction and engineering sectors relating to bushfire recovery. Capital expenditure by territory agencies, associated with insured assets, is estimated at \$26 million alone.

Mr Speaker, the government has not sought to offset its capital works program against the insurance-related activity. In fact, the value of new works commitments is being increased by 15 per cent over the 2002-03 program to ensure that the needs and expectations of the community for improved infrastructure and services are met.

The value of new works commitments in this budget is \$104.7 million, compared to \$91.2 million in the 2002-03 budget. The budget provides a total cash allocation of \$152.1 million for new works and projects continuing from previous years. This is an increase of 7 per cent over the 2002-03 budget financing.

The government is committing to capital works of \$36.3 million for urban services covering libraries, including \$2.5 million for the Kippax Library, waste management, roads and stormwater infrastructure, urban parks, public transport, sports and recreation, cultural facilities, and infrastructure associated with land release.

Mr Speaker, projects to be undertaken by the justice and community safety portfolio total \$15.5 million in value, including the Belconnen joint emergency services centre and the new Woden police station.

Projects worth \$30.6 million are being committed in the education, youth and family services portfolio, including continuing refurbishment of older schools, improvement in safety facilities in schools, and a centre for teaching and learning technologies. Turner

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and Red Hill primary schools will receive \$2.8 million for refurbishment and work will commence this year on the Gungahlin High School due for completion in 2004-05.

Mr Speaker, the budget commits \$13.2 million to the much needed upgrade of Quamby Detention Centre.

The government retains the \$50 million that was set aside last budget for the new remand centre. This funding has been provided for in the 2004-05 budget. As well as the \$40 million provided in 2004-05 for the convention centre, this budget provides \$250,000 to progress the work done to date.

The health and community care portfolio will undertake \$20.9 million of new works through this budget. Major refurbishment works are planned at the Canberra Hospital, including paediatrics unit, psychiatrics services, pain management clinic, and non-acute in-patient areas. The budget commits to a major redevelopment of Karralika alcohol and drug facilities at Fadden and Isabella Plains at a cost of \$5.1 million, to provide improved and increased alcohol and drug rehabilitation services.

## **Superannuation**

Mr Speaker, superannuation remains an area of financial challenge for the territory. The ACT has had to bear significant losses as a result of the global downturn in investment markets. While we are not alone in experiencing falls in the value of our investments, the government has taken measures to protect the territory's position.

Since the last budget, this government has adopted a conservative investment strategy. That decision has paid off, with equity investment losses offset by the placement of 2002-03 cash injections in more defensive assets.

For 2003-04, earnings projections have been revised downwards to 3 per cent and 4 per cent across the forward estimates. The 5 per cent earnings target will be met over the long term and the budget strategy to achieve 90 per cent funding of the liability by 2039-40 remains unchanged.

The government has also injected additional capital over the budget and forward estimates period to compensate for the investment losses experienced in recent years.

By 2006-07, the percentage of the superannuation liability that is funded will rise from 63 per cent to 67 per cent.

The government is committed to ensuring that our liability is met and that losses sustained are covered to maintain our funding target.

## **Taxation and revenue changes**

Mr Speaker, in formulating the budget, the government is continuing its commitment to the ACT community to improve the fairness and progressiveness of the ACT tax system by minimising the additional tax burden on the less well-off sectors of the community.

The government has examined the current tax base, the general share and capacity of various sectors to contribute to government revenue as well as the forecast economic indicators affecting future revenue collections.

The revenue initiatives announced in this budget today will assist the government in maintaining the revenue capacity needed to continue funding essential services and new spending priorities.

Mr Speaker, the new tax measures, while providing much needed funding, will not adversely affect the competitive nature of the ACT's taxation system. They have been designed to spread the burden of taxes fairly across the community, while ensuring that the impact will be minimised on small businesses and on low income groups such as pensioners.

From 1 July 2003 the current corporate reconstruction exemption will be changed to a concession based on 95 per cent of the duty payable. This is consistent with other jurisdictions that charge varying duty for corporate reconstruction. This initiative will primarily impact on large interstate and international corporations and will have only a minor impact on ACT businesses and employers.

Conveyance revenue from business activities will increase marginally in 2003-04. These transactions will now be charged at the same rate as conveyance duty, instead of lower concessional rates. This is in line with NSW, South Australia and Queensland.

The territory will, of course, have a threshold designed to minimise the impact of this initiative on small business. Where the value is less than \$1 million, the rate of duty will remain at 60 cents per \$100 or part thereof. This will ensure that the purchases of small family businesses will continue to benefit from the current low duties regime.

Mr Speaker, the government will also introduce a duty on secured loans. For a number of years most other states have charged duty on secured loans. The ACT has become a haven for companies wishing to borrow large sums of money without paying duty. The duty will effectively bring the ACT into line with most jurisdictions, albeit at a lower rate and a higher threshold.

This duty will operate on a similar basis to NSW and Victoria. While the NSW and Victorian frameworks attract duty on secured loans of any value undertaken for both residential and commercial assets, the territory duty will only apply to secured loans of \$1 million or more undertaken for commercial dealings.

Mr Speaker, pay parking will be introduced in Barton. This is a positive step in the government's transport strategy, which is designed to provide incentives to encourage more efficient transport through modes other than private cars. A parking levy on commercial car spaces will also be introduced in 2004-05. Work will commence in 2003-04 to determine how to implement the scheme but shopping centres will be unaffected by the charge.

In comparison with many jurisdictions, the gambling industry has enjoyed a lower tax regime in the ACT and a somewhat privileged position. Accordingly, this budget

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increases the revenue to be raised from the industry, while maintaining the existing cap on the number of gaming machines available to prevent the expansion of gambling. Changes to the marginal top tax rate for gaming machines limit the impact of the tax on larger clubs with capacity to pay.

It is important to highlight, Mr Speaker, that the revenue measures contained in this budget are far outweighed by the very significant increases in the services this government will provide to the people of Canberra. In short, Mr Speaker, the money is being well spent.

It is also important to heed the Commonwealth Grants Commission, who, upon recognising that the ACT has a greater capacity to raise certain revenues, reduces the amount of money the Commonwealth provides, leaving the ACT with a significant gap to fill.

Mr Speaker, the government also currently has before the Assembly a bill designed to enhance both the fairness and equity of the ACT rating system.

The new rating system introduces a certainty for ratepayers never before seen in Canberra. Under Labor's system, home owners and home buyers will know exactly how their rates will increase year after year in perpetuity.

Labor believes that the residents of the ACT, after judging our system and the certainty it provides compared to the random and huge increases in unimproved values of the old system, will arrive at the same conclusion that Labor has.

There is no doubt that the residents in the very long list of suburbs that have had their land values increase by up to 50 per cent per year will see the benefit of our system.

### **Community insurance**

Mr Speaker, I turn now to the insurance crisis and how this government has responded.

Five ministerial insurance summits have been held, the latest on 4 April 2003. The summits have progressively undertaken greater and more complex responsibilities as the various facets of the insurance crisis have developed and intensified.

Mr Speaker, this government's approach to the insurance crisis continues to be an emphasis on accessible and affordable insurance, while maintaining the rights of individuals to just compensation. The Assembly is well aware of the government's tort reform legislation that includes both protection for our citizens, volunteers, good Samaritans, and restrictions on lawyers and certain types of negligence actions. The courts have begun to reflect the government's determination to reform tort law in an equitable way.

More reforms will be presented in the coming months but I want members to understand the principles under which the government is approaching tort reform: to focus on areas of procedural tort law in the ACT across the whole personal injury infrastructure, not just public liability, that are amenable to more efficient and effective outcomes without wholesale disenfranchisement of the majority of ACT claimants.

Mr Speaker, in the long run the best outcome for the community is to reduce the number of incidents that lead to insurance claims. A major emphasis of government policy has been to improve risk management in the community.

In a move that has had a real and direct impact, the government has established a risk advisory web site that has been widely praised by local businesses, the community and the insurance industry. It includes unique world first web technology: the capability for users of the site to identify their activities, rate those against a risk profiler, online, engage online AS4360 compliant risk identification, planning and management tools and finally apply for public liability cover under the group insurance scheme.

The government has secured a group insurance scheme for ACT non-profit community groups. The scheme came into being on 16 December 2002. The ACT is the first jurisdiction, along with NSW, to achieve access to the scheme. The scheme is underwritten and administered by Allianz Australia, QBE Insurance and NRMA Insurance owner Insurance Australia Group. ACT access to this scheme is a direct result and a vindication of the government's reform agenda. I might add that we would have been part of that scheme a lot earlier had it not been a requirement that the scheme be examined and approved by the ACCC before it could be in operation.

The government has supported the web site and the scheme with an extensive, ongoing series of risk and insurance seminars, which the ACT community has embraced. At least 157 participants have registered to attend the next 18 seminars in the current series. The government has also introduced new policies to standardise public liability insurance levels for community groups using ACT government property under the terms of written agreements.

All the government's initiatives are designed to supplement each other in a coordinated fashion, and provide the ACT community with access to affordable insurance in a stable environment.

Mr Speaker, the insurance crisis will not abate quickly, but this government has taken positive steps to reduce the impact and address the core issues of the crisis.

## **Conclusion**

Before I conclude, Mr Speaker, I would like to divert from the speech for a moment and register in this place my gratitude to the people across the government administration, particularly in Treasury, for the work that they did in putting this budget together in most difficult times. The workloads have been horrendous since the bushfires and, no matter what has happened, Treasury has had to be involved.

This place and other stakeholders have wanted to know the cost and the situation of the bushfires. Work has been commenced. Let me assure this place that days after the bushfires, registration was made under the national disaster recovery arrangements. There has been continuing work under those arrangements as well as the necessary work to facilitate the work of the recovery taskforce. The work that has been done is of considerable credit to the administration.

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Mr Speaker, in summing up, let me say that this budget contains:

- new recurrent spending of \$47 million;
- 115 new initiatives;
- new capital works programs of \$105 million;
- no major asset sales;
- no new borrowings; and
- an aggregate surplus of \$66 million over the four-year economic cycle.

This is a strong budget.

This is a budget that is fiscally responsible and socially responsible.

It is a budget that continues to deliver on our election commitments.

It is a budget that builds our city and builds our community.

I commend the 2003-2004 budget to the Assembly. I move:

That this bill be agreed to in principle.

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

## **Bushfire Reconstruction Levy Bill 2003**

**Mr Quinlan** presented the bill and its explanatory statement.

Title read by Clerk.

**MR QUINLAN** (Treasurer, Minister for Economic Development, Business and Tourism and Minister for Sport, Racing and Gaming) (3.49): I move:

That this bill be agreed to in principle.

Mr Speaker, the Bushfire Recovery Levy Bill 2003 provides a legislative basis for an initiative announced in the budget of 2003-04. This initiative will implement a bushfire reconstruction levy to help finance recovery activities after the January 18 bushfire disaster in the ACT.

The bushfire was one of Australia's worst single day disasters. There was tragic loss of life and serious injuries. Some 500 homes, businesses, community and government facilities and rural properties were destroyed, with many other properties damaged. Included in the losses were stock, ACT government facilities, assets, sporting facilities, wildlife and pets.

This bill is designed to raise revenue by way of a levy on property owners to partially meet the costs of the bushfire. Let me stress "partially". The levy will be implemented for a two-year period from 2003-04 and a rate will be determined each year to provide approximately \$5 million net annually. The levy will be calculated by applying the



determined rate to the average unimproved value of each rateable property in the ACT. Eligible pensioners will receive a 100 per cent rebate on the levy in proportion to their interest in the property, and ACT Housing properties and those owned by foreign countries will be exempt from the levy.

I am pleased, Mr Speaker, that the longer term recovery effort is well under way. The estimated funding program for 2003-04 and the forward years will be \$22.799 million and this levy will contribute almost half of that amount. This includes funding for:

- the recovery centre to continue providing a broad range of support services;
- specific recovery projects involving direct community action, clean-up, rebuilding and other replacement activities; and
- research, planning and teaching projects to prevent a recurrence of the events of January 2003.

In 2003-04, funding will focus on supporting people, rebuilding of government housing and community assets, re-greening of suburbs and surrounding areas and restoring community facilities and infrastructure. Expenditure in the first two years will ensure that essential issues, particularly people needs, are addressed early and quickly.

This initiative, along with government funding programs and the collective effort and actions of all sections of the ACT community, will play an integral role in ensuring that success of the bushfire recovery programs.

Mr Speaker, I commend the Bushfire Reconstruction Levy Bill 2003 to the Assembly.

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

## **Revenue Legislation Amendment Bill 2003**

**Mr Quinlan** presented the bill and its explanatory statement.

Title read by Clerk.

**MR QUINLAN** (Treasurer, Minister for Economic Development, Business and Tourism and Minister for Sport, Racing and Gaming) (3.53): I move:

That this bill be agreed to in principle.

Mr Speaker, the Revenue Legislation Amendment Bill 2003 was developed to implement revenue initiatives announced in the budget of 2003-04. It is an omnibus bill that incorporates changes to the Duties Act in relation to corporate reconstruction concessions and introduces a loan security duty. It also amends the Gaming Machine Act in relation to marginal tax rates for gaming machines.

Presently, companies are exempt from paying duty on a transaction which has arisen as a result of corporate reconstruction. This amendment to the Duties Act will replace the

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current corporate reconstruction exemption with a concession. Companies undertaking corporate reconstructions will now pay 5 per cent of the assessed duty. The government has ensured that the existing eligibility criteria and the types of eligible transactions remain unchanged. This initiative is estimated to increase revenue by \$1.1 million in 2003-04.

Another initiative relates to security duty. For a number of years, the ACT and the Northern Territory have been the only jurisdictions not to charge duty on secured loans. This initiative is designed to bring the ACT into line with the rest of Australia, other than the Northern Territory, albeit at a rate half that of Victoria, which currently has the lowest rate. The ACT will have the lowest rate and the highest threshold. This duty will apply only to secured advances of \$1 million or more taken out for commercial purposes. This initiative is estimated to increase revenue in 2003-04 by \$0.5 million.

The final initiative in the bill relates to gaming tax. The tax rates for gaming machine revenue have not been amended since 1999. Commencing 1 July 2003, the top marginal gaming machine tax rate will be increased by 2 per cent, from 25 per cent to 27 per cent, thereby limiting the effect of this initiative to those clubs with the most capacity to pay; that is, those with gross gaming machine revenue in excess of \$600,000 per annum. It is estimated that this initiative will increase revenue by \$3 million in 2003-04.

These three revenue initiatives announced in the 2003-04 budget are estimated to increase revenue by a total of \$4.6 million next financial year. Mr Speaker, I commend the Revenue Legislation Amendment Bill 2003 to the Assembly.

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

## Papers

**Mr Speaker** presented the following paper:

Letter from Senator the Honourable Paul Calvert, President of the Senate, detailing the Senate's resolution of 27 March 2003 in response to the passing by the Assembly of the Legislation (Gay Lesbian and Transgender) Amendment Bill 2002 and the Discrimination Amendment Bill 2002 (No 2).

**Mr Quinlan** presented the following papers:

### **Ownership agreements**

2003-2004 Ownership agreements between the Treasurer and:

Chief Executive, Chief Minister's Department, dated 2 May 2003

Occupational Health and Safety Commissioner, dated 1 May 2003

Chief Executive Officer, Department of Treasury, dated 2 May 2003

General Manager, InTACT, dated 2 May 2003

Chief Executive, Department of Education, Youth and Family Services, dated 2 May 2003

Chief Executive, Department of Health and Community Care, dated 2 May 2003

Chief Executive, Department of Justice and Community Safety, dated 1 and 2 May 2003

Chief Executive, Department of Urban Services, dated 2 May 2003

Chief Executive, Department of Urban Services and the Director of ACT Forests, dated 1 May 2003  
Chief Executive, Department of Disability, Housing and Community Services, dated 1 and 2 May 2003.

**Statements of Intent**

Financial Management Act—2003-2004 Statements of Intent from the following authorities:

ACTION Authority, dated 2 May 2003  
Exhibition Park in Canberra, dated 29 April and 1 May 2003  
Canberra Tourism and Events Corporation, dated 28 April and 1 May 2003  
Cultural Facilities Corporation, dated 1 May 2003  
ACT Insurance Authority, dated 1 May 2003  
ACT Gambling and Racing Commission, dated 30 April and 1 May 2003  
Independent Competition and Regulatory Commission, dated 1 May 2003  
Canberra Institute of Technology, dated 29 April and 1 May 2003  
HealthPACT, dated 30 April and 2 May 2003  
Legal Aid Commission, dated 1 May 2003  
Office of Public Trustee, dated 30 April and 1 May 2003  
Agents Board, dated 1 May 2003  
Canberra Cemeteries Trust, dated 1 May 2003  
Workers' Compensation Supplementation Fund, dated 1 May 2003  
Stadiums Authority, dated 30 April and 1 May 2003.

**Financial Management Act**

Pursuant to section 14—Instrument directing a transfer of appropriation from the Chief Minister's Department to the Department of Justice and Community Safety, including a statement of reasons, dated 30 April 2003.

Pursuant to section 14—Instrument of appropriation from the ACT Executive to the ACT Legislative Assembly Secretariat, including a statement of reasons, dated 30 April 2003.

Pursuant to section 17—Instrument varying appropriation related to Commonwealth funding to the Department of Justice and Community Safety (Legal Aid Grants), dated 16 April 2003.

**Residential, commercial and community land release program  
Paper and statement by minister**

**MR CORBELL** (Minister for Health and Minister for Planning): For the information of members, I present the following paper:

Residential, Commercial and Community Land Releases in the ACT—2003-2004 to 2007-2008.

I seek leave to make a statement.

Leave granted.

**MR CORBELL:** For the information of members, I am pleased to table details of the government's land release program for 2003-04 and the indicative program for the financial years 2004-05 to 2007-08. For the first time, the program is not only a detailed schedule of residential, commercial and community land releases, but also a reflection of the government's land development role in the territory.

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Blocks for approximately 2,395 residential dwellings and 19 commercial sites are being prepared for release. In addition, a further 1,650 sites will be made release-ready to meet market conditions as required. The government will undertake the development and release of several sites which will be offered to individual buyers and small builders. Land will continue to be released through open and competitive processes, although tenders and direct sales may be considered for significant developments to encourage investment in the territory or to achieve specific business or community outcomes.

Over the next 12 months further sites suitable for aged care and accessible adaptable housing will be released to accommodate the increasing need of the territory's ageing population. The program continues to support the Gungahlin Town Centre and the Kingston Foreshore development, with further residential and commercial opportunities arising in both precincts. Releases will be made after close consultation with representatives from peak bodies, industry and community groups, and across government.

### **Status of Women in the ACT—Select Committee Report—government response**

**MS GALLAGHER** (Minister for Education, Youth and Family Services, Minister for Women and Minister for Industrial Relations) (4.01): For the information of members, I present the following paper:

The Status of Women in the ACT—Select Committee Report presented 21 November 2002—Government response, dated May 2003.

The report of the Select Committee on the Status of Women in the ACT was presented to the Assembly on 21 November 2002. I move:

That the Assembly takes note of the paper.

Mr Deputy Speaker, I am pleased to table in the Assembly today the government's response to the report of the Select Committee on the Status of Women in the ACT. In the lead-up to the last election, this government committed to implement an agenda for the benefit of all women in the Canberra community. This included establishing a Legislative Assembly select committee to report on the effectiveness of existing programs and make recommendations for future priorities on issues affecting women. This Assembly agreed to the formation of the Select Committee on the Status of Women in November 2001. I chaired this committee and was fortunate to work with Ms Roslyn Dundas and Mrs Helen Cross to produce the final report.

The terms of reference for the inquiry were broad and included: inquiring into and reporting on the effectiveness of existing ACT government programs, including their differential impact on women's equality of opportunity, economic independence and security, access to and support of healthy lifestyles, and barriers to participation; violence prevention and personal and community safety for women; targeted support for women from specific groups within the community; and any other related matter.

The report produced by the committee was very comprehensive and included a total of 83 combined key recommendations and sub-recommendations across a broad range of areas impacting on women. As I noted in tabling this report last year, there are a great number of recommendations, not all of which can be addressed immediately. However, it is a report which I believe will remain relevant for several years to come and will assist this government to deliver policy and services for women in future years.

This government is committed to improving the status of women by supporting the choices that women want to make in their lives, providing opportunities for women to participate fully in community life, and ensuring that women can make an equal contribution in public life. We recognise that the development of a holistic and collaborative approach across government is essential. To this end, on coming to government we established the Office for Women and opened up reporting processes so that the director of this office can report directly to me as the Minister for Women, and so enhance the capacity of the office more effectively to advance the interests of women.

This office now plays a key role in the development of a coordinated strategic approach and is working closely with all government agencies to embed processes and practices that will help to maximise outcomes for women in the ACT. This includes the development of a new strategic plan for women, one of the key recommendations of the report, that will identify key outcome areas and assist to establish processes that will provide a strong and sustainable basis for informing and directing government policies and programs for the benefit of women. The Ministerial Advisory Council on Women will play a key role in contributing to the development of the new strategic plan and its ongoing monitoring.

Of the 83 recommendations in the select committee's report, only one is not supported. This recommendation relates to the extension of the Women's Information and Referral Service to an after-hours 1800 number. The government does not support this recommendation as the role of this service is not that of a crisis service and a number of crisis services already exist in the ACT.

This government is already responding to many of the report's recommendations. This includes the development of a new strategic plan for women, as mentioned. We will increase the duration of paid maternity leave in the ACT public service from 12 to 14 weeks, effective from 11 March this year. This increase, along with other important family-friendly initiatives, positions the ACT as a leader in providing flexible job conditions. We are continuing to work in the area of health to enhance the range and effectiveness of services, including outreach services, particularly in relation to mental health. Our commitment to this is reflected in the current budget initiatives.

Violence and safety issues for women are also mentioned in the report. This is another area we have been working hard to address. I recently released an across-government policy framework aimed at improving outcomes for women and families affected by violence in the ACT. The action plans under this framework clearly outline the range of initiatives in place to work towards three identified outcome areas: protection and justice; options for women; and prevention. We will continue to develop and support initiatives that will assist us in achieving these outcomes, and again our commitment is reflected in current budget initiatives.

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As I indicated earlier, the select committee's report and, indeed, this government's response should not be viewed as the be-all and end-all of what this government intends to achieve in relation to the status of women in the ACT. These documents, however, will be central to our continuing efforts to address the diverse needs and aspirations of women in the ACT. I commend the government's response to the Assembly.

Question resolved in the affirmative.

## **Subordinate legislation**

**Mr Wood** presented the following papers:

Legislation Act, pursuant to section 64

Drugs of Dependence Act—Drugs of Dependence—Drug Advisory Committee Appointments 2003 (No 1)—Disallowable instrument DI2003-41 (LR, 3 April 2003).

Electoral Act—Appointment of Acting Electoral Commissioner 2003 (No 1)—Disallowable instrument DI2003-48 (LR, 4 April 2003).

Environment Protection Act—Environment Protection declaration that consultation under section 48 on application for an environmental authorisation is not to apply to this prescribed activity 2003 (No 2)—Disallowable instrument DI2003-31 (LR, 14 March 2003).

Health Act—

Health—Determination of Interest Charge 2002-03 (No 1)—Disallowable instrument DI2003-37 (LR, 31 March 2003).

Health—Determination of Fees 2002-03 (No 1)—Disallowable instrument DI2003-38 (LR, 31 March 2003).

Health Professions Boards (Procedures) Act—

Health Professions Boards (Procedures) – Psychologists Board of the ACT 2003 (No 1)—Disallowable instrument DI2003-42 (LR, 4 April 2003).

Health Professions Boards (Procedures)—Dental Technicians and Dental Prosthetists Board of the ACT 2003 (No 1)—Disallowable instrument DI2003-43 (LR, 4 April 2003).

Hotel School Act—Hotel School Appointment 2003 (No 2)—Disallowable instrument DI2003-40 (LR, 31 March 2003).

Legislative Assembly (Members' Staff) Act—

Terms and Conditions of Employment of Staff of Office-holders pursuant to section 6(2) 2003 (No 1)—Disallowable instrument DI2003-44 (LR, 4 April 2003).

Terms and Conditions of Employment of Staff of Members pursuant to section 11(2) 2003 (No 1)—Disallowable instrument DI2003-45 (LR, 4 April 2003).

Public Sector Management Act—Public Sector Management Amendment Standard 2003 (No 2)—Disallowable instrument DI2003-39 (LR, 28 March 2003).

Race and Sports Bookmaking Act—

Bookmaking Tax Rates Determination 2003 (No 1)—Disallowable instrument DI2003-30 (LR, 26 March 2003).

Bookmaking Tax Rates Determination 2003 (No 2)—Disallowable instrument DI2003-35 (LR, 26 March 2003).

Rules for Sports Bookmaking Determination 2003 (No 1)—Disallowable instrument DI2003-36 (LR, 26 March 2003).

Sports Bookmaking Events Determination 2003 (No 1)—Disallowable instrument DI2003-34 (LR, 26 March 2003).

Road Transport (General) Act—

Road Transport (General)—Declaration that the road transport legislation does not apply to certain roads and road related areas 2003 (No 2)—Disallowable instrument DI2003-33 (LR, 18 March 2003).

Road Transport (General) Exclusion of Vehicles, Persons or Animals from Road Transport Legislation 2003—Disallowable instrument DI2003-47 (LR, 7 April 2003).

Road Transport (Offences) Regulations—Road Transport (Offences) (Declaration of Holiday Period) Determination 2003—Disallowable instrument DI2003-46 (LR, 7 April 2003).

Utilities Act—

Utilities (Water Restrictions) Amendment Regulations 2003 (No 1)—Subordinate Law SL2003-8 (LR, 11 March 2003).

Utilities (Emergency Planning Code) Determination 2003—Disallowable instrument DI2003-32 (LR, 20 March 2003).

## **Paper**

**Mr Wood** presented the following paper:

Petition—Out of Order—Incorporation in the 2003-2004 works program of the refurbishment of the Duffy Shopping Centre (214 citizens).

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## **Adjournment**

Motion (by **Mr Wood**) agreed to:

That the Assembly do now adjourn.

**The Assembly adjourned at 4.07 pm.**



## **Schedule of amendments**

### **Schedule 1**

#### **Construction Practitioners Legislation Amendment Bill 2003**

Amendment circulated by Minister for Health and Minister for Planning  
1

##### **Clause 10**

**Proposed new section 6A (a)**

**Page 10, line 5**

*omit proposed new section 6A (a), substitute*

(a) a building approval for the work is in force; and