

Debates

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Wednesday, 10 May 2006

Legislative Assembly Precincts Amendment Bill 2006	1425
Government—economic performance	
District of Dili	1450
Questions without notice:	
Budget—deficit	1457
Commonwealth budget—impact on ACT	1460
Government—credit rating	1462
Planning—Narrabundah long-stay caravan park	1465
Schools—closures	1466
Public service—human resources system	1467
ACTION bus service	1468
Environment—pine plantings	1469
Public service—shared services	1470
Emergency Services Authority	1471
Ambulance service	1472
Supplementary answer to question without notice:	
Education—preschools	1473
Personal explanation	1473
District of Dili	
Legislation Amendment Bill 2005	1480
Policing—numbers	1487
Community links and partnerships—government initiatives	1506
Adjournment:	
Jackey Best—cancer treatment	1510
Brumbies	1510
Murray-Darling Basin—rice production	1511
Federal budget	1512
Public housing—funding	1513
Water conservation	1514
Federal budget	1515
Random breath tests	1517
Road fatalities	1517
Public housing—funding	1517

Wednesday, 10 May 2006

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

Legislative Assembly Precincts Amendment Bill 2006

Debate resumed from 29 March 2006, on motion by **Mr Berry**:

That this bill be agreed to in principle.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (10.31): I rise today to indicate that the government welcomes the changes proposed by the Legislative Assembly Precincts Amendment Bill and will be supporting it. The amendments are quite straightforward. They are essentially machinery amendments moved by Mr Berry, the Speaker, in the context of the management of the Assembly and the Assembly environs.

The anomaly which has been recognised and dealt with through this bill is the anomaly that the Assembly, under the current arrangement, does not control the use of its own building. I think that it is certainly most sensible to reassert the standing of the Assembly. I think that these matters are quite important. I think it is particularly important in terms of the standing and sovereignty of any parliament, and most certainly this Assembly, that it does have that level of control over the use of its own building or parliament. It does that through this legislation in regard to outside individuals and organisations that seek to use any part of the Assembly building or the Assembly precincts.

The bill permits the Speaker to set appropriate fees. That will be done by way of a determination which will be a disallowable instrument. In that regard, the Assembly will have final control over issues such as the determination of fees. The changes will certainly facilitate the operation of the Assembly. They are quite simple changes, but they are important changes. They will ensure, too, that the Assembly remains a central part of the community that we represent by having the power to approve and, through these arrangements, continue to encourage the appropriate use of the Assembly's facilities by members of the community.

I think that it is fair to say that from time to time each member of this place hosts community events and facilities within the reception room. I thank the Speaker and his staff, the attendants and other members of the staff of the Assembly for the way in which they facilitate and assist in ensuring that this parliament, this Assembly, remains a central part of the community which we all seek to serve and represent. The government is very pleased to be supporting these proposed changes to the management of the parliament.

MR SMYTH (Brindabella—Leader of the Opposition) (10.35): The opposition will be supporting the bill. The whole premise that we are not in control of our own building is unacceptable. This bill does give us that control and, for the reasons outlined by the

Chief Minister in his speech and, of course, by Mr Berry in his tabling speech, the opposition will support the bill.

MR BERRY (Ginninderra) (10.35), in reply: I thank members for their support. I do not need to labour the Assembly more with the details of this small bill. Again, I thank members for their support.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Government—economic performance

MR MULCAHY (Molonglo) (10.36): I move:

That this Assembly:

- (1) notes:
 - (a) the deterioration in the Territory's financial position;
 - (b) the failure of government to control expenditure;
 - (c) the related increase in taxes and charges;
 - (d) the failure to allocate expenditure to high priority community needs; and
 - (e) the lack of provision for the future; and
- (2) calls on the Government to:
 - (a) explain why it allowed its expenditure to run unchecked without providing for a period of slower growth;
 - (b) reprioritise its expenditure to meet community needs instead of wasting public funds on seeking to satisfy the interests of a select few;
 - (c) improve its management of service delivery so that costs are brought closer to those in other jurisdictions without compromising the quality of services; and
 - (d) announce a program for reducing the overall taxation burden in the ACT so that it no longer ranks with NSW as the highest taxing jurisdiction in Australia.

Mr Speaker, the deterioration in the territory's financial position is a matter of grave concern to everybody in Canberra except, so it seems, the nine members of the government in this Assembly. It stands in stark contrast today with the position of the Australian government's budget. The tremendous outcomes that were announced last night and the benefits being extended to the people of Canberra and other parts of this country stand in contrast with the situation faced in this territory as a result of the territory government's handling of its own budget and finances.

It could not be more in contrast and it certainly removes an argument that the problems are part of a broad economic problem that might be in our community, because we know that, from an economic perspective, Australia has done remarkably. Indeed, there has to be some other factor in play. In terms of the ACT's position, clearly the responsibility does rest with this government and, in particular, the Chief Minister, who has assumed the role of being Treasurer.

The Chief Minister has been positively euphoric that by 2008-09 the budget outcome under the AAS reporting method will be an operating loss of \$16.8 million—at least that is what he is saying today. He is woefully wide of the mark, and history will show how wrong he is. I am sure that, as we move towards that date, there will be 100 different excuses provided as to why the amount was only an estimate and that he would not want to be held to that. But the people of Canberra will neither forget nor forgive him, mainly because his administration has plunged the budget into the red, despite warnings in his own published documents that his spending was resulting in the government living far beyond its means. He had known what he was doing and had not, obviously, cared for the consequences until very recently.

I believe that the people of Canberra will call the Chief Minister to account because they are the ones who will have to foot the bill for this style of administration and poor management. It is Canberrans who now face the prospect of higher taxes and charges at the same time as services are being cut. So here we have a situation where the territory is challenged with its economic position and it is going to be challenged with its revenues. We have heard it announced already that the people of Canberra expect far too much in terms of services. Yet last night the people of Australia heard of generous concessions with income tax for everybody from the most needy to those on the highest levels of incomes. We have seen special changes in Australia that will impact on superannuants that are showing vision in terms of the changing demographics in Australia, but in the ACT there is going to be grim and bad news.

It is Canberrans who will continue to pay higher car registration fees, higher parking charges, hikes in rates and land tax, and any new thing that can be dreamt up by the government to squeeze more money out of them, such as the ill-considered measure that we heard recently in relation to motor vehicles that was eventually abandoned because it was so absurd. It is, unfortunately, our fellow Canberrans who are seeing hospital waiting times increase; public safety being compromised, even causing the Commissioner of the Australian Federal Police to upset Mr Corbell by pointing out the obvious; schools and their grounds deteriorating; roads and bridges cracking up; and water pipes and sewerage lines in urgent need of maintenance.

That the government is in severe trouble there is no doubt. I do not think anybody in Canberra is not now aware of this situation. But the question is: to what extent and why? Certainly, the most accurate measure of the government's operating results over the years, and forecasts, is the GFS, the government financial statistics. This method of public sector accounting is used by the Australian Bureau of Statistics, by most Australian states and by the commonwealth government.

Mr Corbell: Did the Carnell government ever use it?

MR MULCAHY: I was not part of the Carnell government, Mr Corbell, but I will come to that in a moment. It is based on the standard used by the International Monetary Fund. Curiously, it is not used by the ACT but, as reality breaks in, the ACT is coming round.

We have talked about credit rating agencies. It is interesting that Moodys, which I also met with, and S and P both reiterated to me that they prefer the GFS method of reporting because they look to uniform presentations and are certainly strongly committed to that point of view. Their concern about the continued use of the present favoured accounting presentation, AAS31, is that the matter of the revaluation of assets—it is not just land sales, as the Treasurer cited yesterday—can, in their words, lead to volatility in terms of the reporting of statistical data.

I am an adherent of the GFS system. I am not too fussed about what others in the past may or may not have thought about it. Certainly, the prevailing view amongst the majority of the state governments, the federal government, and the international organisations is that it is how we ought to report on our affairs. Gradually, the ACT is moving, I believe, to that position.

The reason that the GFS basis is used is, first of all, that it allows for comparability from year to year, whereas the system used by the ACT has been changed several times and probably will be changed again next year to bring it closer to the GFS method; and, secondly, that it includes only those transactions over which the government exercises legislative and policy control, but it does exclude revaluations—for example, movements in the value of the superannuation fund, asset write-offs and asset sales such as land sales—which simply convert one form of asset, such as land, into another, being cash.

Overall, the GFS provides a more accurate picture of the economic impact of the government's operations. The GFS data shows that government spending will outstrip revenue by \$394 million in 2005-06, not merely \$37.4 million, which the Chief Minister would like us to believe. The Chief Minister is saying that by 2008-09, the year of the next ACT election, the operating result will be a loss of only \$16.8 million, but his own GFS data shows that it will be, in fact, \$332.6 million. So by 2008-09, when the people have the opportunity again to pass judgment on this government, the accumulated deficit will be \$1,744 million, or \$5,365 per person.

The main reason for the massive disparity between the figures that the government uses, which in any case seem to be being constantly changed, and the GFS projected outcomes is that the government treats money from land sales and increases in the value of its share portfolio as income. That, of course, is very misleading. It gives a false picture of the taxing and spending activities of the government. For that reason, the rating agencies are very committed towards GFS, as are the prevailing governments in this country.

This year, the government hopes to ease the squeeze by selling \$159 million of land, but it cannot keep propping up its ailing finances by selling another paddock of the farm or by hoping for investment windfalls. The government's dilemma was highlighted by the ominous warning from Access Economics in its recent *State and territory budget monitor*:

Unlike other states and territories, the ACT's annual government operating expenses are currently being funded to a significant extent by asset sales and investment windfalls. Such a financing strategy is not sustainable in the medium to long run.

Although the Chief Minister would have the public believe that he was surprised when he discovered the deterioration in the government's finances, it is obvious from his own papers that there was a budgetary collapse already under way two years ago. There is no point in feigning surprise when the GFS operating balance for 2003-04 collapsed from a forecast loss of \$5.1 million to an actual loss of \$203 million. That rapid deterioration could not have occurred without a wake-up call from officials. The Chief Minister must have known but did nothing. What is puzzling is why he took no corrective action.

His lack of response to the looming crisis in the years 2003-04 and 2004-05 is reminiscent of the bushfires. The following year, in 2004-05, the GFS operating loss was forecast at \$16.6 million, but by the end of that year it had blown out to an actual loss of \$293 million. The public are rightly demanding to know how this deterioration, a blowout of \$275 million in the deficit, could possibly occur when government revenue was booming and they were told that everything was in safe hands.

I well remember standing at the convention centre last year after the budget—Mr Smyth also was there—and being dismissed as to my concerns about the state of the ACT budget, and being told, "No, you are being a gloom and doom merchant." Boy, hasn't the truth come home in the last few months! Of course, Mr Quinlan has hit the exit door. He is gone. He has taken his money and run and has left the Chief Minister with this nightmare as to how to solve the fact that they failed to keep their eye on the job during the period when the windfall gains from GST were coming into our territory.

The basic reason is that government spending has run out of control and the government has shown that it is not capable of restraining itself. The spending binge has been compounded by spending on the wrong things. Over the four-year period from 2001-02 to 2004-05 government expenditure blew out by \$707 million over budget. We are not talking here about minor variations or one-off events. They attach so much to inquiries and reports, but there has to be a point when you have to start living within your means.

The territory simply cannot afford the level of expenditure that is occurring, with poor efficiencies in some of the key areas. The government has now got a major problem on its hands. A large percentage of this budget goes on education, justice and health. There is clearly a need for efficiencies in the health area, but I think that there will be too little, too late, and we are going to be faced with enormous pain in the next several years.

Looking at the position over the years of this government, the average amount by which the actual spending exceeded the budget was \$177 million per annum. There has been a consistent pattern of poor management. The Chief Minister will no doubt repeat his defence that all manner of things have had to have money spent on them, but his pleas have been unconvincing because most of the items were budgeted for.

On a GFS basis, government expenditure in 2004-05 increased by 13.6 per cent. At the same time, revenue declined by 6.6 per cent. That is clearly unsustainable, but the key

question is: why did the government allow its spending to increase by 13.6 per cent when it was obvious from the previous year that planned expenditure could not be afforded?

Similar to the poor forecast on the health budget last year, none of the national statistics, none of the published data, would suggest that the forecast increases in health spending bore any relationship to the reality of anticipated national increases in health care, nor on the pattern of what this territory has had to endure in terms of health increases.

As a result of failing to contain costs when revenue from the housing boom made budgeting easy, the government has left itself now with little room to move. I have restrained, and I have urged my colleagues to restrain, from promising things because, frankly, the government has taken us now into an awful predicament where it is very difficult to stimulate this particular economy from the territory government's perspective because they have now almost got nowhere to go.

The territory's best hope is to increase productivity in the delivery of services. I do not believe that there is commitment to the reforms required, but let us hope that we will be pleasantly surprised in a few weeks. There is virtually no scope for raising taxes and charges because, thanks to Labor, the ACT is already up with New South Wales, one of the highest taxing jurisdictions in Australia. If we keep increasing tax levels here, we will see people moving out of the ACT.

My colleague Mr Seselja has made the point in the past that people are already flocking to areas outside the ACT. They are doing so for a host of factors, I acknowledge, but taxes are always one of the factors, as are the cost of registering their motor vehicle, the costs of transactions and so forth. We have to keep in mind that we are in a competitive environment with other states and territories and, if this government cannot manage its finances appropriately, we will be in difficulties down the track.

This government has already been warned by Standard and Poor's that it must repair its finances in the near term or risk losing its AAA credit rating. The news of a probable hike in interest rates comes at the very time that the government may find itself having to borrow substantial funds to keep going. There are many problems which have to be addressed by the government, but four stand out. They all reflect on the inability of the Chief Minister to provide leadership and manage the economy.

What is happening in the ACT is a demonstration of the old Chinese adage that a fish rots from the head. In this case, the head fails to face up to problems which are obvious to the average person in the street, he fails to consider any criticisms that do not accord with his own prejudices, and he has an unfortunate characteristic of grossly twisting and misrepresenting informed and well-intentioned suggestions. I am sure that, as the former Treasurer would have attested to, he works behind the backs of many of his colleagues. That is hardly a mix to encourage loyalty and team performance, which the people of the ACT are looking for.

It is imperative that this territory look at the growth in the size of the territory's administration. During Mr Stanhope's period as Chief Minister, some 2,000 public servants have been added to the government's payroll, putting up its wages and superannuation bill by 40 per cent over the period 2002-03 to 2004-05. That cost has risen to \$1,440 million and now soaks up 53.7 per cent of the budget.

There are so many other areas that he needs to look at, Mr Speaker. In the time remaining, I cannot expand further, but there is the issue of public housing and the management of that, the issue of health and, clearly, the matter of education, an area of enormous interest presently to the people of Canberra.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, and Minister for the Arts) (10.51): I am very pleased to engage in this debate today. It is an important debate and I am more than happy to respond to debunk the false interpretation and, essentially, the ill-conceived notions contained within the motion. I have, as one would expect when faced with a motion which does not reflect reality at all, circulated a proposed amendment. I move:

Omit all words after "That this Assembly", substitute:

- "(1) notes:
 - (a) the fact that the Government has delivered four straight budget surpluses;
 - (b) the continued confidence shown in the ACT's balance sheet by ratings agencies;
 - (c) the continued strength of significant economic indicators; and
 - (d) the significant investment made by the Government in critical areas neglected by previous governments, such as:
 - (i) disability services;
 - (ii) emergency services;
 - (iii) child protection;
 - (iv) mental health; and
 - (v) salary relativity; and
- (2) notes the establishment by the Government of the Strategic and Functional Review of the ACT Public Sector and Services to address emerging issues and safeguard the Territory's future.".

Before going to some specific parts of the motion, I will make some general comments or observations on the ACT's economy. The ACT's economy is strong, despite the continued efforts of the opposition to talk it down. The unemployment rate is the lowest of every jurisdiction in Australia, at 3.2 per cent. Our participation rate is the highest of every jurisdiction in Australia, at 72.2 per cent. The territory has one of the strongest balance sheets in Australia.

The government is committed, quite obviously and patently, to sound budget management and has delivered surpluses on an Australian accounting standards basis, the basis utilised in the ACT since self-government, over each of its four years of government, even after making significant investments in critical areas neglected by previous governments, most notably the Liberal government, such as disability services and emergency services. We need to focus on that. We have delivered surplus budgets in each of the last four completed financial years. We are now in our fifth year and we

await with interest the final outcome for this financial year. It may be that we will be able to announce our fifth consecutive surplus budget.

I go to the point about the delivery of surplus budgets at a time and in an environment where we were left with a range of significantly neglected areas, areas that we inherited from the Liberal government previously in power. Let us go to those. Most particularly, the neglected areas of priority service were disability services, mental health services and child protection services. The Gallop report is sobering reading today and should be noted in the context of this debate. We should go back to the Gallop report and the finding of Justice Gallop in the commission of inquiry into the provision of disability services under the Liberal government.

Mr Mulcahy: For how many years are you going to keep trotting that out?

MR STANHOPE: For how many years have we had to make up for the neglect? Do you walk away from the Gallop report and do you walk away from the Vardon report as testament to the neglect by your government of services for some of the most vulnerable in our society, our abused children? The investments in disability and in child protection, in the context of Mr Mulcahy's motion, were a "wasting of public funds on seeking to satisfy the interests of a select few". That is how the motion reads and that, of course, sits well with Mr Mulcahy's and the Liberal Party's philosophy. The motion attacks the government for "wasting public funds on seeking to satisfy the interests of a select few", the select few being, of course, abused children; the select few being, of course, people with a disability; the select few being, of course, people with a mental illness.

The government inherited aged and disability services and child protection services that were unfunded by any standard. In 2000-01, and Mr Smyth will attest to this, the ACT was spending less than 60 per cent of what was considered at that time to be an average level of expenditure to provide an average level of service in aged and disability services. That is your record; less than 60 per cent of what was required to meet average levels of expenditure. When we came to government we inherited wage provisions in the budget of far less than the consumer price index in an environment in which you had bids on the table in your enterprise bargaining negotiations. You did not even budget for the consumer price index, let alone the offers that you were making in your negotiations. That is what we inherited.

Let's go through them. In relation to aged and disability services, it was 60 per cent less than average levels of expenditure. Wage provision was not even for the CPI. We inherited the nurses dispute, which had the potential to compromise and was compromising health services, and we inherited a range of promises which, when we got to government, we found were completely unfunded and for which, of course, there was no provision, such as the medical school and, most ironically, the jail, a Liberal Party promise, one of the gunna dos, but there was never a dollar in the budget or an outyear for the jail which was promised. It was promised, as was your gunna promise for the medical school: "We are gunna have a medical school but we won't fund it."

Remember Michael Moore and the Liberal government on the medical school. Remember them on the jail. Those promises were never funded. We have, of course, invested significantly—Mr Mulcahy calls it wasting money on a select few—in improving services for the vulnerable, more than doubling expenditure on aged and

disability services since 2000-01. That is what we have done; we have more than double services in these areas. If Mr Mulcahy and the Liberal Party want to call that wasting money on a select few, I will bear that and I will accept that arrow that you fire this way in relation supporting children that are being abused, supporting the disabled and supporting the aged. We do not accept your interpretation that we are wasting money on a select few.

We are, as I have said and as is reflected in the four straight surpluses, committed to sound budget management. The most recent budget estimates, as published in the midyear review, do show the budget moving into deficit as revenue growth has slowed and expenses have increased. That, as we have explained time and again, reflects two main factors: a downward revision of conveyancing and land sales revenue, consistent with the slowdown of the property market, which has occurred everywhere in Australia, and the ACT is not at all unique; and, the most significant factor, an upwards revision of superannuation expenses following the latest review by the government's actuary.

The actuary found that superannuation costs were higher than expected for several reasons, the most significant being a greater number of retirees claiming pensions instead of lump sums. We relied in the previous year in the development of the budget on the actuary's then assessment of superannuation expenses. He revised them up significantly a year later. We are acting to restore the budget to surplus and we will be announcing our strategy in relation to that in the budget which will be presented on 6 June.

There is, of course, the more fundament issue of the level of expenditure that has existed since self-government. That is a debate which the community needs to have and which we need to have in this place as soon as members of the opposition can overcome some of the hysteria that they are generating about the real position of the ACT economy and the budget. All territory governments have been spending higher than the average on state-like services, every single one of us, from self-government to today. All the information is there. It is there for all to see. It is there for everyone to see. Every territory government has been spending far higher than the average on state-like services. The origins of that high expenditure are in the structures handed over to us at the time of self-government and the high expectations of services.

That is precisely why I established a strategic and functional review of the public sector and services. I did so in acknowledgment of that fact to make sure that we continue to meet service needs in priority areas and that we do not pass on unsustainable structures to future generations. That is what each successive government has done to date. Each has continued and maintained a range of structures which are unsustainable and which, at the end of the day, will be unfair to our children and to our grandchildren as they seek to provide and deliver quality services to the people of the ACT. The government has moved to bring the budget back and to provide that capacity to sustain service and meet emerging needs.

A long-term approach is required. We have seen already in the debate here today and we have seen it in the last couple of weeks in question time that the willingness or the capacity of members of the Liberal Party in this place, the opposition, to enter into a debate around the long term has been shown to be beyond them. They are interested in the electoral cycle, as every previous government and opposition has been, but this is about the longer term. It is not about the next election. It is in your interests, of course,

and we all acknowledge that, but it is a pity that you will not pitch for the longer term, that you will not look at it as anything beyond this particular budget and electoral cycle, because it is about the future and it is why the government has taken the approach that it has, through the functional review. That will be reflected very much in the budget that is about to be delivered, which is about structural change for the future. It is about implementing more efficient ways of providing corporate services to ensure that we have the capacity to sustain the delivery of services into the future.

We do have, as I have already indicated in the context of particular parts of the motion, an excellent record as to addressing high-priority needs and we do that. The motion is, essentially, nonsensical. If we are to be criticised, we are to be criticised for spending too much in health, in disability services, for children that are being abused, in indigenous affairs, and in and around a whole range of areas encapsulated more than anything by the Liberal Party's or Liberal government's woeful record in relation to mental health expenditure.

Contrary to the claims that have been repeated again today, the mantra, the suggestion that if you continue to run a line often enough it might become accepted or at least an urban truth or myth, the ACT taxation effort is around the national average, according to the Commonwealth Grants Commission. If you go to the objective date, if it is available, the Commonwealth Grants Commission, through its published reports, will inform you that the ACT taxation effort was at 100.27 per cent.

I know how particular Mr Mulcahy is about his capacity and his status as the new ACT guru on anything economic. Obviously, he has not seen the latest of the Australian Bureau of Statistics catalogues on taxation revenue across Australia, catalogue No 5506 of 29 March 2006, which shows that taxation per capita, both state and local taxes, in the ACT is 11 per cent lower than the average for all states and territories.

The ACT takes relatively less tax per person today than it did in 2000-01. Relatively speaking, we tax less than you did in government. In 2000-01 the ACT's taxation per capita was the third highest, behind New South Wales and Victoria, and on a par with the average for the other states and territories. In 2004-05, the ACT was the third lowest, around \$270 per capita lower than the average. It is quite sobering, and I am sure that it would be a dreadful shock for Mr Mulcahy, to view the latest Australian Bureau of Statistics analysis of taxation revenue.

Over the four-year period between 2000-01 and 2004-05, the ACT had the lowest increase in taxation revenue of all states and territories and the commonwealth at nine per cent. Taxation per capita in all other jurisdictions increased by between 11 and 43 per cent. The change in the ACT between 2003-04 and 2004-05 was minus six per cent. The change between 2000-01 and 2004-05 was nine per cent as against a national average of two per cent, as against our minus six per cent and a change between 2000-01 and 2004-05 of 22 per cent. It is interesting to compare that with the commonwealth, with an eight per cent change from 2003-04 to 2004-05 and a 24 per cent increase in taxation in the same period.

We have the highest taxing federal government in the history of the commonwealth. We all know that to be a fact. You glory in the budget delivered today by the highest taxing government in the history of the commonwealth. Over the last four years they have

increased their taxation revenue by 24 per cent as against the ACT's nine per cent. We have gone from third highest under you to third lowest under me, third highest under you to third lowest under this government.

Get your facts straight. Go to the latest documentation, stop peddling these lines of untruth that you are out there peddling constantly. You are simply wrong. The ACT is the only jurisdiction which has had a decrease in taxation per capita in recent years. That is significant. Our taxation take is going down, and in every other place in Australia it has gone up, most notably with the commonwealth, going from eight to 24 per cent. We have gone to nine. Just get those numbers straight. There is, of course, another way of measuring the taxation relativities between states and territories, that is, in relation to the ratio of taxation to gross state product.

MR SPEAKER: Order! The Chief Minister's time has expired.

MR SESELJA (Molonglo) (11.06): Despite what the Chief Minister has said today, the ACT is facing serious budgetary problems. I welcome Mr Mulcahy's motion. It will give us the opportunity to discuss this issue in a serious way. Mr Mulcahy has very ably spelt out the financial dilemma facing the ACT. It is a dilemma that was totally foreseeable and, therefore, avoidable. As he has done before, the Chief Minister has shrugged off these reports and criticisms. Last year in estimates, when we talked about efficiency savings in health, he twisted our words and said that we wanted to slash \$100 million from the health budget. That has been the Chief Minister's standard line, and we heard it again today. He says that we do not want money spent on essential services. Of course we want money spent on essential services. But the non-essential services, the arboretum and the busway—

Mr Stanhope: No. It is aged, disability and abused children—a select few.

MR SESELJA: The efficiency gains have not eventuated.

Mr Stanhope: Who are the select few in the arboretum?

MR SPEAKER: Order! Mr Seselja has the floor.

Mr Stanhope: Mr Seselja does not think we should fund abused children.

MR SPEAKER: Order, Mr Stanhope!

MR SESELJA: Thank you, Mr Speaker. Once again, the Chief Minister is twisting words. He says that because we call for efficiency gains we do not support essential services. Of course we do. We support essential services.

Mr Stanhope: You ignored them for seven years.

Mr Smyth: The government ignored it. Three ministers—

MR SESELJA: What has been the Chief Minister's response—

MR SPEAKER: Order! Mr Seselja, resume your seat. Chief Minister, please maintain order. Mrs Dunne, cease interjecting.

Mrs Dunne: I have not said anything.

Mr Stanhope: That is a bit tough on Mrs Dunne.

MR SPEAKER: There was a conversation developing. Mr Seselja has the floor on the question that the amendment be agreed to.

MR SESELJA: Thank you, Mr Speaker. What has been the Chief Minister's response, apart from trying to twist the issue? It is to blame the accounting treatment. It is the accounting treatment that is wrong. That is the problem, and if we can just stick to the accounting treatment that we like, then it will be okay.

Using the system of government financial statistics, the 2005-06 financial year will see this government spend \$394 million more than it has collected in revenues. The GFS further predicts a loss in 2008-09 of \$332.6 million. These are the numbers the Chief Minister does not want to talk about. He would prefer it if we focused on the other figures. Yesterday the Chief Minister tried to dismiss GFS as not relevant. The ABS, the World Bank and all Australian jurisdictions, except Victoria and the ACT, are using GFS, but the Chief Minister says that this is an accounting treatment that is not relevant. That is not a creditable claim. The GFS does give us an idea of where we are going.

The warning signs have existed for some time. Many questions were raised when the former Treasurer retired so close to the budget. Now we have the answers to some of those questions. Now we know why the Treasurer wanted to get out—because the budget was in trouble. He was sick of not being listened to, sick of saying, "If we do not restrain the spending, we will be in big trouble in the coming years." He was ignored and ignored and ignored and eventually, a couple of months before the budget, he pulled the plug. There was no surprise on the timing, Mr Speaker.

Let us compare the GFS with what is used by this government and what the Chief Minister would like us to focus on. The argument that the Chief Minister is using against GFS may be likened to owning a \$1 million home but not having a job. What do you do? You liquidate your assets and create cash. But cash is not income. It is not a plan for the future, and that is what we are talking about here. We are trying to get a picture of the real state of the budget. We should be looking for a long-term solution, not a bandaid fix. That is why we are talking about the budgetary problems that we have and the GFS.

According to the *Mid Year Review*, the deficit is down to \$37 million or something of that order. That is all well and good, but it is because the government sold a big piece of land in Fyshwick for \$40 million. That was a nice little windfall, but that is a piece of land that we will never be able to sell again. It will not be an asset, an ongoing source of income. That piece of land in Fyshwick is gone. That is the point about GFS.

We have heard the Chief Minister defend his ignorance of the growth rate in the public service, and Mr Mulcahy has touched on this. The Chief Minister has claimed that he cannot be expected to read every report and understand the nuance of every increase in recruitment. That is true. He does not need to know the details of every person's employment contract or the details of how many people are employed in every section. But when there is a massive blow-out, it would help to know what the total number of public servants is. When there is a blow-out of 2,000 public servants with a 40 per cent increase in payroll and superannuation in the space of a few years, surely some questions need to be asked.

The Chief Minister, the Treasurer, should be asking questions. He should be asking, "Why is this happening? How can we restrain this growth because this is going to be an ongoing problem for us?" But it seems that no-one has asked the questions and only now are we starting to talk about it. The warnings that were coming from all quarters, from the former Treasurer and the opposition, have been ignored. Suddenly we are faced with this position and the government says, "We did not know it was going to happen." Well, that is not true. We did know it was coming. We have known it was coming for some time, and nothing has been done about it. That has been the problem, and that is why it has been perpetuated.

I want to deal with some specific areas. It is a matter of priorities. It costs 22 per cent more to treat a patient in a hospital in the ACT than in the rest of Australia. Reining in these costs, making efficiency savings, is part of the issue, and it is a part of the issue that this government has not addressed. Last year at estimates we dealt with this, and the government claimed that we just wanted to slash \$100 million from the health budget. We were criticised for identifying efficiency savings.

Last year the government budgeted for an increase of four per cent in health costs. This was despite annual increases in health costs in the last few years in the realm of 10 or 11 per cent. Nationally health expenditure has been increasing by seven or eight per cent per year, but last year the government budgeted for an increase of four per cent. When we asked the health minister how he was going to keep it at four per cent, given that that had not been achieved before, he could not give us an answer. There were no specifics as to how they would rein in those costs, how they would turn around what had been happening under this government over the past few years. Still there are no answers, and the new health minister needs to tell us how these savings are going to be made. As we know, 11 per cent growth will be completely unsustainable. But we have seen no evidence of a plan to actually rein in costs and to deal with the issues.

In the area of education, we all know that school closures are coming. Before the election one party said that there might have to be school closures. One party put their hand up and said that may be a reality. The other party, the Labor Party, the government, said that there would be no school closures in the next term. With the steadily declining rate of enrolment in government schools, they would have known exactly where we would be in 2006. Yet, in 2004, they claimed that there would be no closures. In terms of economic mismanagement, this is where the rubber hits the road. Instead of being honest before the election and dealing with some of the issues, the government is now panicking and flogging off schools and land as quickly as it can. That is not good planning; it is not good policy.

Because of economic mismanagement over the past few years, the government is panicking and making bad decisions. We were honest about the fact that there may have to be school closures, but the point needs to be made that this government was not.

Economic mismanagement has contributed to the situation. It is not the only factor—there are plenty of other factors—but it has contributed to the situation and it will continue to contribute to the panicked response that we will be seeing in the next couple of years. The government would have known about the 18,000 empty desks some time ago.

The GFS predicts an accumulated deficit of \$1,744 million. These are massive figures. That may not mean a lot to many people, but it will mean something to them as waiting lists increase, as schools close, as our roads get clogged and we do not see any upgrades, as we do not get the required numbers of police, and as taxes and charges are inevitably pushed up in order to try and cover for this government's economic mismanagement. That is when the community will feel the effects of this government's budgetary mismanagement. They will remember that it was the Stanhope government that put them in that situation.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (11.16): Mr Speaker, I rise to support the Chief Minister's amendment. The hypocrisy from the other side of the chamber on this issue is absolutely astounding. Who was it that introduced GGS and GFS measures into the budget? Who was it that chose to measure the performance of the budget on GGS? It was the Liberal Party in government. All of a sudden Mr Mulcahy and those opposite have decided that they do not like using GGS anymore because it does not suit them. It does not suit their political interests and it does not suit the argument they want to make to the community, so they have decided that GFS is better.

We all know that the Australian accounting standard is GGS. We all know also that the requirements and particular financial circumstances of the territory are quite different from many other jurisdictions. One of the reasons for that is land. Unlike every other jurisdiction in the country, because of the nature of the freehold system, the ACT maintains a significant land bank. Rating agencies have been prepared to accept that in respect of land revenue the circumstances in the ACT are different from other jurisdictions.

There is no doubt that over the next couple of years the accounting standards will move towards GFS. The government is conscious of that, and we will move consistent with the accounting standards. But the hypocrisy of those opposite is absolutely mind-blowing. Did we ever hear the Liberal Party in government assert that land revenues should not be taken into account in the budget process, in deciding whether or not the government's bottom line was healthy? No. They always accounted for the land revenues.

Now we have this fantastic backflip by the Liberal Party. You always accounted for the land revenues and you always accounted for the returns on superannuation investments. You did so when you were in government, and when it suited your political objectives you cried about it. We never heard Kate Carnell say that the economic health of the territory was measured by the GFS. She always asserted the GGS figure. Mr Smyth was part of the cabinet that did that.

Apart from that hypocrisy, of course, there is the flip-flopping by the Liberal Party around the issue of school closures. Just this morning Mr Seselja flipped—perhaps he flopped—when he claimed that the opposition does not necessarily think it is a bad idea,

does not necessarily think it is the wrong thing to do. Look at the front page of last week's *Chronicle* and you will see Mr Seselja out there with a group of parents at Narrabundah looking very sad and concerned. I wonder if he has told them that he thinks that it is not necessarily a bad idea to close schools. I wonder if he has told them that. I wonder if he told the *Chronicle* that. I do not think so. There is a bit of flipping and flopping from Mr Seselja. It is the Steve Pratt/Zed Seselja flip-flop. There is hypocrisy and double standards from the other side of the chamber on that issue as well.

Mr Mulcahy's motion fails to have regard to a whole range of other factors that are quite rightly addressed in the Chief Minister's amendment. Those include the fact that this government has delivered four straight budget surpluses. They do not like talking about that, and I noticed the deafening silence on the other side of the chamber when I mentioned that. Where is the acknowledgement, the recognition of those four straight budget surpluses? Of course there is none, because it does not suit the crisis theory, crisis rhetoric and revved-up argument that we hear from those opposite.

The bottom line is that the government maintains, on behalf of the territory, a strong credit rating. The government is committed to maintaining that credit rating in full. When members see the budget in about a month's time, they will see the outcomes of the government's moves to ensure that the credit rating is maintained in full. We regard that as important and as a strong indicator of the strength of the territory's balance sheet and its overall economic management.

The other issue that is worth addressing in debating this motion today is the element that the Liberal Party are always a bit weak on—in fact, always very weak on. Mr Pratt talks about the need to spend more money, say, on police. Mr Seselja talks about the need to spend more money on schooling. Mrs Burke is out there saying that we have to spend more money on housing. Mr Smyth says that we have to spend more money on health; we have to make sure that we have a hundred more hospital beds. That is Mr Smyth's claim, and very proudly made.

They assert the need for increased expenditure and then their Treasury spokesperson comes out and says we are spending too much money. They cannot have it both ways. They cannot argue publicly about the need to massively increase expenditure on health or education or housing or police without recognising the impact that will have on the budget bottom line. They cannot then assert that the government is spending in a wilful or profligate manner. They cannot do that if they themselves make demand after demand for increased levels of expenditure. But that is exactly what they do. It is hypocritical, it is contradictory and it demonstrates that they have no clear agenda for what they would do if they were ever in the very fortunate—and I say "very fortunate"—position of being in government.

Let us look at the areas where this Liberal Party failed to deliver for the people of Canberra and where the ACT Labor government has had to address the shortfalls. Let us look at the issues, and I will only mention a couple because of limited time. But let us look at the issue of emergency services, which is the issue that Mr Pratt and Mr Smyth and others have made great hay of. What level of funding did they provide to the Emergency Services Bureau when they were in office? What did they do in the area of bushfire prevention? Did they spend money on maintaining fire trails in the national park? No. Did they spend money on even providing basic personal protective equipment

to volunteer firefighters? No. Did they spend any money on improving the provision of firefighting appliances for the territory? No. Did they spend any money on strategic planning and incident management for major emergency events? No.

When the terrible and drastic fire occurred in 2003, the ESB were singularly unable to cope with the volume and the enormity of that fire. They did not even have the basic capacity to manage their radio systems, to manage their incident management, to manage all those issues that are fundamental for a basic emergency services organisation. That is not something that suddenly occurred in the 12 months between 2001 and 2003. That is not some failing that occurred in that short period of time.

There was a massive legacy of underfunding by the Liberal government, with insufficient resourcing to the Emergency Services Bureau and no maintenance of fire fuel reduction in the territory—none whatsoever. That is one of the legacies that this government has had to make up for. Of course it has meant increased levels of funding; of course it has meant the need to draw on the territory's resources to meet these important community needs. That is the sort of hypocrisy we are dealing with in debating this motion today. For that reason I support the Chief Minister's amendment.

DR FOSKEY (Molonglo) (11.26): Mr Speaker, it is, of course, the job of government to talk up the economy and its economic management and I guess it is the job of the opposition to talk these things down. So I suppose the role of the crossbench is to try and provide a view that does not have to come from the standpoint of the opposition and perhaps to add a little more depth to the debate.

What are budgets for? While they are a measure of how governments spend and of our short-term economic future, they are really about showing how the government plans to deliver things that the Canberra community want, and sometimes things that they need but do not want. That is the role of government. It is obviously not an easy job. From my perspective of being here for nearly a couple of years, I suspect it is much easier to criticise than to do it.

The Greens, of course, think that budgets are about delivering a fair society and a healthy environment, as well as a sustainable economy. I have not heard much about a sustainable economy here today. To have a sustainable economy we need to invest in people. The ACT is a service delivery economy, and investing in the people is the major thing that we can do for our future. That, of course, means investing in education and investing in health. We need healthy people and people who are not only skilled up but wise. There are two governments, basically, in the ACT so we need to make sure that public servants have a well-rounded education.

We need to support business, of course, but we should be looking at supporting business that is actually going to offer something not just for the economy now but in the future—sustainable business. There are quite a number of businesses out there that offer services that will assist other aspects of our economy, such as environmental services and improving the education and skills of our people. Of course, we need to invest in infrastructure. Again, that infrastructure is not just so that we can get from our jobs to home as quickly as possible. It is about thinking about how we can reduce car resource use and our impact on the environment.

A fair society is one that minimises poverty, and the best way we can minimise poverty is by increasing access to work. The government is constantly lauding itself for a low unemployment rate, but there is a concern that that group of people that are unemployed is a fairly intractable figure. It has not changed over the years. The Greens have been asking the government to look at how we can move those people off welfare, which is their main means of support, into work.

But the other side of this is that we need a good social infrastructure. The best way to assist poor people is to ensure that they have access to good health and education services. I think that sometimes people on the Liberal side of this house do not recognise that that is good for us all. If people are healthy throughout their lives, they are not going to be a big cost on the health system. If people are educated, they are more likely to get a job and therefore contribute to our economy.

Something that both sides of the house seem to have avoided today is access to housing for all. A healthy environment requires from government planning an infrastructure that will reduce our impact on the environment. In the ACT that means reducing use of resources, most particularly water, oil and coal. Finally, we must manage the natural environment. Again, that involves management of our water resources, catchments and our biodiversity. We are very lucky to have some of the last woody grasslands in Australia.

How we do that, of course, how we measure how we are doing that, is through a triple-bottom-line approach to our budget, which I hope the government have been struggling with this year. We will see how well they are going when we see the budget. The objective of a triple-bottom-line approach is to measure how well budgets are delivering on these aspects. An economy is not just for itself. It has always been a way of measuring our progress and how we are going to achieve other goals. That seems to have been forgotten.

After listening to Mr Mulcahy's speech, I am still mystified as to who the "select few" are. The government has chosen to pick a few groups that it feels it is doing well in serving, but I have not yet heard who they are. Perhaps I will hear from the opposition as further speakers raise their voices. It cannot be the cappuccino set. Perhaps it is. Sometimes they are called the chardonnay set. I do not know that they are doing too well because the prices of coffee and chardonnay remain high, although there is a proliferation of places to drink those things.

Perhaps it is the property developers, who are benefiting from some of the highest rents in Australia, although I would not have thought that the Libs would really mind if the economy delivered to them since they usually speak of them as their constituency. It certainly is not the group that is concerned about the environment. This government has not kept its promises about the environment. It is more inclined to see investment in the environment as a cost and not something that it should do.

The Greens are not opposed to a deficit as such as long as that deficit can be funded over the term of the government. The government knew that it had four years. It could have presented a view that took a four-year approach. Of course, four years is actually not long enough. A lot of the problem is that governments plan within an electoral cycle rather than a much broader cycle that would benefit people more. The Liberal opposition is focusing on the deficit as though that in itself is a bad thing.

Mr Mulcahy: \$300 million is pretty frightening.

DR FOSKEY: Well, we are all still having arguments about what it is and—

Mr Mulcahy: No, no. That is out of their budget papers.

DR FOSKEY: We will see how it goes. The ACT government does have a trend of spending money and talking up how well it is doing things. It presents publications that show how well it is doing things, yet we keep hearing about those things that are not being done well at all. There is a tendency to spend on the acute end, rather than the prevention end. For example, in the last budget \$463 million was allocated to the acute end of health services and only \$16.7 million to early intervention and prevention. I know hospitals are really expensive, but we should be putting more money into keeping people out of them.

The government keeps reiterating how it is investing \$13 million in homelessness services but unless the underlying causes of homelessness, including housing affordability, mental health and family support are addressed this investment will grow. Public housing is a problem for the government. It promised \$30 million. We need to look at how we can increase the sustainability of public housing. The need for public housing continues to grow and unless people have an address and a decent place to live, it is very hard for them to access work and education and so on. I really do not think I need to tell people that.

We are running a campaign to attract people to the ACT but we seem to be having problems supporting a lot of the people who already live here. We also need to consider the environmental impact of more people in the ACT if we do not move to sustainability in building and urban design. We have not heard anything in the federal budget—

MR SPEAKER: The member's time has expired.

MR SMYTH (Brindabella—Leader of the Opposition) (11.36): Mr Corbell rose and pointed his finger and gestured and paced and laid the blame fairly and squarely at the feet of the former Liberal government for not doing the right thing. Mr Corbell is either ignorant or has not read the history or he has, as he always does, put a spin on the truth.

We need to put in context what it is that all jurisdictions agreed to do and intend to do and should have done by the 2002-03 budget—a budget brought down by the Stanhope Labor government. At the May 1991 Premiers Conference all jurisdictions agreed to the introduction of a thing called the UPF, the uniform presentation framework. The format of the UPF is based on the reporting standard of the Australian Bureau of Statistics Government Finance Statistics, or GFS. So if you hear UPF, read GFS. We agreed to do this because it ensures a high degree of consistency in the preparation and presentation of financial data. The Follett Labor government agreed to this in 1991.

In 1997 all jurisdictions agreed to the revised uniform presentation framework—read GFS—which simplified, rationalised and enhanced reporting requirements while

maintaining consistency with the ABS cash-based GFS. It was the Carnell government that agreed to that in 1997. Follett said: "Let's do it." Carnell said: "We're on your side. We will set ourselves a time frame." What was the time frame? The government then decided upon a transition to accrual reporting. How did they do that? They said that it would take time because people needed to convert. When they adopted the accrual GFS to be part of the UPF, they said:

As noted above, the ABS introduced the accrual GFS framework with its release of the 1999-2000 Government Financial Estimates publication in early 2000 ...

It is expected that most jurisdictions will be able to conform to the accrual UPF—

read GFS:

beginning with the 2000-01 budget cycle.

The document goes on to say that those that cannot should include in their 2000-01 budget documentation the accrual tables outlined in appendix A and B. The document continues:

Not all jurisdictions will be in a position to meet the accrual reporting requirements of the revised UPF—

read GFS:

in their 2000-01 budgets. Such jurisdictions have until 2002-03 budget year to fully implement reporting on the accrual UPF basis, and are expected to continue reporting on a cash UPF basis in the interim.

Whose budget was the 2002-03 budget? It was a Stanhope budget. Yet again they have not met their commitments. Yet again they are hiding the truth about the budget. Successive governments, firstly Labor, then Liberal, then Labor, committed to doing this. Who has not done it? Jon Stanhope. So let us have no more pious comments from Mr Corbell seeking to put a spin on the debate. This is a good motion. Both sides should debate it rationally. Unfortunately, the Labor Party does not want to do that.

Mr Stanhope's amendment notes that the government have delivered four straight budget surpluses. If so, it just compounds the ineptitude and the economic mismanagement of the Stanhope government. How do we know this? It is because they have actually had four surplus budgets. In those four surplus budgets they received \$705 million revenue above estimates and had accrued cash surpluses of about \$250 million.

So after four surpluses, riding, I have to say, on the back of the reforms of the former Liberal government and the surplus and cash that we left them, what have they done with the surpluses of those four years? The sun is shining and the hay is growing. What have they done with the hay? They have squandered it, eaten it, lost it; they have sent it away. Now we are faced with the prospect of four deficits. It is feast and then famine. It is almost biblical. We have gone from four surpluses to four deficits, estimated to be \$37 million, \$108 million, \$57 million and \$16 million.

I commend to members Budget Paper No 3 Federal Financial Relations 2005-06 from last night's budget. It contains a really interesting chart. If you had paid attention in maths class at school, Mr Corbell, you would know that the steeper the gradient the bigger the change. On page 30 you will find chart 4: individual state general government sector net operating balance. For those opposite who perhaps do not read these sorts of documents, the preceding paragraph states:

The net operating balance measures, in accrual terms, the gap between a government's expenses and revenue for a given period, and provides a good indication of the sustainability of the existing level of government services. An operating surplus indicates that a government can finance the services it provides in a period using revenues derived in that period. An operating deficit indicates that a government must borrow or sell assets in order to finance services provided in a period.

It is a case of borrow or sell. As Mr Seselja said, they are going to sell those school sites. If we look at the chart on page 30, the only jurisdiction below the zero mark, below where we want to be, is the ACT. When did we go below the line? Gee, we crossed the line in the 2002-03 budget! When did the GFS figures start to be used? It was in the 2002-03 budget. The Northern Territory goes above and below the line a bit so we need to read the chart in context. But, going back to basic school maths, as taught by Mr Cronin in maths class: the greater the gradient, the steeper the decline.

In ACT we have a slope that Michael Milton would love. I reckon he could go 170, 180, 190 or 200 kilometres an hour down this slope. The deficit is going \$180 million, \$190 million and \$200 million down this slope. That is why we are asking for the report, the one on which Mr Costello gave briefings to certain people to expect a \$190 million deficit. The potential is there.

The *Canberra Times* has done some research. Its sources report that Mr Costello said that potentially there is a \$390 million deficit looming in the outyears. It is all in this chart. The Chief Minister has returned to the chamber. Chief Minister, page 30 of Budget Paper No 3 is fantastic reading.

Let us go back to the arrogant amendment moved by the Chief Minister. It commences:

(a) the fact that the government has delivered four straight budget surpluses ...

What have you done with them? For a government to go from \$705 million worth of additional revenue above expectation and \$250 million in cash surpluses to nothing in the fifth year shows its ineptitude. The money is all gone. How much unencumbered cash is there in the coming budget? According to the midyear review, it is \$900,000. You could not even build a kilometre of road for \$900,000. Where has the \$705 million gone? Where has the \$250 million in cash surpluses gone?

The Chief Minister says, "It is because we have been making up for the critical areas neglected by previous governments." The previous government did not have the luxury of surpluses or excess cash until our program of economic reform had made up for Labor's \$344 million operating loss when the budget was about \$1.5 billion. Twenty per cent of the budget was the loss that Labor ran in office in 1995. We inherited

that loss and we had to make up for it. We would have loved to spend more on disability and child protection, and we did not ignore child protection. For a year, through your ministers, you were briefed about the need to do your job properly, and you ignored it.

Let us go to the area of emergency services. Mr Corbell is on his high horse. I do not remember a house ever being lost in the bushfire season when we were in office. In about 1998 Gary Humphries and I launched the strategic bushfire management plan, Mr Corbell. To top it off, we did buy new appliances. I can remember the launch of new appliances. But worse than that, on 24 December, Christmas Eve 2001, the territory got a wake-up call. We had a significant fire and things were stretched. But we won. We stopped the fire without losing a single house. For the next 13 months, Jon Stanhope and his government sat on their hands and did nothing to enhance—

Mr Stanhope: We tried to repair the damage that you did.

MR SMYTH: It tried to repair the damage! It finally revealed the Betts report that Bill Woods sat on! What was the name of that other report that they sat on? It was the Glenn report. We commission reports and you sit on them because that is what the Labor Party does.

This is a good motion. It notes the deterioration of the financial position of a territory and in paragraph 2 (a) it calls on the government to explain why it allowed expenditure to run unchecked without providing for a period of slower growth. When did you know? I know when you knew because we have letters from Mr Quinlan. Mr Quinlan knew on 21 November 2002, when he wrote to his colleagues and said:

I am, however, committed to ensuring that the value of our capital works program does not continue to increase.

Why? Mr Quinlan continued:

This is important as we do not have cash capacity in future years' budgets to continue to fund large capital works programs.

They knew in 2002, and they neglected it.

MR SPEAKER: The member's time has expired.

MR MULCAHY (Molonglo) (11.47): Mr Speaker, I want to speak to the amendment moved by Mr Stanhope.

Mr Stanhope: Are you not closing debate?

MR MULCAHY: No.

Mr Stanhope: We might have to move the gag then.

MR MULCAHY: I just want to speak to the amendment.

Mr Stanhope: We had an understanding with you. If you're going to welsh on that, we will close the debate.

Opposition members interjecting—

Mr Stanhope: Well, we will close it after you speak, so you are closing anyway, Richard.

MR MULCAHY: It is a reflection of the extraordinary sensitivity of this Chief Minister to criticism. It is a characteristic that he does not—

Mr Stanhope: No, it's not. We did a deal with you and you welched on it.

MR MULCAHY: He talks of some deal being made. I do not know of any deal being made. I have zoomed in on one particular aspect of this amendment, and particularly the line "the continued confidence shown in the ACT's balance sheet by ratings agencies". Boy, was that music to my ears when he read that, because, despite the fact that you think things can go down phone lines, I have got a fascinating report, which I have been trying to get hold of for some time, from Standard and Poor's, and let me tell you what they say.

Mr Stanhope: Did you get that in New York?

MR MULCAHY: Yes, that is it—very worth while too. This is their report on the government of the Australian Capital Territory:

A key weakness, however, is that much of the projected deterioration in finances is not due to one-off capital spending. Rather, it is due to a weakening operating position, to the extent that the territory is expected to record an operating deficit under its preferred measure in fiscal 2006 and significant operating deficits under the measure ...

It goes on to say to say:

The biggest risk to the ACT's rating relates to the unsustainability of operating deficits ...

Dr Foskey has gone, but she wanted to talk about sustainability. The report compares us to the other states in Australia. The Chief Minister loves to say that all of the states have got these issues and problems, but it says here, comparing the ACT with what they call the peer group, which is the other states:

The important distinguishing factor for the ACT, however, is that it is the only member of the group forecasting significant operating deficits rather than a deterioration due only to increased capital spending.

The Chief Minister wanted to rely on this document to say what great confidence Standard and Poor's have in the way he runs things. But they go on to say this about management capacity and institutional legitimacy:

... too little focus is given to addressing persistent operating deficits.

This is not written by the Liberal Party; it is not written by the federal government. This is written by one of the world's leading credit rating agencies, and it says:

Although the ACT's fiscal strategy is adequate, it is not as stringent as that of some of its peers and lacks specific targets.

We were told about the failings of the Liberal Party, about what happened back in the nineties and how wonderful is the accounting standard we use, but the report says:

Under the accounting system preferred by Standard and Poor's, the government is projecting large operating deficits. The ACT uses the Australian Accounting Board standard, which allows governments to count the capital growth of investments as operating revenue. Standard and Poor's believes that this is not a true insight into the underlying fiscal position (a capital gain on a bond investment cannot be used to fund public service salaries) and so uses the method dictated by the Australian Bureau of Statistics (consistent with IMF guidelines).

This report is from a credible rating agency, the people who oversee the sovereign states around the world, who assess governments in all the major countries, and this is the view that they have offered. They go on about the budgetary performance. We were told that the credit rating agencies have got underlying confidence. Well, tell me how this reads as underlying confidence? It states, under budgetary performance, "weak operating position projected to worsen". I do not know if somebody would want to pin their hopes on that meaning that they are doing a good job, but where I come from it does not look too good. It goes on to say:

The general government's operating position is weak. Although the territory's strong balance sheet provides a short-term buffer, continuation of such a position indefinitely is not consistent with an 'AAA' rating.

If there has ever been a warning from the international financial community to this territory, it is that. It says that our AAA rating is not consistent with the continued pattern of management that we are seeing in this town. Under the heading of "debt burden and net financial liabilities" it states:

Balance sheet position set to worsen ...

Let us relook at this amendment of Mr Stanhope's and "the continued confidence shown in the ACT's balance sheet by rating agencies". I do not know which rating agency, but I also met with Moody's, and they do not even give a rating on the ACT. As far as I know, this is the only one that we have available to us. The amendment by the Chief Minister is based on obviously poor information, and I am sure some poor soul up in Treasury will be berated after this debate for not ensuring that he was up to speed.

Very clearly, the rating agencies do not give this territory a positive report card. They are sending concerns about the way in which this territory is operating and they are saying, "Get your house in order, get your expenditure under control or you're going to jeopardise your AAA status." That is an extraordinary position given the windfall gains

this territory has had through GST and the robust economic circumstances created as a result, primarily, of 13 years of sound federal government. The ACT stands out even in contrast to all the other state Labor governments. Ours is the one with the bad report card on budgetary matters.

The Chief Minister has attached much importance to the economic indicators in the territory. But we have to realise that the biggest single employer is the commonwealth government. He might talk continuously through my remarks, and not want to listen or confront this, but he knows the reality of what I am saying. It is interesting even in terms of his views on accounting standards. I take him to page 23 of his own budget paper No 3 where it says that talks were under way moving towards harmonisation of the financial reporting systems under GAAP and GFS and:

The project is yet to be completed but is likely to substantially change the format of future financial reports.

We were told that the system the Liberals favour is no good and so forth. Mr Smyth has pointed out in some detail the direction that was taken in this matter by previous governments. Yet we find here, irrespective of whether he has been properly briefed or not, that his own people are working towards the outcome that we are advocating.

We have had a situation where unencumbered cash is an issue. As I mentioned earlier on, there are a number of areas where this territory has to get itself under control. The administration, the growth and the cost of rapid recruitment in the ACT public sector are coming home to roost. I feel quite sorry for those people, but I woke up this morning feeling a lot happier when I heard that the Howard government is creating 7,000 jobs in this territory. So it is going to dig the Stanhope government out of the mess it has created. This government is going to throw people out onto the street from the ACT—hundreds of jobs are going to go—because it cannot make ends meet. But the Howard government, which the Chief Minister is at war with every other week, is in fact going to help employ those people. Aren't those people fortunate that at least we have got a commonwealth government that can manage its affairs?

I have a lot more I would like to say but time is going to beat me. I asked for all the factors of these reporting agencies—what they look at in terms of the ACT and agencies—and I fell out of my chair almost when they said, "Well, we look at the management, the turnover of politicians and the intergovernmental relationships." I said, "What do you mean?" They said, "Well, the relationship with the Australian government." I just sat there, without passing comment, and I thought, "Well, it has been a pretty ordinary relationship from the direction of this government, despite the fact that this territory is going to be saved to some extent by the expenditure of the commonwealth government to create employment in this city."

It is a sad reflection on this government that the ACT is in such a parlous state, whereas the commonwealth has been so effective in managing its affairs. There are many areas we need to look at. Public housing is a major area of expenditure. Dr Foskey is always on about it; she is an expert on public housing.

Mr Hargreaves: There's a lot of public housing in the federal budget. I think it was twice as much as for multicultural affairs, if I remember correctly—zip!

MR MULCAHY: It is an area where major reform is needed, and I think Mr Hargreaves knows that it is an area where major reform is needed. I think deep down he realises there is enormous scope for improvement in the way it is managed.

We have the big drain of health. Ms Gallagher now has that headache to contend with. We have heard reference to the inefficiencies in the health service. We have looked at the independent work of the Australian Institute of Health and Welfare and the average cost of treating patients in the ACT compared to the rest of Australia. There is clearly scope for vast improvement. As Mr Seselja said, there is a need also for substantial improvements in the area of education. Mr Speaker, the amendment should be opposed. The original motion should be supported.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (11.57): I move:

That the question be now put.

The Assembly voted—

Ayes 10		NOCS /	
Mr Barr	Mr Gentleman	Mrs Burke	Mr Smyth
Mr Berry	Mr Hargreaves	Mrs Dunne	Mr Stefaniak
Mr Corbell	Ms MacDonald	Mr Mulcahy	
Dr Foskey	Ms Porter	Mr Pratt	
Ms Gallagher	Mr Stanhope	Mr Seselja	

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Question so resolved in the affirmative.

Question put:

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

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The Assembly voted—

Ayes 9		Noes o	
Mr Barr	Mr Hargreaves	Mrs Burke	Mr Seselja
Mr Berry	Ms MacDonald	Mrs Dunne	Mr Smyth
Mr Corbell	Ms Porter	Dr Foskey	Mr Stefaniak
Ms Gallagher	Mr Stanhope	Mr Mulcahy	
Mr Gentleman	•	Mr Pratt	

Question so resolved in the affirmative.

Amendment agreed to.

Question put:

That **Mr Mulcahy's** motion, as amended, be agreed to.

The Assembly voted—

Ayes 9	Noes 8
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Mr Barr	Mr Hargreaves	Mrs Burke	Mr Seselja
Mr Berry	Ms MacDonald	Mrs Dunne	Mr Smyth
Mr Corbell	Ms Porter	Dr Foskey	Mr Stefaniak
Ms Gallagher	Mr Stanhope	Mr Mulcahy	
Mr Gentleman	•	Mr Pratt	

Question so resolved in the affirmative.

Motion, as amended, agreed to.

District of Dili

MR GENTLEMAN (Brindabella) (12.02): I move:

That this Assembly:

- (1) reaffirms its commitment to the City of Canberra Friendship Relationship with the District of Dili;
- (2) recognises the central importance of educational exchange in achieving the Relationship's goals of friendship and mutual respect; and
- (3) recognises and congratulates:
 - (a) the students and education professionals involved in forming Tuggeranong High Schools Consortium for their commitment to the Friendship Schools program and creative and inclusive program of educational exchange with the District of Dili; and
 - (b) the Canberra Institute of Technology for its ongoing commitment to the Friendship Relationship through its work and support of the Dili Institute of Technology.

I would like to begin by quoting from an article written by Jim Aubrey in May 1999:

Future Australians will look upon East Timor's endurance and courage, its devotion to the right to live freely in peace, and they will say 'this terrible invasion and war was an epic of Homeric proportions'.

The scale of the human tragedy in East Timor defies belief. On 28 November 1975, East Timor declared itself independent of colonial rule. For over a century the East Timorese were subjects of Portugal, when the small and remote island of Timor was divided amongst the Portuguese and the Dutch. Nine days after this declaration, it was invaded and occupied by Indonesian forces before this could be internationally recognised. Since the Indonesian invasion of East Timor in 1975, 200,000 East Timorese have been killed by the Indonesian military or have fallen victim to starvation and disease. That is a third of this tiny nation's total population.

Indonesian rule in East Timor was marked by extreme violence and brutality, two of the worst examples of this being the Dili massacre and the Liquica church massacre. On 12 November 1991, East Timorese pro-independence protestors had gathered at the funeral procession of a student who had been shot dead by Indonesian troops. As the procession entered the cemetery, Indonesian troops opened fire. Of the people demonstrating in the cemetery, 271 were killed, 382 wounded and 250 disappeared.

On 6 April 1999, hundreds of East Timorese and Indonesian militia, soldiers and police attacked several thousand refugees sheltering in the Catholic church in Liquica, having slaughtered several civilians nearby the day before. The refugees had sought shelter in the churchyard from earlier militia attacks. According to an unpublished report commissioned by the United Nations Office of the High Commissioner for Human Rights, the attack left up to 60 people dead, although the precise death toll is still unknown. It was the Timor independence movement and its continued protest that forced the international community to act, and it is to our shame that our government at the time was not more vocal in its support of a free and independent East Timor.

On 30 August 1999, 98 per cent of East Timorese registered voters went to the polls, the result of which was unanimous support for the beginning of the transition towards independence. Following the announcement of the result, pro-integration militia and the Indonesian security forces launched a campaign of violence, looting and arson. In the rampages of September 1999 the Indonesian military destroyed 75 per cent of East Timor's infrastructure. They targeted the infrastructure of education, burning schools, looting the nurses institute and destroying the National University of East Timor.

It was, as Jim Aubrey states, the endurance and courage of the East Timorese people that enabled them to continue in their struggle for independence. No greater example can be given than that of East Timor's university students. Despite having a university destroyed, students fanned across the country to work for the vote for independence. Many were killed in the violence that followed. Students went to regional areas to teach classes in burnt-out buildings, to keep the children learning and the schools open. They also organised classes for tertiary students when no other education facilities were operational.

When I think of Australian university students, I think of young men and women with radical thought, with the time to question the status quo and the drive to challenge directly. I believe that these are universal truths of students. However, what is markedly different is the status quo and how the challenge takes form. East Timorese students organised schools where there were no buildings. They organised voter registration where their fellow students were killed for doing the same. They would not be defeated, despite the violence inflicted on them.

On 20 May 2002, 27 years after invasion and several centuries of colonial rule, East Timor became a fully independent country. The determination and bravery of the East Timorese had prevailed. This new nation was only born because of the strength of character. The strength of mind of the East Timorese people was put to the test every day for over 30 years, but they were triumphant.

However, the challenge for the East Timorese did not stop and has not stopped with independence. This country in its infancy is charged with the task of rebuilding a community devastated by decades of war. This rebuild has not been without its own tensions. This is a recovering war zone, a fact that cannot be overlooked when considering the East Timorese transition from colony to forced annexure to independent nation. Just the other day, one police officer was killed when a mob attacked a government office in a town south-west of Dili. One hundred of the 1,000 antigovernment protestors have been arrested. There is still a long way to go until the scars of war are faded, but this does not mean that you give up.

Central to the rebuilding of East Timor is education. It was Benjamin Disraeli who said, "Upon the education of people in this country, the fate of this country depends." This is a sentiment not lost on the Stanhope government. On 7 June 2004, the Chief Minister signed the Canberra-Dili friendship agreement with the Dili district ambassador, Mr Ruben de Carvalho. The agreement has a focus on encouraging mutual respect and cooperation through initiatives promoting educational, cultural, economic, humanitarian and sporting links. The Canberra Friends of Dili, a local organisation, the ACT Department of Education and Training and the Australian Education Union are working together to support the education system in Dili in the best and most appropriate way.

The friendship schools program was launched at Calwell high school in July 2005 to celebrate Calwell's linkage with 30 de Agosta high school in Dili. An ACT Department of Education and Training representative spent a day with Siobhan Hobbs, Australia's youth ambassador to Dili, in February 2006, visiting Calwell high and Lyneham primary schools before meeting with the central office staff.

The Tuggeranong high school consortium—Calwell, Caroline Chisholm, Kambah, Lanyon and Wanniassa high schools—met with a representative of the ACT Department of Education and Training, Tim McNevin of the Australian Education Union and me on 23 February this year to discuss the Dili friendship schools program. Immediate strategies organised at the February 2006 meeting of the consortium included discussing opportunities for English language instructions with the ESL network, carrying out an audit of curriculum text books in cluster schools and considering opportunities to involve Tuggeranong community groups.

Short-term strategies from the meeting include: schools to collect a significant quantity of exercise books, pens, pencils, and some textbooks to be sent in July this year; to publicise information through each school's student representative council, SRC, and slide shows at whole-of-school assemblies; and, thirdly, to develop the sport-in-schools program to involve Dili schools and to send sports equipment.

On Friday last week Tuggeranong student representative councillors met to discuss how students can promote the friendship agreement through their peers and peer support structures. I was very fortunate to address this group about the friendship agreement and the importance of leadership in making the aims of this agreement a reality within their schools. These students addressed how they may use their leadership skills to encourage friends and relatives to get involved, extending the friendship schools to the Canberra community.

It is this aim—making the friendship agreement a Canberra community action—that drives the Canberra Friends of Dili. The students were given real insight by CFD coordinator Bruce Sinclair about the financial support needed by Dili families. This gave a great platform for the myriad ideas of concrete and immediate support these students could provide for Dili schools and students, most focusing on fundraising activities. These activities form the basis of real action plans and I am very confident that, given the support these students receive from their teachers and principals, we can rest assured that some vigorous fundraising will be taking place in the near future.

Also coming out of Friday's meeting were plans to coordinate a visit to Dili by consortium principals later in the year. This will allow a face-to-face exchange of ideas that can only strengthen the friendship schools program. The consortium is a true amalgam of groups and individuals who have at their core a genuine concern for the people of East Timor and a desire to see this new nation succeed.

One such group is the Australian Education Union. The AEU has been an integral part of educational assistance for Dili. The consortium is just one of the many programs that the AEU has been involved in over the years, and a special mention must go to Tim McNevin from the union for his long-time support of the East Timorese people, from their struggle for independence to their rebuilding. The AEU has made a commitment to support Dili teachers in visiting Canberra in the future. Congratulations to Tim and the AEU for their continuing contribution to this cause. It warms my heart to hear again and again how the union movement continues to support those less fortunate—not just in our society but across the oceans—in the workplace and in the community.

I am very proud to support this important initiative. I strongly believe that this program deserves our unanimous congratulations. Education assistance is a two-way street in this program. Indeed, Australians and Tuggeranong students will look upon East Timor's endurance and courage and its devotion to the right to live freely in peace. Similarly, support and congratulations are deserved by the Canberra Institute of Technology for its work with the Dili Institute of Technology.

Discussions have taken place with the AEU for CIT students to become involved in the Australian youth ambassadors for development project occurring in schools in Timor-Leste. CIT was approached to encourage students to become youth ambassadors, particularly in the area of sport and physical education. In relation to the Dili Institute of Technology, DIT, there are significant governance issues impacting on this arrangement, including that DIT is not recognised as a public institution. The CIT in Canberra has encouraged DIT to progress the recognition of the tech as a public institution, to enable public funding.

In correspondence in December 2005, the Director of CIT, Dr Peter Veenker, whom I talked about yesterday afternoon, strongly urged the Director of the Dili Institute of Technology, Dr Joao Freitas, to apply for recognition of the institute as a public organisation from the East Timor government. It was pointed out that this would significantly enhance the ability of CIT to provide support, and will also render DIT eligible for additional sources of Australian and international aid. At the same time,

Dr Freitas was also encouraged to take steps to develop the transparency and rigour of the DIT's governance arrangements.

In 2004-05 CIT assisted DIT with staff exchanges and with the contribution of equipment to support the development of automotive courses at the facility and resources for the library. These two initiatives, the Tuggeranong consortium and the CIT support of DIT, are founded on the belief that education is vital to a society. These progressive programs deserve our support now and into the future. I urge you all to support this motion.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (12.16): I am certainly more than happy to support Mr Gentleman's motion on this matter and I acknowledge the significant interest and involvement that Mr Gentleman has had in our relationship with Dili and with the Canberra Friends of Dili.

It is almost two years since the Canberra-Dili friendship agreement with the Dili district administrator, Mr Ruben de Carvalho, was signed by me and Mr Carvalho in Dili, which was on 7 June 2004. With me on that historic day were the president of the Canberra Friends of Dili and the chief executive officer of the Canberra Institute of Technology. But there were certainly many more than just we three there in spirit. In that regard, I think most particularly of the Canberra Friends of Dili, many of whom had worked hard to support the realisation of a recognition of the special relationship between Canberra, and indeed Australia, and Dili.

It is as a result of the impetus provided initially by the Canberra Friends of Dili that Canberra now has a formal friendship agreement with Dili. The Canberra-Dili friendship agreement is recognition of a long-established fact: our people have been friends for more than half a century. Australians still recall with genuine gratitude the sacrifices of those East Timorese who protected Australian servicemen in World War II, some at great personal sacrifice. The courage of the East Timorese inspired Australians then and continues to inspire us today as a new nation is built.

The goals of our friendship relationship are mainly humanitarian, although we have also forged educational, cultural, economic and sporting links. The ACT government already supports community-to-community educational activities. Now it is seeking ways that it might help in the areas of communications and personal safety. During a visit to Canberra in March this year for the United Nations Fund for Women, the first lady of Timor-Leste, Ms Kirsty Sword Gusmao, told an International Women's Day luncheon of the lack of personal safety experienced by more than half of all Dili's women and the welcome prospect of a domestic violence bill. She spoke of the proportion of East Timorese who experience malnutrition, the high rates of illiteracy and child mortality and the huge numbers of East Timorese who subsist on less than US50c a day.

We wonder at the capacity of a fledgling nation to maintain public peace under such conditions. Ms Sword Gusmao spoke from the heart of how highly Timor-Leste values public peace. We can all imagine how painful and disturbing it must have been to see the recent eruption into violence and unrest once again in Dili. It is certainly something that I, in observing it from this distance via by TV and on the news, am most distressed about.

While the struggle for independence has been won, it is clear that the job of building a sustainable future still lies ahead, as does the job of erecting the economic and social structures that will let the East Timorese implement their dreams. The ACT community, through the Canberra-Dili friendship agreement, will do what we can to walk with and support our Timorese friends on that journey. Beyond the confines of the friendship agreement, the ACT government has helped the East Timorese establish a Timor-Leste Embassy here in Canberra, which we did in 2003, and we will continue to provide interim accommodation to Timor-Leste until the new embassy is constructed, which at this stage it is hoped will be achieved by 2008.

For any community in any country, access to education is one of the prerequisites of a bright future, not just for individuals but for whole societies. The Canberra Friends of Dili, the ACT Department of Education and Training and the AEU are working together to support the education system in Dili—and where better to start than in schools. In November 2004 an officer of the Department of Education and Training took leave without pay to research the possibility of establishing a sports in schools program in Dili, on behalf of the Canberra Friends of Dili. AusAID has now approved the next intake of Australian youth ambassadors for development volunteers to run that program.

More recently, in July 2005, the friendship schools program was launched at Calwell high school, linking the school with 30 de Agosto high school in Dili, named for the 30 August 1999 vote for independence. In Tuggeranong, a high school consortium made up of Calwell, Caroline Chisholm, Kambah, Lanyon and Wanniassa high schools is making great progress. In February this year, the consortium met with a departmental representative and with my colleague Mr Gentleman to discuss the Dili friendship schools program and to work at enhancing and expanding it.

Immediate strategies agreed to at that meeting, as Mr Gentleman has indicated, included discussing opportunities for English language instruction with the ESL network, carrying out an audit of curriculum text books in cluster schools, considering opportunities to involve Tuggeranong community groups and organising a day-long workshop of the combined student representatives of Tuggeranong high schools. That workshop was held last Friday, involving 100 students, five teachers and the principals of the five participating schools. Indeed, Mr Gentleman and the East Timorese Ambassador, Mr Hernani Coelho, and the second secretary, Mr Gaspar, also participated in that workshop. I commend, once again, Mr Gentleman for his continued deep involvement in all aspects of our Dili relationship.

I am sure that the eyes of many of those present were opened by the stories related by the Canberra Friends of Dili representatives, who spoke of the traumas that still haunted many students in East Timor and of the difficult conditions under which many of them continued their schooling, with few of the basic resources taken for granted by students and teachers here in Australia. Mr Coelho spoke about family life in East Timor, the high percentage of young people in the population, the high number of East Timorese without any education and the determination of most young Timorese to enjoy the kind of education that will help East Timor take its rightful place in the international community.

From my own personal experience and the visit that I undertook to Dili in 2004 for the purpose of signing the Canberra-Dili friendship agreement, I can certainly attest to that. I

understand from briefings that I received at the time that upwards of 30 per cent of all children in East Timor have no formal schooling, do not attend school, that unemployment is incredibly high and that many children who live within rural communities do not have a school to access.

The advice and the information provided by Ms Kirsty Sword Gusmao in her speech here went to issues around average levels of income and employment. Employment is very scarce. There are incredibly high levels of unemployment, high levels of illiteracy, high levels of no schooling at all and, as indicated previously, high levels of issues such as personal violence and abuse.

I visited a school in Dili during my time there. It is very sobering for those of us in a privileged city in a privileged nation, such as Canberra within Australia, to attend the school of a neighbour where there were no windows, where there is an urban poor, where the students were still using boards rather than books for lessons. and where there is essentially absolutely no infrastructure other than the four bare walls and a tin roof. Benches and stools are the entire infrastructure within a school setting for some schools in Dili.

It is important that we continue to work with Dili in a friendship relationship to show and extend that hand that can perhaps lead to the development of some advances for the people of Dili. The workshop that Mr Gentleman was very much a part of was very significant in preparing action plans and taking the ideas and strategies discussed at such meetings by those schools to the next stage. That will involve, as I understand it, a study tour of East Timor, which is planned for September 2006, and I am sure real results will be born out of the friendship relationship.

But education does not of course start and end with school. Our own CIT has recognised that education and training are critical to the sustainable development of Timor-Leste and has provided ongoing support to the Dili Institute of Technology. Ventures that have been undertaken to date include a staff exchange for two teachers from the Dili Institute of Technology to gain training and development in automotive skills; provision of resources and equipment to enable the institute to deliver automotive training, including books for the library; an offer of support from engineering design at CIT to assist with campus redevelopment of the Dili institute, in conjunction with an initiative of Canberra Friends of Dili; provision of advice and encouragement as the Dili institute seeks to improve its governance arrangements; and encouragement to the Dili institute to apply for recognition as a public organisation from the East Timor government.

I hope that our friendship with East Timor grows deeper in the coming months and years. I personally wish to see the scope of our involvement widen to encompass, as I mentioned before, initiatives in the areas of personal security and communications. At the moment, the ACT government, through the Chief Minister's Department, is negotiating with the Dili district administration on a project for each of those areas. We have been long working with the Dili district administration on a communications project, which has been hampered by the lack of access to appropriate or secure technology and a communications band.

In addition, we are working with the Dili district administration, with the United Nations on Dili, to seek to provide some communication strategy by the Dili district

administration with islands offshore, to which there is simply no communication. There are no radios or telephone access between different towns and townships within the Dili district administration. Ms Kirsty Sword Gusmao advised me when she visited here just a month or so ago that in the very week of her departure a young mother had died in labour as a result of not being able to communicate from an island no more than a kilometre offshore with the district Dili administrator to ensure that she received the assistance that might have saved her life.

Similarly, as I mentioned before, there is, regrettably, a very, very high incidence of violence against women within Timor-Leste. This is something that is recognised and acknowledged by the Timor-Leste government. We, through a scoping study undertaken by the Chief Executive of the Canberra Domestic Violence Crisis Service, Ms Dennise Simpson, are looking at working in collaboration and partnership with community service organisations and the Dili district administration in Dili in the provision of training on issues around violence within domestic relationships, and I look forward to being able to progress that program some time in the very near future.

I commend Mr Gentleman for this motion and I most certainly acknowledge and commend Mr Gentleman for his very deep personal support for our friendship with Dili.

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

Sitting suspended from 12.30 to 2.30 pm.

Questions without notice Budget—deficit

MR SMYTH: My question is to the Treasurer. On the 666 breakfast program this morning, you said this in relation to the federal budget:

In a parochial and personal sense, this is a good budget.

The federal budget is expected to record a \$14.7 billion surplus this year and a \$10 billion surplus next year. It will deliver a tax cut for most Australians in all tax brackets, as well as cuts for business and, most importantly, superannuants. There is a very stark contrast in the budgetary position of the federal government and of the ACT government. Treasurer, in this economic boom time, why is your government the only government in Australia to run a deficit in the general government sector this financial year?

MR STANHOPE: We have budgeted for a deficit in this financial year. That certainly is the case; we budgeted for a deficit of \$91 million. Indeed, at one stage, at the time that the government took the decision to fund a new year K-10 school in west Belconnen, the anticipated deficit grew from \$91 million to something in excess of \$100 million. But it was very pleasing then, in the midyear review, to see that the anticipated deficit for this financial year, the year of your question, had reduced from a high of somewhere around \$110 million, after a budgeted position of \$91 million, to \$37 million. That is the history and a record of some of the volatility, of course, inherent in budgets and budgeting.

That, of course, is the point of the decisions that the government proposes to take in the upcoming budget, the question and the response to it, and an understanding of the volatility of ACT budgeting—the fact that we budgeted for a deficit of \$91 million. I cannot at this stage recall the particular aspects of the 2005-06 budget position that resulted in an anticipated or a budget deficit for 2005-06. Having said that, notably, in budgeting for a deficit of \$91 million for 2005-06, we did budget for and anticipate surpluses in each of the outyears. The midyear review, of course, indicates that the anticipated \$91 million deficit for 2005-06 by the time of the midyear review had reduced to \$37 million and there was represented a seriously worse anticipated budgetary position, moving from \$109 million, I believe, to \$16.7 million, not \$390 million to \$16.7 million—not the \$390 million that the Leader of the Opposition has imagined, in a quite—

Mr Smyth: The *Canberra Times* confirmed it.

MR STANHOPE: Mr Smyth, I just need to get this onto the record: Mr Smyth now alleges, in a most improper interjection, that the *Canberra Times* has confirmed—

Mr Smyth: Read the article.

MR STANHOPE: a \$390 million budget outlook. I hope the *Canberra Times* journalists are listening and I hope they have regard to the *Hansard* for that interjection. This goes to the nub, really, of the distortion of the truth that is inherent in this claim by the Leader of the Opposition. He distorts it now by claiming in this place—it will be recorded in *Hansard*—that the *Canberra Times* has confirmed that there will be a budget position in the year 2007-08 of a deficit of \$390 million.

Mr Smyth: No, no—potential for.

MR STANHOPE: The Leader of the Opposition just claims that the *Canberra Times* has confirmed, in a front-page story, that there will be a budget deficit in 2007-08 of \$390 million. I will reflect on that statement of the Leader of the Opposition.

Going back to the question, I cannot recall why it was or what the factors were that led to the budgeting for a deficit of \$91 million. But, as I said, it is pleasing, and it was particularly pleasing at the time, for the point of the midyear review to note that there was a significantly improved position. The hysteria generated from the opposition is, of course, "Woe is us, a deteriorating budget position, doom, gloom, crash, crash." We do need to pause and to consider, in the context of this hysterical rhetoric, how it is then that the deficit has reduced from \$110 million—

Mr Mulcahy: You know that it's the investment market, the equities market. It's not your management.

MR STANHOPE: six or so months ago, back to a deficit of \$37 million. It is our management that there is an anticipated deficit, but it is not our management that we are moving back towards surplus? How interesting!

MR SPEAKER: The minister's time has expired.

MR SMYTH: I have a supplementary question, Mr Speaker. Treasurer, why has the ACT government's budget strategy failed so badly, and will you keep your fingers crossed in the hope that it will recover?

MR STANHOPE: I do not concede that it has deteriorated in the way the Leader of the Opposition claims—a deterioration of \$390 million in the space of four months. I do need to respond to the suggestion that "oh well, the budget position is actually improving over this financial year, but the government can't claim any credit for that, of course". The budget position is deteriorating: "Oh, it's all your fault!" As soon as it improves, it has nothing to do with the government. If it is perceptually getting worse, or if it is in reality getting worse, that is all the government's fault.

Mr Pratt: Yeah!

MR STANHOPE: Mr Pratt concurs. We all know, Mr Pratt, that that is the way the argument runs, but it is good for the record to note that Mr Pratt affirms what each of us know to be the truth. But it is, of course, of concern that we have the shadow Treasurer there, gesticulating wildly and saying, "It's all your fault," when the numbers are perhaps going west, but if the numbers turn around and begin to go east, saying, "You can't claim any credit for that. It's got nothing to do with you." But, if they're going west it has everything to do with us. "It is not about the inherent volatility. It's not about the uncertainties relating to land sales. It's not about the serendipitous nature of superannuation receipts. It's all your fault." The way they run this argument is: "It's your fault when the numbers go west, and, of course, it's not your responsibility when they travel or track in the opposite direction."

The fact remains, in the context of the hysteria that the Liberal Party has generated around our budget position—"it's getting worse, it's crashing, it's appalling"—that in this year, the year of the focus of the Leader of the Opposition's question, the position is improving and has improved quite dramatically, from an anticipated \$91 million deficit, which through a conscious decision we extended out to about \$110 million in relation to decisions that we took. Now it has moved from \$110 million, in the terms of the midyear review, to \$37 million.

In the context of the wild allegations, the hysteria, the mad rhetoric, the fabricated allegations around \$390 million deficits, the way in which the budget is currently performing puts the lie to this mad suggestion that it is heading at a million miles an hour in the opposite direction, because it is, quite flatly and bluntly, not; it is moving against the direction that you three of hysteria are seeking to send it. In the context of oppositions talking down budgets and talking down economies and talking down a jurisdiction, you are doing a fine job, and there is something there for you to reflect on—a mad, wild allegation, completely without foundation

Mr Smyth: Something in your management to reflect on.

MR STANHOPE: No—a mad, wild allegation, completely without foundation or substance, that the ACT's budget position has moved from an anticipated deficit of \$16 million to an anticipated deficit of \$390 million, is reckless in the extreme, is reckless in the context of the wellbeing and the reputation of the territory as a whole and

will impact on confidence, will impact on economic activity, will impact on decisions that others around Australia will make about the ACT—and it is a fabrication. It is not true, it is false, and it will be shown to be false. It will, quite clearly and obviously, be shown to be false in the budget. All will be revealed in the budget. And what will be revealed in the budget is the extent of the lie in the claim of a \$390 million deficit or of a worsening bottom-line position. In fact, of course, it will be revealed before then, when the next quarterly report is available on the table.

Commonwealth budget—impact on ACT

MS MacDONALD: My question is directed to Mr Stanhope in his capacity as Chief Minister and Treasurer. Can the Treasurer indicate the likely impact on the ACT of the commonwealth budget delivered last night? How will the territory benefit from the commonwealth's expenditure of its larger-than-forecast surplus?

MR STANHOPE: It is a very important question. It needs to be acknowledged—as the Leader of the Opposition indicated in the preamble to his question; I made the point this morning and I make it again—that, in a purely personal and parochial sense, the federal budget delivered last night is a very good budget. Each of us that is a taxpayer and has a family will personally and directly benefit significantly from decisions that were announced last night by the Treasurer. Of course, the majority of people would accept that quite gratefully.

There are significant gains to be made at a personal level, in terms of a range of initiatives announced around income tax reductions and changes—reforms, as they are referred to—and significantly in relation to some of the decisions taken around new family benefits and arrangements. Some of the significant specific and targeted decisions around childcare and superannuation will have a direct, immediate impact on individuals' disposable income.

In addition to that there are—this is where the parochialism of our response comes in—significant expenditure and policy decisions that directly impact the ACT in a capital sense, most notably for the Australian National University and in the future—sooner rather than later we would hope—in the decision to construct a new headquarters for ASIO and the Office of National Assessments.

I was encouraged by comments recorded today by the new chair of the NCA around the NCA's and the commonwealth's commitment to the Griffin plan and vision. I am hopeful, through that process, that there will be some capacity for the NCA—in seeking to bring home different aspects of the Griffin vision or plan to fill gaps—to not just automatically conclude that a new headquarters for ASIO and the Office for National Assessments should be necessarily located at Russell. There are other very significant sites that might be utilised that would assist in allowing the Griffin vision, perhaps in other places on Constitution Avenue.

There are a significant number of other particularly encouraging and valued decisions that have been made: a commitment of \$30 million to the Gallery of Australian Democracy; \$16.3 million over four years for the parliament and Civic education rebate program; and a number of other major refurbishments at Questacon, the National Library and the Attorney-General's Office. Significantly, decisions have been taken that will

increase federal government employment in the territory. We applaud that, whilst exhibiting some nervousness around the labour force shortages experienced here in the ACT.

In a broader sense, a range of decisions have been taken that we all applaud in relation to enhanced funding, for instance, of medical research as well as some funding for apprenticeships. There has been an increase in the cap on the number of childcare places, though notably no increase in the number of childcare centres. Of course, that is where the crying demand is. As I indicated earlier, there are significant initiatives in superannuation and support for the ageing, but no additional aged care places, where the most significant pressure in relation to aged care is. There are some particularly encouraging aspects to the budget. For the territory, it is a pleasing outcome.

I conclude by confirming that the impact on the ACT budget bottom line of the GST funding for 2005-06—despite the Treasurer's rhetoric—is \$1.4 million. Some commentators and others have been suggesting that there was a \$60 million advantage to the budget. In fact, in terms of published figures and budgeting for the impact of the GST on this year's budget it is \$1 million. Indeed, it reduces by \$2 million in the next financial year.

MR SPEAKER: The minister's time has expired.

MS MacDONALD: Mr Speaker, I have a supplementary question. Despite the undoubted benefits, can the Treasurer say whether there are significant gaps in the approach taken by the commonwealth in last night's budget?

MR STANHOPE: There are. If one were to pursue an objective analysis of the budget and of the strategic policy vision that it presents, one could argue that there are gaps. Of course, this is the case in any budget. It is just as big, tough and hard a job for a federal Liberal government to prepare a budget as it is for a Labor territory government to prepare a budget.

Mr Smyth: No; they're in surplus!

MR STANHOPE: It probably is a bit easier when you are in surplus. Having now delivered only surplus budgets, that is certainly my experience. I can understand that—as one moves from a surplus budget position to a deficit budget—the nature of the challenge changes. My experience of course is only with surplus budgets; it is all we have ever delivered. Through the delivery of surplus budgets, we have accumulated significant surpluses over the years.

I make that point in the context that it is never an easy job for any cabinet in any budget situation: hard decisions have to be made and there are competing priorities. But it can be argued—I make the preamble just to make the point that it is a tough job—and argued objectively, if one cares to take the time to think about the future and the nature of the responsibility that vests in the federal government in relation to budgeting and this particular budget. There is only one budget a year. You miss the opportunity this year, then you wait another 12 months and the opportunity might have gone.

That is the sort of conversation that might be had around this particular budget. I say that in the context even of one of the Prime Minister's newest initiatives; that is, the new reform agenda, co-sponsored effectively at the last meeting of the Council of Australian Governments by the Prime Minister John Howard and the Premier of Victoria, Steve Bracks, which led to the Council of Australian Governments adopting a new reform agenda.

It is a reform agenda that relies on significant expenditure; it is a reform agenda in relation to training, skills shortage, apprenticeships, education and what we as a nation need to do to drive productivity. Productivity is slipping; there is no doubt about it. It requires constant vigilance. But this budget does not delve into the sorts of issues that now constitute the national reform agenda as approved by COAG.

There are issues around the fact that this opportunity, in such a significant historical position of a large \$14 billion surplus, did not go to the issues that the Council of Australian Governments, the Prime Minister and each of the premiers and chief ministers have agreed is the necessary reform required across Australia to drive economic activity, growth and productivity. This budget does not grasp and does not do anything to implement the national reform agenda agreed by COAG.

To the extent that part of that agenda in relation to human services has a commitment to target mental health and some other aspects of health care delivery, one acknowledges a significant boost within this federal budget for issues around mental health and some other identified or targeted areas of health care delivery in Australia.

Once again, the greatest issue facing states and territories—not just the Australian Capital Territory but also every state; it is a constant agenda item for each of the states and territories and each government in Australia on the ground delivering health care through our hospitals and primary health care arrangements—is the cost of the incrementally increasing demand for health care in an ageing society. There is nothing in this budget that seeks to address the essential needs of the territories in meeting that incrementally ratcheting demand for health care services.

Those are the opportunities that were not taken in this budget—the big picture issues. There is a grab for cash—we are all happy about it; a great big dropping of billions of dollars on the table, not necessarily or particularly in any sort of equitable fashion. Those middle income earners of Australia averaging \$19 a pay through their particular tax scale—if you are on \$40,000, \$50,000 or \$60,000—are not dancing in the street today.

MR SPEAKER: The Chief Minister's time has expired.

Government—credit rating

MR MULCAHY: My question is to the Treasurer. Has the Treasurer seen the last ratings report on the ACT government by Standard and Poor's? If not, why not? If he has seen it, when did he see it and has he read it? Has he or any official in the ACT government spoken to any person in Standard and Poor's about its major findings? If so, when did those discussions take place and what were the outcomes of those discussions?

MR SPEAKER: That is five questions.

MR STANHOPE: Did you only count five? I am not a walking computer or encyclopaedia. I cannot possibly answer when, what date and which minute. I can roughly answer yes, no; yes, no in one or other of those orders, but I am not quite sure which they are. To ask me when did I receive a report; have I read it; on which day did I read it; if I have not read it, why not—

Mr Smyth: Have you read it? Let's do the easy question first.

MR STANHOPE: No. In the context of the way in which your rabbits, in the main, are responsible for a question like that—

Ms MacDonald: Did he go to New York to get the question?

MR STANHOPE: That is right. The question is straight out of New York. This was the first leg of the study tour. I must say that we have not yet had revealed to us anything that could not have been answered by Standard and Poor's by telephone. Nevertheless, I guess it is probably on the way.

Mr Seselja: So you haven't read it.

MR STANHOPE: Actually, I have, but I am not going to get into this game of when did you read it; if you have not, why not; which of your officials have spoken to Standard and Poor's; if they did, when did they; if they did not, why not. I will take the question on notice.

MR MULCAHY: Thank you, Treasurer. My supplementary question is: why have you implied that the ACT's AAA credit rating is not at risk when the S and P report clearly contradicts you by warning that the weakening operating position is putting the ACT's credit rating at risk?

MR STANHOPE: I do not recall ever suggesting that the ACT's AAA credit rating was not at risk. This is the nature of these false assumptions in questions—

Mr Mulcahy: You remembered it this morning.

MR STANHOPE: No, I did not. To date we have a AAA credit rating. You cannot get better. We have a AAA credit rating today. That is the rating which we have achieved as a result of four consecutive surplus budgets.

This morning I did not say that our AAA credit rating was not at risk; today I said that to date we have had, in government, through four surplus budgets which have accumulated surpluses of over \$250 million, the support of the credit rating agencies. And we have. How does a credit rating agency express its support for a government? It expresses its support through the granting of a AAA credit rating. What is our credit rating? Our credit rating is AAA. You cannot get better. That is a reflection of the fact, amongst others, that we have had four consecutive surplus budgets; we have accumulated surpluses of over \$250 million; we have the strongest, with the exception of perhaps one other

jurisdiction—so I can say "almost the strongest, if not the strongest"—balance sheet in Australia. Our credit ratings take those things into account.

The trouble with these tricky little questions from a tricky coat-tugger on his return from his world tour is that you lead into the question with: "Why have you said that our AAA credit rating is not at risk," when I have never ever said our AAA crediting rating is not at risk. My life is not at risk—I could be run over by a bus tomorrow. The credit rating agency can do what it will in relation to our credit rating. To date, we have had four consecutive surplus budgets, and a fifth looking pretty good—a \$37 million deficit and dropping.

Would not that be awful? Would you not hate it? If and when I walk into this place and say, "This is the fifth consecutive surplus budget," what are you going to do then? What are you going to do when I stand up here and say, "It is my pleasure to inform the Assembly that we have produced our fifth consecutive surplus budget"? Where will it put your wild, hysterical rhetoric of the last two weeks—your \$390 million deficits, your collapsing budget position—when I walk into this place—

Mr Smyth: We look forward to it.

MR STANHOPE: The Leader of the Opposition looks forward to it. He likes the pay. He looks forward to it like he looks forward to his next party meeting when Richard Mulcahy, nudging Bill ahead, says, "Bill, today is the day. You can't put it off any longer." He looks forward to it in the way that he looks forward to his next party meeting. He looks forward to it in the way that he looks forward to never having to sit in front of Mrs Dunne and Mr Seselja.

Mr Smyth: Poor Jon.

MR STANHOPE: No, not poor Jon. We know it is coming, Brendan.

Mr Mulcahy: On a point of order, Mr Speaker: as fascinating as this is, it has really nothing to do with the AAA rating, which I am concerned about.

MR SPEAKER: Come to the subject matter of the question.

MR STANHOPE: I am talking about the AAA credit rating, four consecutive surplus budgets, accumulated surpluses of over \$250 million and perhaps, just perhaps, a fifth surplus on the way, in the face of an hysterical, mindless and false campaign conducted and orchestrated by the Leader of the Opposition and the shadow Treasurer—the two who are out there struggling and arm wrestling for the economic credentials on the opposition bench, to the extent that the arm wrestle is so powerful that the Leader of the Opposition unceremoniously turfed the shadow Treasurer off the estimates committee, seeking to be the economic voice of the opposition. Why is that, I wonder.

Why would a leader of the opposition who trusts his shadow Treasurer create or manufacture a position in which there is no place on the estimates committee for the shadow Treasurer? Have you ever heard the likes of it? Have you ever heard the likes of a leader of the opposition so embattled and so afraid of his position that he manufactures an estimates committee which does not provide a place for this shadow Treasurer? He puts his shadow police minister on it.

MR SPEAKER: The minister's time has expired.

Planning—Narrabundah long-stay caravan park

DR FOSKEY: My question to the Minister for Planning is in regard to the Narrabundah long-stay caravan park. The Assembly would recall that prior to the sale of the park in February I asked the minister if the ACT government would consider rezoning the block in order to protect the park's role as a home for secure and affordable housing. In response, Minister, you argued that the government did not believe that a variation was required but that you would encourage Koomarri to ensure that they sell it to a third party with a bona fide interest in continuing to operate the facility as long-stay accommodation. Minister, did you encourage Koomarri to choose such a buyer? And given that you failed with that endeavour, what plans have you in place to ensure that those residents do not loose their home sites?

MR CORBELL: I thank Dr Foskey for the question. I cannot recall whether I said I will or I do encourage Koomarri to sell to a third party who was interested maintaining the facility as a long-stay caravan park; so I will need to check the *Hansard* to see exactly what commitment, if any, I made. What I can say very clearly is that the issue here is that a previous government sold this long-stay caravan park. They sold it to Koomarri with a requirement that it continue to operate as a long-stay caravan park for a minimum of five years. Koomarri have upheld their end of that arrangement. What has now transpired is that Koomarri has sold that to a third party and I have been advised today that that third party has issued notices that the residents will not have their tenancy arrangements renewed once they expire.

Mr Speaker, I am pretty angry with the approach that has been taken by the new owner. If I were a resident of the Narrabundah long-stay caravan park and received a letter from a senior partner of Clayton Utz telling residents to "pay up and, by the way, you need to find somewhere else to live after the end of November", I would be pretty angry too. It does not appear to me that the owner of the long-stay caravan park is acting in good faith or with real respect for the long-term tenancy of the residents of that caravan park.

I am currently seeking advice from both the planning authority and the department of justice on this issue. In relation to the planning authority, the question I have is: is any application currently before the authority to vary the lease to permit other uses? I am currently waiting for that advice but I think the answer to that will be no. However, I will confirm that with the Assembly.

In relation to the issue of tenancy arrangements, quite clearly the issue that I have some concern about is whether or not the owner is acting in a way which is consistent with their legal obligations and which actually shows some respect to the people who are residents of the caravan park. It is, of course, worth emphasising, as Dr Foskey has, that the residents of the caravan park are largely on low incomes and really see this as a viable—indeed, the only viable—form of accommodation open to them. Certainly, it would appear they are not able to enter the broader housing market and the only other option for them would potentially be public housing.

Mr Speaker, given all of those factors, I want to know whether or not the owner is fully upholding their obligations in relation to the rental and lease arrangements that are in place with tenants at the long-stay caravan park. I want to know what options are open to residents and potentially to the government to ensure that residents are treated fairly in regard to the matter. I think the way that this matter has been conducted in the last 24 to 48 hours is disgraceful. It is disgraceful for people to be told through a letter from a senior partner of Clayton Utz, "Pay your rent, pay it through a company that simply has a GPO box and, by the way, you will need to find somewhere else to live after the end of November." I think that is a pretty crook way of dealing with people. It does not show respect and it does not have regard to the particular circumstances of those residents.

If the government can intervene in this process then we will do so. But at this stage I need to understand whether there are any options open to the government to make sure that people are properly treated through this process, and I am happy to keep the Assembly informed as we go forward.

DR FOSKEY: Mr Speaker, I ask a supplementary question. If the government discovers that there are no paths open to it by which to ensure that people have a reasonable chance to stay in that location—

MR SPEAKER: Dr Foskey, that is a hypothetical question. Such questions are not allowed.

DR FOSKEY: How will the government act if its attempts are not successful?

MR SPEAKER: The question is hypothetical and such questions are not permitted.

DR FOSKEY: Oh, is it? Don't governments think?

MR SPEAKER: The standing orders specifically rule out hypothetical questions.

Schools—closures

MR SESELJA: My question is to the minister for education. The Labor Party's platform, as located on the party's web site, states that it is party policy "to retain buildings of schools that have been closed for community use where practicable and reopen them if demographic projections indicate it is warranted". As education minister, will you be complying with this provision of the platform or will you move for this provision to be amended or removed, allowing you more easily to sell off the land of closed schools?

MR BARR: The Labor Party's platform is indeed a very important document and I am very pleased that the shadow minister has taken so much time to read it. I think that the key point there, Mr Seselja, is "where practicable". Where it is practicable, we will. So the short answer to your question is: yes, of course the platform is a very important guiding document for Labor Party members and for ministers.

I will be, in announcing a package of renewal for ACT public schools in the next month, looking to maximise student outcomes across the territory, as I have said before. That

need not be a debate about facilities management. It should be a debate about the best possible outcomes for students across the territory. I will, of course, be in the process of consulting with the community over the next six months, looking at a range of options for what might happen with school buildings that are no longer required. Obviously, there will be a range of groups interested in potentially using such facilities and I will be happy to engage in that where it is appropriate as education minister. It may also be appropriate that some buildings move to my colleague Mr Hargreaves as territory and municipal services minister, as the property group sits within his portfolio.

MR SESELJA: Minister, will you comply with the provision of the platform which says that proceeds from school assets sold be retained by the education system?

MR BARR: I believe that to be a very sound principle. Yes, we would comply with that.

Public service—human resources system

MR STEFANIAK: My question is to the Chief Minister in his capacity as minister responsible for the public service. Chief Minister, the CHRIS21 human resources system that was commissioned to replace PERSPECT has not had a happy start. Is it the case that the CHRIS21 system has only 30 per cent of the functionality of PERSPECT and cannot manage recreation leave or long service leave calculations?

MR STANHOPE: I thank the shadow attorney for his question. I think the short answer to both questions is no, to the extent that you quote certain percentages and statistics in relation to the system's functionality and capacity and then draw some conclusions to the effect that it is not able to meet its anticipated use or uses. Certainly I will take the question on notice to confirm that, but I think the answer in both cases is no.

I do not deny, and the government does not deny, that there has been a range of frustrating start-up issues that have led to—

Mr Smyth: Yes, it does not work.

MR STANHOPE: No, it is not that it does not work. But certainly there have been, as there is almost invariably with new systems and new technology across the board in any major enterprise, a range of issues encountered at start-up. It would be very rare indeed in the commissioning of a whole new system if there were not, during commissioning, a range of issues that arise that can be dealt with and resolved.

In the case of CHRIS21, certainly a range of issues that had not been anticipated were met during commissioning. With the application of some additional resources we are seeking to meet those and work our way through it. But, at the end of the day, our hope and expectation and our experience to date is that it is a system that will meet the needs of the ACT Public Service. It was a very specific question. I will get more detail and I will respond to the specific aspects of it.

MR STEFANIAK: I ask a supplementary question. The Chief Minister may need to take some of it on notice. Chief Minister, how much is it costing the government to manually cover the shortfalls in CHRIS21's functions? Has Mr Costello taken problems with this system into account in assessing the potential savings from shared services?

MR STANHOPE: I will take the question on notice, Mr Stefaniak. Certainly there have been costs incurred as a result of the engagement of staff to cover issues in relation to the commissioning of CHRIS21. I do not know what those issues are, but I am more than happy to pursue those costs for you.

In relation to anything that is contained within the report of Mr Costello and Mr Smith, I have previously indicated the government's position. It is that at this stage the document remains cabinet-in-confidence and it will be treated with that respect.

ACTION bus service

MR GENTLEMAN: My question is to the Minister for the Territory and Municipal Services. Can the minister please advise the Assembly of the progress the government is making towards meeting ACTION's patronage targets under the government's sustainable transport plan?

MR HARGREAVES: I thank Mr Gentleman for the question. I also thank my colleague Mr Corbell for driving the changes and the initiatives within ACTION over the last four years. We are, I think, starting to see consistently the fruits of his labour.

The Stanhope government's sustainable transport plan sets out a target of 19,300 adult passenger boardings per working day for 2005-06. ACTION has been consistently exceeding this target. I am pleased to announce that ACTION has, in fact, just broken another adult patronage record, with over 24,000 adult passenger boardings in one day.

It was only in February that ACTION was celebrating the achievement of having over 23,000 adult passenger boardings in one day. A new record was set last Thursday, with 24,003 boardings, a huge increase of 15 per cent over the same day last year. Indeed, since February 2006, adult weekday boardings have averaged about 13 per cent more than for the same period last year. That is further evidence that more and more people are turning to public transport in the wake of petrol prices hitting \$1.40 a litre. It also demonstrates that the government's sustainable transport plan strategies are working.

The Stanhope government's sustainable transport plan sets out a number of initiatives to encourage alternative forms of transport to work to the private motor vehicle. One of these initiatives was the ACT government's commitment of \$1.1 million in 2004-05 for the introduction of the new express services. The Xpresso services account for over 60 per cent of the growth in patronage. In fact, within a month of their introduction, ACTION saw an increase of four per cent in adult passenger boardings. The Xpresso services bypass interchanges and go direct to the city, Russell, Parkes and Barton, in addition to the Xpresso services between Tuggeranong and Belconnen.

Another initiative was the Stanhope government's commitment of \$28 million for the introduction of 74 new airconditioned, low floor, accessible buses, with 54 of them being powered by compressed natural gas. The commissioning of a CNG refuelling station in December 2004 at the Tuggeranong bus depot was another. The station was built at a cost of \$1.7 million and is capable of filling up to 30 buses an hour continuously. The facility is designed to be expandable to meet ACTION's current and future requirements as the fleet of CNG buses increases.

The new Flexibus evening service was another initiative. Introduced in April 2005, it provides an on-demand and flexible customer-responsive service. It is designed to combat low patronage of evening services and create a more efficient and responsive service for customers. Also, there have been new and improved bus services, such as the intertown 300 series. Since April 2005, intertown 300 series services in the evenings have increased in frequency to 20 minutes.

Another initiative, a favourite of my colleague Mr Corbell, was the bike-and-ride project, which was launched in November of last year and which has delivered for us. We have committed \$345,000 to the trialling of bike racks on intertown 300 service bus routes, and an increasing number of people have been utilising this service.

ACTION's Bustext system, another initiative, was introduced in early 2005. It is an SMS service which provides timetable information regarding the next ACTION bus service scheduled to arrive at a nominated stop. SMS is a medium that assists people with a disability, such as those with hearing impairments. The ACT Deafness Resource Centre is fully supportive of this initiative, saying that for 83,600 deaf and hearing-impaired people in the ACT and surrounding districts Bustext will be a major breakthrough in providing even more access to ACTION's timetable.

The extension of ACTION's transfer ticket from 60 minutes to 90 minutes in April 2005 was another initiative. This extension makes it easier for people to use ACTION as part of their daily errands. ACTION customers can now go to the shops or a medical appointment during the day and travel on the one fare for up to 90 minutes.

These initiatives are all playing their part in ensuring that ACTION meets its aim of having its five millionth adult customer this year before the end of June. That would be a great achievement and shows the results of the government's commitment to encouraging the use of public transport and the way in which members of the community are increasingly embracing the use of public transport.

Of course, there was also the one fare anywhere initiative that the former minister introduced. I contrast that with the absolutely disastrous zoning system, which was probably the greatest disincentive to getting on buses that I had ever heard of in my life. I think that ACTION and the former minister should be congratulated.

Environment—pine plantings

MRS DUNNE: My question is to the Minister for the Territory and Municipal Services. It relates to the reported decision to abandon the planting of pine tree in the lower Cotter catchment. Firstly, I congratulate the minister on this apparent change of heart. I would like to know: what has been the cost of this government's wrong-headed commitment to pine plantations in the lower Cotter post the 2003 fires? How much of this financial year's allocation of \$8.9 million for the restoration of forestry land was spent on the purchase and planting of pine tress in the lower Cotter catchment?

MR HARGREAVES: I thank Mrs Dunne for the question. As I have been the minister for about 15 nanoseconds, I do not have that level of detail on my person. I will take that

question on notice and get back to the member as soon as I possibly can. I am grateful for the support from the other side of the chamber.

I have to say that one of the big things about out attitude to the lower Cotter catchment is, in fact, the way in which, unexpectedly, the natural regrowth of bushland got a spurt on. There was a prediction that we would have to put pines in there to guarantee water quality, to guarantee soil stability and basically to enable the area to recover. It turns out, much to our surprise and delight—

Dr Foskey: Your surprise and delight?

MR HARGREAVES: Do you want to say something now or later?

Mr Smyth: You're tetchy.

MR HARGREAVES: Yes, I am tetchy. I do not like cabbages; I am sorry. The issue is a very serious one. The natural bushland regenerated at such a pace that we were able to take advantage of this and say, "Why on earth do we need to go into commercial plantation down there at all any more when our major priority is, in fact, water quality?" It is about letting the area itself recover. We all know, fairly reasonably, that the natural flora and fauna will regenerate within a natural environment considerably quicker than pine plantings. We find now that we can let the wildlings continue to grow there. As the natural bushland emerges out of it, we will thin those out as well. The only reason we are not going to do it at the moment is to see whether we can make sure that any erosive effect in that particular catchment is arrested by the natural regrowth. To a degree, some of the weeds will even keep the soil intact.

We will not see huge pieces of machinery planting pines in the very area in which our most delicate water catchment exists. I am particularly keen to see, within that catchment, the whole area being allowed to regenerate properly but safely. I do not take any credit for that. The credit for that should go to Environment ACT and the Chief Minister.

Public service—shared services

MRS BURKE: My question is to the Chief Minister. Chief Minister, in a media release of 19 April 2006 you contrast the task of implementing a shared services regime in Western Australia with your proposal for the ACT. In particular, you state that the ACT already has a single human resources system and a single finance system. I would also note that the ACT has a single procurement system and a single information and communications technology system.

Chief Minister, you then state that, given these imperatives, the task in the ACT was more about bringing people together than bringing systems together. Is your statement simply code for disguising your intention to remove public servants from the ACT government payroll? What advice did the report of the functional and strategic review provide in relation to potential losses of public servants?

MR STANHOPE: I thank Mrs Burke for the question. I indicated in debate yesterday, I think, that members need to be aware of the differences between the centralisation of

services per se and the establishment of a shared services centre. These are different concepts involving vastly different arrangements. Attempts by the opposition in particular simply to say that this was tried in 1991 under the Follett government and was a dismal failure and therefore will fail again display a level of ignorance about what it is we are contemplating and what it is we propose to achieve.

We propose to create a shared services centre that brings a whole range of corporate services practitioners together into a shared service, not just a centralised building in which they sit but continue to deliver precisely the same service that they have always delivered to precisely the same cohort of public servants. The nature of the arrangement we propose is dramatically different from that.

What I have said about this has been very straight and unambiguous. This is not code for some sort of conspiracy in relation to the delivery of corporate services within the ACT public service. It is a genuine attempt to keep pace with the times, with modern management theory and with an accepted, successful mode of operations for large institutions—not just public services, but large organisations—to deliver, in the most efficient way, the full range of corporate services that are at the heart of the successful management of any large organisation.

We are keeping pace. We are changing structures. We are looking to the future. We are not cemented in space and time in a process or methodology that perhaps served us well, and perhaps at times not so well, and thinking that we can do it in the future. There are ever-increasing demands on our resources with ever-increasing growth and expectation of services across the board. We are bringing together into a shared services arrangement human resources, finance, information technology, procurement and that range of corporate services which currently is dispersed throughout each of our agencies.

MRS BURKE: I ask a supplementary question. Chief Minister, as you reduce the size of the ACT bureaucracy, can you confirm to this Assembly that additional staff will not be employed as consultants as you implement your restructuring proposals?

MR STANHOPE: I think I responded yesterday to a question in relation to the engagement of some expertise in the area of shared services. I have not taken advice on the nature of their engagement and whether they have been engaged on a consultancy basis. I would imagine that, in relation to the establishment and implementation of a technically difficult and complex new corporate services arrangement, moving from a particular style of service delivery to a shared services arrangement that we are determined to get right—that we must get right—we would engage the most knowledgeable and best expertise that we can to ensure that we successfully achieve the creation of the shared services centre. If that required us to engage, on a time-limited basis, a consultant to assist us in the transition, then we would certainly and most definitely do that.

Emergency Services Authority

MR PRATT: Mr Speaker, my question is to the Minister for Police and Emergency Services. Minister, in question on notice No 1043 your predecessor Minister Hargreaves identified that 61 employees of the Emergency Services Authority had been issued with "corporate dress" at a cost of almost \$900 per head for items including shirts, pants and

jackets. These non-compulsory corporate uniforms have cost the government close to \$50,000. These employees are not front-line workers. Minister, how can you justify spending \$50,000 on corporate uniforms for people who are not front-line staff?

MR CORBELL: I thank Mr Pratt for the question. The decision to provide corporate uniforms for ESA staff was a decision taken by the commissioner of the Emergency Services Authority. I can advise members that, as a consequence of the government's consideration of the functional review, I will be requiring a full assessment of all levels of all areas of expenditure within ESA. Certainly the issue of corporate dress is a matter which I will be paying some attention to.

The advice I have from the commissioner is that the issue of corporate dress and the wearing of corporate dress does have a number of operational benefits for the organisation, in particular where the organisation is required to participate with other emergency service organisations and there is need to be able to easily identify staff from respective agencies. That is an issue that obviously will need to be taken into account. However, I think it is appropriate that we fully review the levels of expenditure in the ESA on a whole range of matters, and certainly the issue of corporate uniforms will be one of those matters I will be paying close attention to as the budget is finalised and announced over the coming month.

MR PRATT: Mr Speaker, I ask a supplementary question. Minister, is wasteful expenditure such as this the reason why Mr Costello has recommended making substantial cuts to the budget of the ESA?

MR CORBELL: I am not going to speculate on what is in the functional review. Members will see the outcomes of the government's consideration of the functional review when the budget is brought down in June.

Ambulance service

MS PORTER: My question is to the minister for emergency services. Can the minister advise the Assembly on the commissioning of the six new intensive care ambulances into the ACT Ambulance Service?

MR CORBELL: The government has been involved in a program to actively replace the ACT ambulance fleet and, as part of that, in this financial year six new intensive care ambulances were ordered for the ACT Ambulance Service. All of those vehicles have now been commissioned, and I am pleased to say that the ACT community now has available to it six new ambulances as part of the ACT's ambulance fleet. These ambulances will provide a broad range of services and facilities for ACT ambulance paramedic staff and will provide a very important complement in meeting emergency needs across the city.

I am particularly pleased that the ambulance service undertook a broad level of research and investigation in putting together the new ambulances. In particular, the involvement of staff who actually use the vehicles on a daily basis was central to determining the best configuration for equipment and resources within the ambulances as well as the presentation of the ambulances on the outside. Members may now see the new livery for all the new ambulances as they go around the ACT. I think that all members would agree

that it provides a very high level of visibility for the ambulance service and also provides clear recognition of the important role that it plays in providing services on an emergency basis to our community.

MS PORTER: I have a supplementary question. Can the minister inform the Assembly of the benefits that will result from this investment?

MR CORBELL: The most important is the fact that we now have an ambulance fleet which is very modern, one which has replaced a range of much older vehicles which have now been decommissioned. The old GMC vehicles were well past the usual level of operating life, and the government was very keen to ensure that the ambulance fleet remained in a modern and efficient configuration to meet the needs of our community. Most importantly, all of our ambulances are intensive care ambulances. They provide the full range of equipment and resources that are needed to respond to a life-threatening emergency; in particular, all the equipment and resources needed to deal with emergencies such as heart attacks, strokes and other conditions that are of immediate threat to a person's life.

The procurement process undertaken was considerable. I am very pleased that it has now been completed smoothly. There was a period when a number of ambulances were on loan from another jurisdiction to cover gaps in the fleet whilst the procurement process was completed. I am pleased to advise members that that loan process has now ceased, that it is no longer necessary, and that we have the full range of replacement vehicles available and servicing the ACT community right now.

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

Supplementary answer to question without notice Education—preschools

MR BARR: Yesterday in question time I took on notice part of a question from Mr Seselja on criteria being used to determine whether a preschool would close either permanently or temporarily. I advise the Assembly that in fact preschools are recognised as schools under the Education Act and that this means that the same requirements applying to the planned closures or amalgamations of government schools also apply to government preschools. Before closing or amalgamating a government preschool, I would ensure that schools communities affected by the closure or amalgamation have been adequately consulted for a period of at least six months.

Personal explanation

MR SMYTH (Brindabella—Leader of the Opposition): Mr Speaker, I wish to make a statement under standing order 46.

MR SPEAKER: The member may proceed.

MR SMYTH: The Chief Minister has claimed that I invented the figure of a potential \$390 million deficit. The first time that number appeared in public, to the best of my knowledge, was in the *Canberra Times* on Wednesday, 3 May. I quote from it. The *Canberra Times* journalist says:

But several sources close to the discussions last week told *The Canberra Times* that Mr Costello had canvassed a deficit of up to \$390 million.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): I seek leave to respond.

MR SPEAKER: The Chief Minister may proceed.

MR STANHOPE: Everybody knows that it was Mr Smyth that began this false rumour. On the very same front page—and I invite the opposition to table it—in the column adjacent to the paragraph from which he just quoted, there is a reference by the *Canberra Times* to the \$390 million deficit. It is there in writing. I do not remember the exact words, but is it to the effect "the \$390 million deficit according to Mr Smyth". That is the reference in the story; it is there in the *Canberra Times*.

The *Canberra Times* protected themselves, and I admire them to that extent. They probably thought, "Ah, well, we have got a good story here, but it does sound a bit smelly; we had better just cover ourselves." It is on the very same front page, in the column next to the paragraph just quoted by Mr Smyth as he seeks now, having been caught out in this absolute fabrication, to shift responsibility to the *Canberra Times* journalist.

I stand and defend the *Canberra Times* journalist's inclusion in a table adjacent to the paragraph just quoted by Mr Smyth, which he did not refer to, a statement to the effect "\$390 million deficit as claimed by Mr Smyth". This is your fabrication, Mr Smyth. This is your hysteria. You gave this information and advice, crossed your heart and swore it was true, to the *Canberra Times*. Do not try now to stand in this place and deflect responsibility for your own hysterical fabrication to a *Canberra Times* journalist.

Be man enough to stand up and own your own mistakes. Do not stand in here and say this story came from the *Canberra Times*. This is your outrageous fabrication. You own it. Do not sheet this home to anybody else.

District of Dili

Debate resumed.

MR PRATT (Brindabella) (3.36): The opposition rises to support this particular motion. It is almost like a motherhood statement. There is little to be said and there is little to be thought as to why you would not support this. This is an issue which goes to the heart of the country's interests and the community's interests as well. The opposition certainly supports the city of Canberra friendship relationship with the district of Dili. We have been to a number of their fundraising activities. It is quite a useful organisation. An extension of the friendship and support by Australia to Timor is an extension of Australian's national interest and its concerns about Timor and Timor's future.

Against the background of that relationship, education programs are important. Tuggeranong College, the CIT and high schools have roles and involvements in

exchanges that occur as part of that relationship. We also acknowledge that they are important and we certainly warmly welcome those. City relationships utilising our local institutions can be very effective in the overall scheme of country-to-country relationships. Sometimes they may even have a bit of a spin-off in that what is good for the relationship may also provide some growth in some of our own community capabilities.

I was pleased to hear Mr Gentleman acknowledge, though, in his speech, the fact that this country quite terribly let Timor down in recent history. We know that three successive governments really did not take notice of the fact that Timor suffered badly once Timor had been taken in under Indonesia's wing, and rather forcefully so. Mr Gentleman talked about a figure of 200,000 Timorese who had perhaps been killed under the regime. That is the figure that I generally know of. Of that 200,000, 60,000, from my research, were killed almost in the first year of annexation of Timor. Why Prime Minister Whitlam at the time made those decisions, which were then reinforced by three successive prime ministers, is something that we do not know.

It is to this country's eternal shame that perhaps a real-politic approach to dealing with our neighbours, a concern that we did not want to unsteady our relationship with a very large and near neighbour, in this case certainly meant that great injustices and killings went undeterred. This has been the issue around the world. Just as Western governments have failed to intervene in other trouble spots, perhaps this was Australia's example of that. The blind-sidedness to bend to the whims of the Suharto government then continued through two more governments. The 1999 intervention by Howard broke the nexus of that.

Whilst we are talking about Timor, I exhort the federal government to very carefully maintain an eye on current events, as they unfold. I hope they will; I am sure they will. By the way, I hope that our students who are involved in these exchange programs fully understand and are being educated on the full facts of what has happened with the whole Timor question since 1974. One hopes that the government, if it is sponsoring our educational institutions to be involved in those exchange activities, is also ensuring that ACT children and ACT students involved in these programs are fully educated and understand the entire balanced history of what happened with Timor once the Portuguese had decided to pack up and go home under the previous regime's arrangements.

The opposition congratulates the Canberra Friends of Dili; we congratulate our schools and the CIT, which are involved in the city-to-city relationship issue. We also go on and congratulate Australian NGOs who are involved at the national level for their role in assisting Timor-Leste to come out of its dark past and develop as a new nation. Again, as I started out, the opposition supports this motion.

DR FOSKEY (Molonglo) (3.41): It is hardly surprising to hear that the Greens support Mr Gentleman's motion. In fact, we applaud Mr Gentleman and the Stanhope government for their ongoing commitment to the friendship relationship with Dili. It is very important to remind the Assembly that that commitment was made due to community action and concern in the Canberra community about what was happening in Indonesia. People living in Canberra have been active ever since the shameful behaviour of our government—the Whitlam government, the government that we otherwise like to

revere, perhaps wrongly in this case—after the terrible bloodshed that went with the Indonesian takeover of East Timor in 1975.

It is not only Dili which needs our support. Given that East Timor is primarily a rural population and given that it is a small jurisdiction, probably not too much larger than the ACT, I urge the government to do all it can to help people wherever they live in East Timor. It is also worth mentioning at the same time that, although we have our memory and our shame about the way that our governments regarded East Timor, we are very much in danger of doing the same thing with the people of West Papua at the moment.

It is understood, I believe, that education is a primary way by which people are able to lift themselves out of underdevelopment and the kinds of human rights abuses that still, I believe, occur in East Timor today. It is not possible for a country that has never before had the opportunity to learn even how to work in local government to suddenly become an independent and very successful government in two or three years. At the moment, I believe that we should be keeping a very close eye on East Timor and listening to the pleas from that government when it asks for support and asks for the UN forces to stay there at least until after the next election.

We must realise, too, that a lot of the legacies that we are concerned about and that the Chief Minister mentioned today are a result of the brutal occupation by the Indonesian military, which uses starvation as a weapon to exterminate the East Timorese. There is documentation of forced sterilisations, forced abortions, while at the same time East Timorese women were being raped and sexually assaulted during the occupation. As elsewhere, rape was being used by the Indonesian military as a weapon of war. When this is the lesson that people have learned, it is no wonder that violence against women continues to be a major concern in East Timor.

For that reason, I believe that one of the ways that we can assist women and assist the East Timorese people, whose birth rate is currently the highest in the world—a country populating itself into existence, we might say—is to work with the women and work on sexual and reproductive health measures and, perhaps in some gentle way, work against the very strong influence of the Catholic Church there, which has been a force for good. If it does not assist women in looking after their reproductive health, then this is something that should be recognised.

When we talk about education, we too often talk about formal education. We talk about schools and tertiary institutions. These are very, very important. As in South Africa, we are talking about a whole generation of people who missed out on formal education. The Chief Minister mentioned the high rates of illiteracy in East Timor. These tertiary institutions and formal schools are not going to tackle that; nor can East Timor afford to have what we take for granted—the broadband facilities. Most people do not even have computer access. What good is it to people who cannot read and write? Nor is there a TV service that is worthy of the name; nor is radio available to most people. Consequently, to talk about education is really just a speck out of the needs for East Timor.

Consequently, we have to look at innovative ways that are being used in other parts of the region to involve people in education. Education is not just about book learning, getting a degree, learning to read and write even; it is about health issues; it is about nutrition; it is about sexual relationships, sexual behaviour; and it is about teaching

people that violence against women, even though it is endemic, is not appropriate—nor is violence against anybody else.

We have some examples in the Pacific. We have the theatre group called One Small Bag that operates out of Vanuatu and now has a much broader role in places like the Solomon Islands. That is based on theatre. It started off with expatriates but it also involves some local people. It develops plays and scenarios based on the issues that are relevant to those people.

One of our own community, Robin Davidson, whom some people might know as someone who is involved in community theatre, spent some time in East Timor at the end of last year. He was working there with NGOs on using theatre as a way of—we might call it education but that is too formal a word—helping people learn their human rights, health needs and other things that we might recognise they need but perhaps they do not ask for. His comment in a presentation that he gave to a group of people at CMAG last year was that the main thing that characterises the young people of East Timor is boredom; there is nothing to do. They have come from a culture of violence and oppression. When that oppression is removed, people hoped things would get better very soon. They have not, as they do not. I might say that the oil deal that Australia has just wrought with East Timor is not in favour of the East Timorese people.

What happens, then, is that NGOs are using theatre as a way of educating and raising awareness in East Timor. Once the word gets around—and it is word of mouth, since most people are illiterate—many, many people gather, whole villages gather, on hillsides to watch and be involved in theatre which is based on their issues and their needs. I commend this as a way that the Canberra community can work to improve the awareness and the education of people, and not just rely on the formal relationships between schools. As I mentioned, that only touches a tiny proportion of the community.

I reiterate a call I made last year for the ACT minister for tourism to visit East Timor, to investigate and promote relationships with Dili. There may be ways that we can facilitate visits between our two cities and actively seek to identify and foster appropriate business, educational, social, agricultural and health links. Of course we must thank the Canberra Friends of Dili, which was set up in about 2001 and which is very active. In fact, Kerrie Tucker worked with them to encourage the government to set up the friendship city relationship.

In closing, I suggest that perhaps some of the empty desks in ACT schools can be sent to East Timor. My tongue was in my cheek as I said that.

MR STEFANIAK (Ginninderra) (3.51): I start with Dr Foskey's last point. I certainly commend that to the government, if they are not doing it. I remember, as education minister, having the pleasure of sending, courtesy of a lot of our local schools, equipment to East Timor. I am not quite sure whether they were empty desks; they might have been, Dr Foskey. They needed everything.

It is a timely motion. It is timely because East Timor is a recent independent country whose relationship with Australia goes back many years. Those of us with an interest in history, and military history especially, will remember the fantastic support, at great risk to themselves—about 100,000 East Timorese died during the Japanese occupation—they

gave to the independent commando company of Australians who were there fighting magnificently from 1942 to 1943 or even 1944, before the last managed to withdraw.

We owe a great debt to the East Timorese. It was tragic—and I remember it quite well—in 1975, to see the then Whitlam government wash their hands of it. There was a three or four-month hiatus after Portugal just walked out on its former colony. It had done nothing to prepare them for independence. It was probably one of the worst colonial powers you have seen.

I remember Indonesia at the time maintaining that they wanted stability. It was quite tragic. Perhaps all that needed to be done was for the Whitlam government to posit a battalion of troops in Dili. That might have helped sort the situation out. We might never have had the Indonesian invasion. There was a lot of prevaricating and washing of hands by successive Australian governments, from Whitlam onwards, on the situation in East Timor.

To its eternal credit, the Howard government reversed that situation back in 1999. Within two weeks of the dramas that erupted over the courageous decision by the then Indonesian President to have self-determination, Australia was committed to assisting in East Timor. There was a magnificent effort by the Australian Defence Force, led by the then General Peter Cosgrove.

Before that, in supervising the ballot, there was probably an even more magnificent effort by members of the Australian Federal Police. When I was police minister in 2000, I had the honour of presenting some awards to those who went in and supervised the ballot back in 1999. They were threatened; they were stoned; they were threatened with death; yet they protected and probably saved the lives of thousands of East Timorese.

There are a number of heroes still serving in the Australian Federal Police in the ACT who single-handedly stared down mobs. They were unarmed; they used force of character and incredible guts to stare down some of these wild, anti-independent mobs, thus saving probably countless thousands of East Timorese. As a result of the intervention by the Australian Defence Force, a nation slowly is being formed there.

It is not without its problems. It is a poor nation. I was saddened to see reports in the last couple of weeks of dramas there based not so much on ethnic lines but on lines of people who live in the east and people who live in the west. Those are the things that you really want to do all you can to avoid if you are setting up a new nation state.

But it is good to see a reaffirming of this friendship relationship. It is good to see the efforts made by ACT governments from 1999 onwards. It is good to see the efforts made by former members of the Assembly, including our old friend Bernard Colleary in the first Assembly who was a close personal friend of Xanana Gusmao and who certainly has been a champion of East Timor since then.

Perhaps through him, a few other people, such as Bernard's secretary, Silva Cengic, and her husband, Ivan, a very good soccer player, joined. He played with the then Croatia Deakin Soccer Club, but he got suspended a lot. Ivan was more akin to a rugby player. I was delighted when he played veterans once and got three goals in his first game. Ivan went over there and coached their first national soccer team. I also remember him

coming back with these kids for the Kanga Cup in 2000 or 2001. Half of the team were orphans. They were an under-14 team and competed in our Kanga Cup.

Our former colleague from the last Assembly Helen Cross also had a very great interest in East Timor. Some other members of our community who are deserving of note are Wendy and Robert Altamore, whom a lot of us would know through Print Handicapped Radio. Rob Altamore is an inspiration for blind people throughout the ACT and everywhere. Wendy is a fantastic, tireless worker for very many community causes. Members will often, no doubt, get letters from the Altamores, from Wendy in particular, to come to functions to support East Timor.

The friendship relationship we have with East Timor is important. When Australia went in there, it was one of our better moments in the last 20 years or so. It was going to be a long-haul type of situation, and we should be in the long haul, too, in assisting the people of East Timor with the city of Canberra friendship relationship. There is a bit of shame about what happened in 1975. Obviously that is behind us now. Certainly the events of 1999 have expunged that. We have certainly played a major role, as Australians but also to an extent as Canberrans, especially through the AFP, in the setting up of East Timor. It is something we should continue to do. We certainly should reaffirm our commitment to the city of Canberra friendship relationship with Dili.

MR GENTLEMAN (Brindabella) (3.57), in reply: I thank all members for their contribution to this motion. There is a Chinese proverb about education. It says, "Tell me and I forget. Show me and I remember. Involve me and I understand." It is clear that, through its activities, the Tuggeranong consortium is about involving students, teachers and principals so that they may understand.

At their meeting last week, the consortium heard from the Timor-Leste ambassador to Australia, Dr Hernani Filomena Coelho da Silva, about the realities of school life for the majority of East Timorese. He explained to the consortium how facilities that we take for granted in Australia are a rare commodity for most households over there. He said, for example, that teachers in Dili do not even have a cupboard to store their materials, let alone lighting for evening courses.

It is true that the material confronting the consortium was heavy and challenging to hear, especially for those children involved. It takes a lot of courage to acknowledge privilege and to make a commitment to use that privilege to the benefit of others. But the day was not without some insight into the rich culture of Timor-Leste. Ambassador Coelho da Silva explained to the group the authentic East Timorese wine made from the root of the palm tree, Tua Metan, although I hope the students are not able to pick up on this comparison with the Australian cab sav for at least a couple of years.

The enthusiasm of the students and their teachers is something we should all draw inspiration from. Despite the enormity of the task, this consortium has taken the responsibility of establishing real support for Timor-Leste schools with gusto. The same has to be said for the efforts of the men and women directly involved at CIT with their continued support of the Dili institute of technology. Their assistance, from providing materials to actively pursuing student involvement in the Australian youth ambassadors for development project, demonstrates that all tiers of education in the ACT have a sense of social justice and conscience.

Any discussion about Timor-Leste needs to acknowledge the failings of previous federal governments to support the East Timorese in their struggle for independence, as I have mentioned. Unfortunately, this federal government has seen fit to impose its own form of colonialism, with ongoing disputes with Timor-Leste about the control of oil.

It is fantastic to see that institutions in the ACT and in particular the students from my electorate of Brindabella are leading the way in developing real and sustainable links with Timor-Leste. I hope our federal counterparts can see the lessons in learning and supporting, rather than imposition and control. I urge you all to support this motion.

Motion agreed to.

Legislation Amendment Bill 2005

Debate resumed from 21 September 2005, on motion by **Dr Foskey**:

That this bill be agreed to in principle.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (4.01): Dr Foskey presented the Legislation Amendment Bill in this Assembly in December last year. The intent of this legislation, as Dr Foskey's explanatory statement indicates, is to ensure that all bills are presented to this Assembly with an explanatory statement and that those statements contain a report on any consultation that has occurred in relation to the bill. In reality, Dr Foskey, through her bill, wants the Legislation Act to impose the discipline on opposition and crossbench members that already applies to the presentation of government bills. As a matter of good practice, the government presents bills together with an explanatory statement setting out the purpose and operation of the proposed legislation so as to guide a reader's understanding of the legislative provisions.

This bill also seeks to impose a consultative discipline on all members to disclose the people or organisations that were consulted during the development of a bill. Dr Foskey's rationale rests on the proposition that these disciplines would result in better scrutiny of legislation by encouraging policy makers to embrace community feedback and enhance the democratic notions of accountability and transparency. While these concepts are commendable, Dr Foskey's bill is unlikely to achieve these aims. For a number of important reasons, therefore, the government will not be supporting the bill.

At first glance, the explanatory statement seems an appropriate vehicle for presenting information about consultation. To achieve that end, this bill proposes three changes. Firstly, because there is no existing statutory framework for presentation of explanatory statements, the bill proposes a new section 38A, which seeks to define the nature of an explanatory statement; secondly, proposed new section 38B requires that an explanatory statement be presented at the time a bill is presented in the Assembly; and, thirdly, proposed new section 38C requires each explanatory statement to contain a report on the consultation that has been undertaken. I note that the explanatory statement for this bill says the amendments will ensure that statements include a report on any consultation that has been conducted in developing the bill.

There has been discussion in the past, both in this Assembly and in the Standing Committee on Legal Affairs, about the form and content of explanatory statements that accompany bills. We would all, I am sure, like to see changes in those documents that would help this Assembly and others that need to interpret statutes to understand the meaning and intent of proposed and existing legislation.

It has been commonly accepted that the principal purpose of an explanatory statement is to assist the reader to understand the legal meaning and policy intent of a bill. This proposal would change the nature of the document so it would serve as a vehicle for demonstrating that certain members of the community have, in some undefined way, been informed about the bill. In fact, the intent of this bill is not clear, even though the apparent concern to be addressed, in Dr Foskey's words, is:

There is a perception, wrong or otherwise, that government and other members are not including a thorough consultation process in the development of legislation and are missing out on valuable expert advice and important community opinion. Thus, the outcome of the legislation can be inherently flawed and often fails to provide the optimum solution to the policy problems that it seeks to solve.

To address this concern, it is proposed by Dr Foskey that a consultation report be included in the explanatory statement, with the intent that the Assembly and interested people can simply discover what consultation has and has not already been undertaken or from what consultative processes the bill has emerged, and thus assist them in their consideration of the bills.

The notes to proposed new section 38C of the bill set out some examples of consultation, such as community groups. Dr Foskey's explanatory statement for this bill states that consultation occurred with the Law Society of the ACT, the office of the Attorney-General, the office of the shadow Attorney-General, ACTCOSS and the Conservation Council of the South East Region and Canberra.

The difficulty the government has is that this new element in the explanatory statement is not the least bit explanatory. The heading and the names leave me baffled. I am unsure what Dr Foskey has done and whether this is intended to exemplify compliance with her bill. Indeed, I am not at all sure that a consultation report requires necessarily setting out the names of every person or organisation consulted, or how the inclusion of such a report assists in understanding the bill.

Consultation reports are required to be included in certain explanatory papers in other jurisdictions. For example, in the commonwealth, subordinate laws—not bills—must be accompanied by a report on consultation. Queensland takes a different approach, requiring explanatory statements, including consultation details, to be presented with all bills and subordinate laws that impose appreciable costs on the community. However, failure to do so does not invalidate the proposed legislation.

In those two jurisdictions, a consultation report for a subordinate law is considered desirable because it serves the specific purpose of ensuring that business in particular, and also other sectors of the community, is not subjected to unnecessary red tape through subordinate legislation not debated by the parliament. In contrast to this, in New South

Wales, parliamentary standing orders state that government bills must and non-government bills may be accompanied by an explanatory statement.

In addition, the fifth edition of *House of Representatives Practice* does not prescribe the content of statements but states that they usually consist of an introductory outline of the general purpose of the bill and notes on clauses which explain the provisions of each clause. The ACT position is different again. Standing order 168 (c) simply requires that, when a member presents a bill, the member must also present any associated explanatory statement. Presumably if one is not written, then there is no breach of the standing order. Perhaps it would be appropriate to address that if we intend this requirement to apply to all bills.

The government is also concerned that a person or organisation may not wish to be named in a public consultation report in connection with an issue under debate in the Assembly. While public organisations might expect such exposure, I doubt that most individuals would wish to be drawn into controversy simply because an MLA asked their opinion on a legislative proposal. That would be the effect of Dr Foskey's legislation.

The consultation process in the context of this debate is just that. It is a process leading to the final version of legislation. Whatever the Assembly may decide to be the best approach for presenting explanatory statements, those documents should reflect the policy intent of the bill, not the policy objectives of some or all of the stakeholders involved in the process who may or may not have achieved their objectives.

The government's view is that the intent underlying this bill is misguided. The principal purpose of the explanatory statement is to assist the reader of the document to understand the legislation to which it relates. The process by which the bill was developed, however, and the nature of the discussions leading up to its presentation are very much a matter for discussion and debate within this Assembly and, where it applies, the relevant standing or select committee.

I think it is important to stress that the role of standing committees in examining and undertaking consultation about new legislation must not be ignored. Together with the opportunity offered by debate in this place, standing committees are for all participants a forum in which to express their views on whether the legislation meets their needs or accounts for their particular interests.

Given those arguments, and also when you look at the consultation report Dr Foskey has provided for this bill, you have to ask whether it adds anything meaningful to the debate. The fact that Dr Foskey has listed five entities and organisations in her bill and says "that's my consultation" in the government's view adds nothing to the debate. For example, we do not know what they said. Did they agree or disagree? Were they just told and not offer an opinion? These are the sorts of question marks that underlie the misguided approach to this legislation.

The government's view is that the government and indeed all members should justify why they have come to a particular position when they present legislation to this Assembly. Those matters can be explored in detail in the debate itself and in standing committees and select committees of this place, if that is where a bill ends up. There is a thorough and adequate process to explore whether or not a piece of proposed legislation

is well informed by discussions with a broad range of stakeholders. It is for those reasons that the government will not be agreeing to this legislation.

MR STEFANIAK (Ginninderra) (4.11): The opposition will not be supporting this bill either. Of course, Dr Foskey consulted with a lot of people here. To take the consultation point first, I would agree with a lot of what the Attorney-General says in relation to that. When you introduce a bill, in your speech it is appropriate to say who has been consulted. People are interested, regardless of whether it is a government bill, an opposition bill or a crossbench bill. Indeed, when I am getting briefings on bills I always ask, "Just whom have you consulted?" Then I often ring around to see if the groups I think should be consulted have been consulted—and it is a bit of a problem if they have not been consulted. It is probably not something you need to put in the explanatory statement. I have great sympathy for what the Attorney-General has indicated in that regard.

Also as far as explanatory statements are concerned, in scrutiny law reports we have recently had some comments as to some of them not being particularly adequate and some being quite good. It is somewhat patchy. What is an explanatory statement? Basically, it explains what is in a bill. I believe it is not done by parliamentary counsel but rather as a result of the drafting instructions and what is put forward by departments. Doing an explanatory statement is a bit of a fine art, which is a problem in itself when looking at all bills.

At its best, an explanatory statement will perhaps go a bit further and explain the nuances of certain pieces of legislation. Some legislation is quite evident and you do not need an explanatory statement. It certainly can assist in certain circumstances, but to make it compulsory is a real problem. It is not difficult for a government, which has the departmental resources to do explanatory statements, but it can be very difficult for other people in the Assembly.

I could be wrong here, but in the seven years we were in government I cannot remember too many opposition bills—they were a bit slack there. When there were opposition bills then, I cannot recall any explanatory statements. Because of the small size of the Assembly and the fact that they could go around and talk to people if they were a little bit uncertain as to what something in the bill meant, that was not a problem. As I said earlier, doing explanatory statements is a fairly intricate art.

In the capacity of shadow Attorney-General and in other areas, I introduced quite a few bills into the last Assembly and this one as well, and I will probably continue to do so. In most instances I have not put in an explanatory statement. For larger bills, it is very difficult. It is a resourcing issue if you are in opposition. I offer no criticism of the Labor government when they were in opposition for not putting in explanatory statements. I can certainly say that, for the bills they put in, it was not a problem. It did not affect the government's understanding of them. On the odd occasion when something was a little bit uncertain, you would just go to the member who put the bill in and ask, "What is the problem here? What does it mean?" That would give you an idea of what they were intending to do. Doing something like that is not rocket science. I think that to mandate that everyone has to put in an explanatory statement is largely unnecessary and very time consuming. It is often very difficult for people who are not necessarily expert in that to get it right. I think that is a big problem.

In recent times all bills have been drafted by parliamentary counsel. In fact, on the odd occasion when bills have not been drafted by parliamentary counsel there have been a few problems and a bit of confusion, but I do not think we have seen that in recent times. Bills put in over this millennia—over the last couple of Assemblies at least—have been done by parliamentary counsel, and they have a certain way of doing things because they are experts. I think that is something we are all fairly familiar with.

An explanatory statement can certainly be helpful. Whilst I think it is traditional and should remain so with government bills, because there are no resourcing implications and there is a long and tried set of precedents and criteria which government departments use and will continue to use as far as explanatory statements are concerned, it can be unreasonable to expect private members to be able to do the same.

An explanatory statement that does not really say much is pretty useless. It is a bit of a concern when you see one in a government bill which merely regurgitates the section because you can get that information from the bill. An explanatory statement is useful when it explains something which might be a bit tricky or gives the background. It is an intricate art and I do not think that should be mandated. Again, if people have problems, especially with a bill done by a private member, go and talk to them. Kerrie Tucker's office certainly used to do that with me. I think Dr Foskey's office has done that as well, and we would do the same.

Whilst I can see the sentiment behind it I think that, all in all, the bill adds an impost. I think it is unnecessary. As the attorney has said, some further problems might crop up out of the consultation bit by mandating that. There may be groups who might not want an explanatory statement in a bill. I think that, for us in the Assembly, that is the biggest problem—and it is cyclical. There will always be a crossbench and both major parties will always spend time in government and in opposition. When you are in opposition I think it is just that much harder—and perhaps not dangerous as much as unnecessary—to put in explanatory statements as a matter of course for everything. Accordingly, we will be voting against the bill as well.

DR FOSKEY (Molonglo) (4.17), in reply: This bill has been before the Assembly for some months. I am very disappointed to hear that both the opposition and the government have declined to support it. We were warned that the government would do so last week at a government business meeting. I should say that my office has been very open to discussion about this bill ever since we presented it some months ago, and we would have been happy to discuss the problems that members have pointed out today.

I thank the Attorney-General for his thorough investigation into practices in other states. I believe that the instances and processes he describes support our legislation, but he apparently believes they bolster his opposition to it. There was, of course, always the possibility of amending our legislation after discussion with us, rather than outright rejection. It is interesting that a seemingly innocuous bill has encountered such opposition.

I had this bill drafted following comments at the scrutiny of bills conference conducted by the Assembly last year when the issue of providing background to bills and how to improve the quality of legislative scrutiny came up. Thus I thought there would be support at least from members of the scrutiny of bills committee. It is possible that the officers or staff in the Attorney-General's office have misunderstood this simple bill or its intent.

Very clearly, if passed, these amendments to the Legislation Act would not require the government or any other proponent of a bill to conduct consultation; nor do they specify a form or degree of consultation were it conducted; nor does the bill suggest what form or what detail any report on any consultation must take. It merely requires the explanatory statement to a bill to include a report on any consultation that has been conducted in the development of the bill.

Since tabling the bill, we have seen numerous instances where a little more care in ensuring that key stakeholders are brought up to speed on the development of a bill would either obviate considerable angst or deal with problems before they become intractable.

If a simple report on consultation—let us say a list of the bodies consulted—made it clear that, for instance, the Asbestos Diseases Foundation of Australia had not seen the asbestos legislation bill that we passed last week, then my office would immediately have referred the bill to them. Instead I accepted the verbal advice that all relevant stakeholders were fully aware of developments, but they were not. There would have been sufficient time to work with those stakeholders and address concerns they might have had if the information had been available.

Similarly, to keep our focus on the frustrations of recent small-scale miscommunications that a simple report on consultation would have prevented, I draw attention to the recent Animal Welfare Amendment Bill. The government consulted with its animal welfare advisory committee. That committee provides expert advice to the government but does not consult with the wider membership of animal welfare groups. So the assumption we made that the RSPCA, which is a very significant organisation with regard to animal welfare, would have been consulted was wrong.

It would have been helpful and constructive if my office or others had circulated that bill when it was introduced, in order to elicit a wider response. A report on consultation would, by its omissions, have suggested such a course of action. There are countless other instances where some formal recognition of the groups has been built into the development of legislation. On occasions, some insight into their response or concerns would assist us in responding constructively and efficiently to legislation before the Assembly.

Mr Stefaniak talked about the lack of resources of private members and used that as an argument against reporting on consultation. I want to use that as an argument to support the listing of consultations, because our lack of resources means that we must go to the community organisations—

Mr Stefaniak: No. You have got me wrong there.

MADAM TEMPORARY DEPUTY SPEAKER (Mrs Dunne): Mr Stefaniak, you can use the standing orders to explain yourself later. Do not interject.

DR FOSKEY: We use the work of community organisations to inform any legislation or motions we develop. Reporting on it just seems fair enough, because that reveals the thinking behind our bills; it reveals whose interests we have at heart when we put that into a bill. Those omissions, as I have already mentioned, reveal whom we have not consulted. The government and the opposition would then be absolutely right in saying, "But you did not speak to those people". Therefore, you, who might see those people more as your constituents, will feel that you can find out what they think and present those views to the Assembly in the robust discussions that we must still have.

As I understand it, some reporting on consultation is required to go to cabinet when bills are submitted. While this bill asks for a report on external consultation, if it is conducted it would by no means require a great deal more work of the government in particular. In rejecting this small improvement to our legislative rules, the government is demonstrating once again that it does not seem to want people to know what it is doing, whom it is working with or listening to in doing it and why it makes the decisions it makes.

We have to use whatever processes we have at our disposal: talking to staff members, asking questions in the Assembly, asking questions on notice and trying to elicit information from debate. That is not so easy when we have a majority government which can close down debate when it feels like it and simply not answer questions. We have seen that time and time again. Perhaps there is reluctance by the Assembly for the community to know which groups have been considered fit to discuss legislation and assist in its formation.

This bill requires the proponents of all bills to table explanatory statements with the bills. Explanatory statements are the key guides to understanding the intention of legislation and are of great assistance to the courts and others when dealing with it. While a tabling speech is also a guide to the intent of a bill, it is rarely as clear, as useful or as rationally set out as an explanatory statement. It seems to me that, if a member is prepared to draft long and complex legislation with the presumption that it might well become part of the existing law, then he or she ought to take on the responsibility of formally explaining their intent. If the thought and the work go into the bill it can be written in an explanatory statement.

As Mr Stefaniak pointed out, parliamentary counsel drafts the bills but members explain what they want in the bills. I believe this is a small step to preparing an explanatory statement; it does not have to be complex. My office is committed to producing them. Of course talking to each other is an important part of the work, but it is not always politically wise to do this—and there is often not enough time to do it. We have seen bills presented one day and debated three days later, in which case we need all the help we can get in the explanatory statement to deal with them as properly as they should be dealt with.

Debate can still occur and standing committees can still do their work. We do not believe a report on bodies consulted is any substitute for that. In fact, we might find that debate and committee deliberations are better informed. I think it is quite disrespectful of the process to dodge the work involved in writing an explanatory statement simply for the sake of putting a bill before the Assembly for rhetorical purposes. That is the other

reason why government and opposition may not want to fill out the intent behind a bill they have put forward.

One of the things that have been observed is that, with majority government, there is less useful and probing discussion in the house and by Assembly committees, especially when committees reflect the majority in the Assembly. Consequently, the simple bill I put before the house and that I gather you will reject—there is still time to change your minds, chaps—was an attempt to increase transparency, to make the work we do here better and to show how it reflects on the community.

Question resolved in the negative.

Policing—numbers

MR PRATT (Brindabella) (4.29): I move:

That, given the details in the Productivity Commission Report 2005 pointing to ACT Policing being around 130 below the national average of its sworn police force strength, the lowest strength of any jurisdiction, and given clear concerns that our police force is significantly overstretched, this Assembly calls upon the Government to table by 16 May 2006:

- (1) all aspects of the Government's Functional Review pertaining to ACT Policing;
- (2) the internal reviews, time and motion and other studies undertaken by ACT Policing and the Department of Justice and Community Services in the last three years pertaining to capability; and
- (3) copies of all draft documents pertaining to the ongoing negotiations into the Police Agreement.

The reasons for the above motion are as follows, and I will shortly specify a little more. The details in the Productivity Commission report 2005 state that the ACT has the lowest number of police per head of population compared with all other states and territories in Australia. The national average is about 289 police per 100,000 people. The ACT has the lowest, with only 251 police per 100,000 people.

We know that, since the release of the 2006 Productivity Commission figures, the ratio for the ACT has barely changed. This basically means that, for our current population of over 300,000 people, we are about 130 officers short of the mark to have a well-resourced and fully functioning community police force. In fact, the Australian Federal Police Association claims that the figure is much higher and would argue that we really need around 180 extra police in the ACT to allow the force to work efficiently at the level that is needed. That figure needs to be tested, but we should take note of that concern.

Whilst Mr Corbell and the Stanhope government continue to argue that these per head of population figures are not meaningful, I beg to differ. The government claims that it is not how many police officers they have but how they are doing it that matters. They claim that intelligence-based policing is the way to go and that having more officers on the ground does not necessarily help. This is clearly a mistaken view, in the view of the

opposition, and even the police recognise this. There is no way we can have proper intelligence-based policing, for God's sake, if there are not enough officers out in the community to gather that intelligence.

If the government are serious about their claims that more police are not necessarily needed, then why will they not release what the Costello functional review has to say about policing in the ACT? That is a question we have been asking for some time now. Why will they not release the result of the review into police resources and the time and motion study? Why will they not release any details of the new police agreement with the AFP which is, unfortunately, now 14 months overdue? What is taking the government so long? What do they have to hide?

That is why the opposition today calls for the government to table the internal studies, the Costello functional review and also details of the progress it has made with the police agreement. We are deeply concerned that ACT Policing is terribly overstretched and we want action from the government to address that. We want the studies I have referred to and the police agreement itself, the draft police agreement or other documents referring to the ongoing negotiations about the police agreement, to be presented here for the Assembly to examine.

The previous police minister, Mr Hargreaves, received the details of the police review almost a year ago, yet we have heard nothing about the findings of this review from the government. This makes us wonder to what extent the government has a problem with whatever is in that review—whether or not it clearly shows that it is not funding the number of police the review asks for.

I want to have a look at a number of ACT Policing activities to illustrate how under strength ACT Policing must really be. Let us have a look at random breath tests—drink-driving. The December quarterly ACT Policing trends report, tabled in the Legislative Assembly this week, shows that 33,501 random breath tests were conducted throughout 2005—that is, 23,700 or 41.4 per cent fewer breath tests than in 2004.

The Stanhope government has failed to make random breath testing a greater priority, and because of this motorists do not fear driving home from the pub after a few drinks. They know that an RBT unit is very rarely seen on the roadside. Members of the public often say to me, "I can't remember the last time I saw an RBT," or, "I don't know whether I have actually seen one." These sorts of comments disturb me but I often find myself agreeing with them. What do the Costello review and these internal reviews state about the deployment of patrols such as RBTs? If there is a logical reason why they can diminish the number of patrols by 41.4 per cent, let us see what the review says.

On the other hand, I support the government's move to focus RBTs more locally into higher-risk areas. If, as the government claims, they are getting the same drink-driving arrest rate with a lesser number of better targeted RBTs, then one might almost buy the argument that this is a new efficiency. I think that, in this last period, they have arrested more people for drink-driving than was the case a couple of years ago, so that is an interesting number.

The question of efficiency cannot be ignored, but I wonder why another 30,000 or 40,000 RBTs conducted in other non-focus areas would not also snag drink-drivers. I

wonder why the deployment of the differential number of RBT patrols previously deployed, which are now deployed into non-focus areas, might still not usefully snag offenders committing other offences. On the one hand, we are decrying a deteriorating police presence on our roads but we see the cutting of thousands of RBT patrols. What will a future police agreement state re the need for RBTs and other patrols? Will a new police agreement quantify the need for RBT police patrols in a more quantifiable way than the old agreement did?

There are a number of other areas. Let us have a look at the statistics of property offences in the 2004-05 annual report. The number of burglary offences in dwellings reported was 2,935; the number cleared totalled 180 and only 6.1 per cent of dwelling burglaries were cleared. The total burglary offences reported was 4,406; the number cleared was 336, and only a lousy 7.6 per cent were cleared.

Vehicle offences reported totalled 1,797; the number cleared was 172, and 9.6 per cent were cleared. The total theft or illegal use of vehicle offences reported was 2,387; the number cleared was 186, and 7.8 per cent were cleared. Those are very alarming figures. What do the reviews we are chasing here today state about these clear-up rates versus the number of police available to clear them up? What is the answer?

I refer now to the road toll. While the annual accident rate continues at a steady 10,000 or so, the alarming thing is that the number of fatal road accidents and accidents causing serious injuries has doubled. That means that the intensity of road accidents has increased, or the reckless minority normally contributing to or causing road accidents are driving more recklessly and behaving with impunity.

My gut feeling, as a driver burning up many kilometres on our roads, is that people driving over the speed limit at any time of the day, particularly during peak times, over the last three years have doubled their over-the-limit speed. This is from anecdotal information and feelings I get from colleagues, friends and constituents. I would put it to you that this is because the police presence on our roads over the last three or four years has declined.

The best education for the public is the visible presence of police, presenting the threat of pursuit and roadside detention. This is the only language that the minority of recidivist, reckless drivers understand. Again, what do the reviews say about a road police presence? What demands, if any, will the police agreement lay down re the visible presence of road police?

I turn now to the most important activity group that tests police capability—shopping centre crime. There are simply not enough officers to proactively patrol our suburbs, streets and shopping centres. There are not enough officers to act as a reminder or deterrent to criminal behaviour, and many people act with impunity.

In my travels to the shopping centres known to have suffered regularly from crime, I have asked the following stock standard question: while I imagine, Mr Shopkeeper or Mrs Shopkeeper, you have had police respond to the crimes committed here, response to crime aside, when was the last time you saw a regional policeman in this shopping centre talking to shopkeepers and customers on a proactive, come and see what is happening and gather the intelligence basis? Astoundingly the answers from shopkeepers in Red

Hill to Erindale to Richardson range between two and six years. Proactive police patrolling was last seen two, three, four, five or even, in some cases, six years ago.

I know police resources are well stretched. I am confident that the response times to serious crimes are excellent and that police eventually get around to visiting premises affected by non-life threatening criminal behaviour. However, I am speechless that so many shopkeepers would tell me that they do not see police regularly and that relationships do not exist between shopping centres and regional police. I know that that is not the case at the Tuggeranong, Woden and Belconnen shopping centres, and particularly at the Belconnen shopping centre where dedicated beat police patrols occur regularly. But unless shopkeepers are lying to me, that clearly is not the case at the regional and group centre shopping centres.

It has been very clear to me, to existing and to recently retired middle-ranking and more senior police officers that the lack of a routine and regular police presence at group centre and outlying shopping centres reflects the fact that there is not an adequate police presence across the ACT community. If these hubs of community activity cannot attract proactive patrolling and a visible police presence, then the force is demonstrably under strength. Is this a central theme in what has been uncovered in the internal reviews and even perhaps in the Costello functional review itself?

Is this why the internal reviews continue to sit in pending trays months after they should have been finished? Do they confirm the gut feeling of the opposition, the AFPA and retired police officers that ACT Policing is stretched well beyond capacity? I would put it to you that the test of the presence of police in our shopping centres is a litmus test. If, when you go beyond the major shopping centres out into the group centres and then further beyond those, shopkeepers are saying that they rarely see police in a proactive way to gather the intelligence that an intelligence-led police force must have, then I believe that this force is well overstretched and cannot maintain that presence.

It is the feeling of the police association and of retired police who lament the way things were a decade or more ago that proactive policing in areas where the community gathers was important to send a message to people who wanted to behave badly that they had better not do so. They had relationships with shopkeepers and they knew what was going on, not only in those shopping centres but also in the suburbs supported by those shopping centres.

What we want to know here is: what does the Costello functional review say about this? What do the time and motion studies and other internal studies undertaken in the last two or three years say about this question? What do they say the police agreement should look like? What is the minister negotiating with the AFP through the new AFP police agreement in terms of quantifying those capabilities, quantifying those standards and testing that the service we buy is the service we get? Those are the questions the opposition is asking here today.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (4.44): Mr Temporary Deputy Speaker, the government will not be supporting this motion. To date in the ACT we have been very fortunate that the law and order debate has not been politicised to the degree that we have seen in some other jurisdictions. Unfortunately, from what Mr Pratt has said,

probably we are seeing a change. However, I sincerely hope that we will not see a change from what I would characterise to date as an almost bipartisan tacit agreement that this will not happen in the ACT.

Law and order debates should not be subject to sensationalist claims or selective use of crime data. There are serious spin-offs from such approaches, not the least of which is the increasing perception that crime is out of control and, as a consequence, increasing community levels of the fear of crime. A consequence of that, particularly where the young and the elderly are concerned, is to seriously undermine quality of life, even to the point where people may feel it unsafe to leave their homes. We all have a responsibility, Mr Pratt, in that regard. I would be interested in receiving the assurance of other Assembly members that these ground rules are not changing.

Mr Temporary Deputy Speaker, in his motion Mr Pratt uses Productivity Commission figures for the numbers of policing staff available to each state and territory to make a case that the ACT is not served well because it falls below the national average of police per 100,000 of population. The assertion inherent in this motion seems to be that the national average is somehow a clear and undisputed method for measuring police resources in the states and territories. I reject this.

The Productivity Commission publishes in its annual report on government services the numbers of police staff by way of sworn staff and unsworn staff, as well as combining sworn and unsworn staffing numbers. The last published figures for providing a comparison on jurisdiction and national average policing staff per 100,000 of population are those in the January 2006 report on government services. Mr Pratt asserts that the 2005 report indicates that if we were to apply the national average to the ACT then the ACT would be around 130 below sworn officer capacity. I am advised that those calculations are incorrect and that the data reported in the 2005 report would indicate the figure to be 110, not 130. So I assume that Mr Pratt is referring to the figures for the combined strengths of sworn and unsworn staff and not just sworn staff.

This is a significant issue. In the last 10 years all police services across Australia have shown a trend towards greater civilianisation of their work forces, and this reflects two underpinning concepts. The first is that police officers trained in the complexities of law enforcements should be freed up from a range of administrative tasks to do just that. While those administrative and corporate support functions are vital to the efficiency of policing, personnel other than sworn police can and should undertake them. Secondly, there is a range of operational policing tasks that lend themselves to being undertaken by specialists who do not need all the powers of a general duties officer to undertake their jobs. Examples of this include forensic specialists, intelligence specialists and communications and dispatch staff.

I think all members will understand that we need sworn police to undertake law enforcement roles, but we should also acknowledge the important contribution of those who are not sworn officers. So when the government looks at the adequacy and efficiency of policing resources in the ACT, we look at the sworn and the unsworn capacity.

In order that there be a debate on common ground, I suggest to members that we use the figures from the most recent Productivity Commission report of 2006 that states for the

year 2004-05 the number of police staff for the ACT per 100,000 of the population was 248, whereas the national average was 289. This is a difference of 41 per 100,000 of the population, and when applied to the whole of the population of 323,000 people at that time, this would have equated to 132 staff less than what were on the ACT policing payroll at the time.

As I have indicated previously, the assertion inherent in this motion seems to be that the national average is somehow a clear and undisputed method for measuring police resources in the states and territories. The government does not accept this proposition and we certainly reject the proposition that ACT Policing is short 132 staff as of 30 June 2005.

Indeed, it is worth acknowledging that no government since self-government has ever accepted that the national average be used as the only yardstick to measure need. And this government, too, does not accept that the national average number of police staff per 100,000 is the only way to determine the extent of police resources. How can it be regarded as the only measure for calculating policing needs? The fact that there is such a wide discrepancy of police staff numbers per 100,000 between states suggests that the concept of meeting the national average is not in itself and of itself the only rationale for measuring policing requirements. For example, in 2004-05 the variance between Victoria at 262 police per 100,000 and Northern Territory at 670 was 408 policing staff per 100,000.

So what drives such a statistically significant difference? Could it be that the Northern Territory has a vast geographic area and isolated small pockets of population that require a significant police presence, even if the population is small? And could it be that Victoria, on the other hand, has a highly concentrated population in its major metropolitan area and in several large regional centres? In other words, could it be that both jurisdictions have markedly different policing service needs and the application of a national average does not go anywhere close to assisting them to assess what their needs actually are? And would not that same argument apply here in the ACT—that is, essentially a city state with the majority of its population in the one relatively small geographic area?

So from that, I argue that it is clear that the use of national averages for police staffing raises the question of comparability between jurisdictions. To enable this comparability to be an accurate measure of determining police resources, you have to ask the question: to what extent is the ACT similar or dissimilar to other jurisdictions? It is clear the ACT is different. The Productivity Commission's national average is based on the police numbers for all jurisdictions. It includes those states and territories which have high ratios of police per population because of—and I just mentioned these reasons—higher dispersed rural populations or those jurisdictions that have highly concentrated populations in large metropolitan areas.

Making comparability even more difficult is the issue of categories of police services provided in other jurisdictions that are not a necessity in the ACT. Some of these services found in other jurisdictions but not in the ACT include police prosecutors. Most jurisdictions employ police prosecutors but not the ACT, where prosecutions are handled by the DPP. Another example is stock squads. Some jurisdictions, such as Queensland, employ police to prevent and investigate stock-related crime in rural areas. There is very

little demand for such a service in the ACT. Yet another example is railway squads. Some jurisdictions offer train patrols. An extensive train network system is not in place in the ACT. A further example is Aboriginal police liaison officers. Jurisdictions with large indigenous populations employ a significant number of liaison officers. For example, in Western Australia 125 such officers exist, whereas in the ACT there is less demand to dedicate large police resources in this area.

Then there are areas such as marine and water police. Most jurisdictions have a dedicated water police team to investigate marine crime and ensure the safety and security of coastlines and waterways. The ACT's geographical position means the need for such a specialist service is also very limited. In fact, the water police that are here in the ACT are funded by the commonwealth, and even though the water police provide a service to citizens of the ACT, we are advised that we cannot count them as part of the policing services provided to the ACT because they are provided and paid for by the commonwealth.

And the same goes for something like the 45 to 50 full-time equivalent positions from ACT Policing that provide services to the commonwealth each year. They provide investigative and protective policing services to commonwealth agencies, but in effect they also provide those services to the citizens of the ACT, to visiting dignitaries and to tourists to the ACT. But, again, because they are paid for by the commonwealth, they are not counted as part of the ACT's police numbers. This is an issue that is well worth reiterating and focusing on in understanding the figures in the ACT.

Mr Speaker, let us look at the issue of the ACT being, effectively, a city state. This characteristic significantly distinguishes the ACT's community policing needs from that of all other jurisdictions. All of our population is within relatively easy reach of urban-based police patrols and stations. Police are not required to travel 60, 70 or even 100s of kilometres to attend call-outs. These are factors that affect policing needs in the ACT. Both distance and ease of travel to incidents, having one essential command structure, and centralised specialist squads, all point to the uniqueness of the ACT and, therefore, the formulator for calculating staff requirements cannot be a one-size-fits-all approach.

The government is currently seriously considering further policing needs for the ACT and, indeed, we have always done so. Since coming to office we have provided funding for an additional 60 police positions, and that is not an unsubstantial increase. This Assembly is well aware that the government and the AFP have jointly completed a study that reviewed the policing needs of the ACT. That study has included a suite of elements to help determine need, recognising that the national average as a sole measure is an inadequate yardstick.

Mr Speaker, the Assembly is also well aware that the policing study is being used as the basis to negotiate a revised policing arrangement and annual agreement, as well as to help determine the policing needs generally for the ACT into the future. I have indicated previously—and I am happy to indicate again—that I am not going to release that study or any other draft or working documents ahead of the budget and until the budget and the negotiations themselves are finalised. That is only a sensible approach.

Similarly, the government has made its position clear on the issue of the functional review. The functional review is a matter that informs the budget and the budget will be

released on 6 June. Mr Speaker, for all of those reasons, the government does not support the simplistic and ill-informed motion moved by Mr Pratt today.

DR FOSKEY (Molonglo) (4.57): I thank Mr Pratt for his motion, which I will be supporting. Monday's editorial in the *Canberra Times* pretty much summed up most of the concerns that the ACT Greens have been raising over the last six months about ACT Policing. It is interesting that today the minister chose to focus in 99 per cent of his speech on police numbers, whereas this is not the action part of the motion. A call for the tabling of documents is, and it is that part of the motion that I support and speak in favour of today.

The ACT government spends some \$95 million on policing each year and we are entitled to wonder—indeed, it is our duty to investigate—whether the ACT government is spending this money in an efficient and effective manner. But this is very difficult when the ACT government hides key information about ACT Policing's performance. Therefore, I am supporting Mr Pratt's motion requesting the ACT government to release key information pertaining ACT Policing's capability and the police agreement renegotiation.

The ACT Policing study is a good example of a document the public deserves to see but the ACT government has been hiding. The study was set up in 2004 to look at the capacity of ACT Policing to meet its objectives but it has been hidden under cabinet consideration for around 11 months. The previous minister for policing refused on many occasions to release this report. Thankfully, the new minister has made a public promise to release the report after the next budget. But this will be some two years after the report commenced, making it difficult to judge the currency and utility of the data.

The ACT Policing annual report was pretty much a heavily spun publicity piece that skewed the interpretation of data and tried to fool the public with its emphasis on positives and its window-dressing to hide any shortcomings. Take, for example, data provided showing a falling community confidence in policing. The annual report described this data as "encouraging", simply because the level of confidence was still ahead of some other states and territories. I thought I just heard the minister say that we should not be comparing certain data with other states and territories and yet he chose this interpretation in ACT Policing's annual report in order to give himself a positive spin. Should not ACT Policing, rather, be showing concern for the fall in confidence and describing how it will seek to address this problem?

Let me give another instance. Operation Halite is lauded as a great success and yet the annual report fails to identify a link between the conduct and diversion of resources into Operation Halite—which focused on burglary and stolen motor vehicles—and the decrease in the crimes against property apprehension rate. How can Operation Halite be deemed a great success if the apprehension rate has fallen? And why does the ACT government continue to place a publicly positive spin on this, rather than acknowledging the facts and seeking ways to improve? Mr Speaker, I thought data was really the way to do this.

Then there is the failure to adequately report the number and type of complaints being made against ACT Policing. At a time when police are to be given more powers, including the use of force against people who may be entirely innocent of any crime, we need to be utterly convinced that our police force remains accountable and holds up to robust examination. However, the ACT Policing annual report provided little information about complaints made against the AFP and in the last annual report committee hearings the previous minister refused to allow questions on the matter to be answered by Audrey Fagan, who appeared, understandably, to be embarrassed by the minister's blustering and obvious dissembling.

Since 2002 there have been a number of calls on Australian and ACT governments to increase independent oversight of AFP anti-corruption processes and to overhaul AFP complaints processes. Now the role of police in anti-terror legislation is being explored before there is any government action to ensure police accountability. In 2002, the Fisher review into AFP complaints processes recommended an overhaul of the system. While the AFP provides ACT policing services and the ACT Department of Justice and Community Safety sits on the Fisher review implementation group, the ACT has still failed to respond to the review. That responsibility has been left to the Australian government, which is also still yet to respond.

The Fisher review also recommended that the ombudsman have oversight of internal complaints. In the AFP 2004-2005 annual report, eight serious public complaints and 37 internal allegations were reported as substantiated, yet it is only the external complaints that are at present independently overseen.

In 2004 the Australian government announced that it would set up an independent body to address corruption amongst law enforcement officers at a national level. It said it would address as a matter of urgency the form that this body should take, but only now is there any talk of legislation being introduced. Apparently the proposed body will not even have the power to investigate managerial and administrative corruption. That is inadequate as, in my view, the definition of corruption should be no less than that of the New South Wales Independent Commission Against Corruption.

In addition, I support the Australian Federal Police Association's call to block the introduction of Australian workplace agreements in the National Crime Commission and police forces. If officers' wages can be affected by their preparedness to report or act in certain ways then there is the potential to legitimise and foster an insidious form of corruption. AWAs give superintendents greater control over the pay, conditions and dismissal of their police and intelligence officers—as we know, they are by their very nature secret—and so are wholly inappropriate for maintaining the high level of ethics required in our police forces.

The AFPA has made a number of calls for an increase in police numbers, as they are facing a diminished capacity to conduct community policing and respond promptly to non-life threatening situations such as incidents in shopping centres. Maybe this is why community confidence in policing is falling.

The diminished investment in local policing is a dangerous situation, especially if the reason for diminished resources is the national security hype and increased funding and shifting of resources to anti-terrorism activity. I believe this is, in fact, happening. One of the most interesting findings from investigations following the London bombings was that local police have an important role to play in anti-terrorism strategies. Analysis in the US and UK has found that a strong relationship built on trust and mutual respect

between local communities and police can aid law enforcement agencies in gaining more knowledge of resident activity and may provide vital intelligence relating to potential terrorist threats, as well as, of course, other information about more pedestrian crimes. It is about being in touch with and trusted by the local community and knowing what is going on outside the confines of a squad car.

Finally, we must acknowledge that ACT Policing is a training ground for national and international AFP work. Yet the ACT government does not receive any recompense from the Australia government for supplying such a service. Indeed, we are paying for it. I would be interested to know to what degree this impacts on the quality of services that the ACT government is purchasing from the AFP and whether or not we are receiving value for money.

MR STEFANIAK (Ginninderra) (5.06): Mr Speaker, initially I will make a few comments on what was said in this debate by Mr Corbell and Dr Foskey. Mr Corbell started bleating that Mr Pratt's comments were sensationalist and represented some sort of change of attitude in terms of what he thought was a bipartisan approach. Mr Pratt's comments are very timely and I commend him for his interest in the problems, such as lack of numbers, facing ACT Policing. It is clearly the job of an opposition to highlight these issues.

Probably the most fundamental duty of any government is to look after the safety of its citizens, and at a territory level that means having a well-resourced and capable police force. Despite the significant problems faced by ACT Policing, we are very lucky in the territory to have a bunch of very dedicated men and women who operate at a very high standard under very difficult and trying conditions.

It is interesting to note, going around the community, that whilst people are very frustrated by a lack of police attendance—the difficulties police have in attending, the time taken to attend, and sometimes police never attending—it is pretty rare for their feelings to be vented on the police. I think people appreciate that the police are underresourced. Those are some of the main comments I get in respect of policing in the territory.

It is has been very depressing over the last two or three years especially to hear just how difficult it is for police to attend on time and how often the police simply appear to be snowed under. Those are some of the main criticisms I get in relation to policing and police numbers in the ACT. That is a real problem and ultimately it is up to the ACT government to ensure that we have sufficient numbers through the police agreement. We pay to get the number of police that the territory government wants and it is quite clear to me that we do not have enough police.

Mr Corbell mentioned the figure of 110. He seemed to think that that was just sworn officers. It is unsworn ones as well. But I think it is quite clear we are well under the national average and even 110 sworn officers will not get us up to the national average. I am sure we would be happy if the government provided another 110 sworn officers. This is crucially important.

I remind the minister that visibility is a very important factor. The minister talked about the ACT being a city state, and yes it is a city state. I drive around the ACT a lot and I

know that if you go interstate, especially into New South Wales, you will see many more police in places like Queanbeyan, Goulburn and the far South Coast. You will see stacks of police on the Canberra to Cooma highway. I suppose that is to be expected but even in Sydney itself you will see quite a lot of police. In Canberra you will not see as many police cars on the road as you would have seen 10 and certainly 20 years ago. There are very good reasons for that.

We know that the numbers have hardly moved in the last 25 years. I saw some figures recently which showed that we now have, I think, about 25 more sworn police officers in the ACT than we did in 1980, which is more than 25 years ago. That is about a four per cent or five per cent increase in police although, as the minister said, the population has gone up from about 170,000 to 323,000. Quite clearly, policing numbers have not remotely kept track with the increased number of people in the territory.

Crimes are getting more sophisticated. When you get to about 250,000 people in your city you tend to get much more serious crimes than you used to. In 1980 you would have been lucky to have had two or three armed robberies a year in Canberra. Now it is a miracle if you only get two or three armed robberies a week. The complexity of crime and the instance of more serious crime really means that this government has to pay a lot more attention to its police force.

Dr Foskey, in her, on the whole, very sensible speech, talked about accountability measures. I suppose they are all very well but, again, it gets back to resourcing. The police are having great difficulty finding the time to gather sufficient evidence and prepare briefs for court. The police are absolutely flat out going from job to job and then doing all their paperwork. Is it little wonder that some of the briefs of evidence are a little bit short? Then, of course, they are criticised by the courts for not having sufficient evidence. Whilst that is probably accurate, it is unfair criticism. You cannot be at three or four places at once and you cannot do three or four things at the same time in terms of being out on a job and perhaps preparing evidence. This problem is indicative of a lack of proper resourcing for our police force. We are seeing some other significant problems which are not going to go away. Even if the budget were to make provision for another 120 to 130 sworn police officers, it would still take some time for a number of things to go through the system.

One of the other big problems in ACT Policing which has not been addressed effectively by this government is the fact that a lot of experienced police are now reaching the magic age of 55 and retiring. Many of the officers that I used to have the honour and pleasure of dealing with when I was a prosecutor in the 80s—the old hard heads, the old experienced police who would know how to handle a difficult situation because of their years of experience—are leaving. You have a lot of very keen, very capable, very intelligent and very hardworking younger officers taking their place, but often they do not have that level of experience. And experience is important.

I think something like nine squads are used in Belconnen. These squads are lucky to have one or maybe two very experienced old sergeants, and that makes a huge difference. But, as I said, there are now a lot of other squads in the ACT where the average experience is only about three years, and that has to tell no matter how dedicated, courageous and efficient the officers are. These well-trained and wonderful officers who, in many instances, are very young men and women, do a fantastic job

protecting our community. They do so with very little assistance from government, very little assistance from the courts and very little assistance from other areas, and I think that is most unfortunate.

Not long ago I talked to some senior police who told me that in 1980 there used to be five cars at Woden. You are certainly going to get a wonderful police presence with that number of cars. People were able to see the police. Now the number is down to about one or two. I get complaints from people and, indeed, from police that we have only got one car to cover Belconnen. Whilst that is nothing new—I can recall back in 1990 hearing the occasional complaint that there were only two cars for all of Tuggeranong and that sometimes it was down to one—these are now regular complaints. You do not have to be Einstein to work it out. The numbers say it. If your police force is basically the same as it was in 1980 and your population has almost doubled, and the level of some types of crime, such as armed robbery—and we all know the reasons for that—has significantly increased, then you have a problem and it makes it that much harder for those dedicated men and women who put their lives on the line every day to do their job of properly protecting our community.

Let me give an example of the problems faced in my electorate. Over the school holidays at Christmas time and February there were a lot of problems at the Charnwood shops. Some young hoons were literally abusing and being quite aggressive to some women customers in a computer shop. It was quite a scary situation. The fellow in the computer shop called the police who said they would attend. After no-one turned up after half an hour, he called them again and they said that there were some other incidents they had to attend to. Luckily he rang up a mate of his who came down and just basically stood in the shop. His presence stopped these young hoons from continuing to do too much damage. Finally, after an hour and an half from the first call, the police were able to attend. The person who made the call is not blaming the police. They were flat out and they told him what they were doing. They just told him, "Look, there is no-one else available and we are the first car that can actually get there." I think that is indicative of this problem.

Again, the newsagent at Charnwood had some problems. This person, who has since sold up because he is getting on in years and has other interests, indicated that he had called the police on a number of occasions and was very happy with the assistance he received. However, he said that in a couple of instances the police had to send a car from Civic because there was just nothing available in Belconnen. Again, it gets down to numbers, and it is just so crucially important for us—

Mr Seselja: To see the reports.

MR STEFANIAK: Certainly we need to see the reports, and that is what Mr Pratt is asking for. We have heard what the minister had to say about the functional review but the government is very coy in showing this Assembly a lot of the documents it has trumpeted and which are mentioned in paragraphs (2) and (3) of Mr Pratt's motion. I can see no problem with the government showing these documents. I think in the past there have been instances of governments tabling these types of documents for the edification of members. The ability of our police force to protect the citizens of the ACT and the wherewithal given to them by government to do that are crucially important for governance in the ACT.

We are not talking in the motion about legislative problems and things like that. That is for another day. We are talking about resources. We need to see those documents and we need to do all we can for the AFP.

MR GENTLEMAN (Brindabella) (5.16): I echo the hope of the minister that we are not entering an era where we are going to see law and order issues sensationalised. We agree that the principal business of policing involves responding to crime and managing community safety. Crime is not running out of control in this city. The Canberra community expresses high levels of feeling safe. However, I do not minimise the impact of crime on victims, their families and friends. Crime is here with us, and at levels not atypical of an urban community. Therefore it exists to such an extent as to warrant that we never be complacent about it and that we respond responsibly.

In recent years, we have had serious concerns about some offences and patterns of offending. We have recognised the concern on large-volume property crime, particularly burglary and motor vehicle theft. We have recognised that we need to do more to protect people in relationships with respect to domestic violence and sexual assault. We have recognised that we need to face child protection and assault square on.

This government has acted responsibly to each of these concerns. We have in place a property crime reduction strategy targeting burglary and motor vehicle theft, and it is working. We have a family violence intervention project that is the envy of many other jurisdictions. We have tackled child protection and child assaults and dramatically increased resources in this area.

Let us set the record straight on crime and analyse the data police provide for the criminal justice statistical profile tabled this month. When looking at crime statistics and, indeed, many other forms of statistics, short-term trends are often volatile. Criminologists agree that the longer term trend provides a more accurate picture. For assaults or acts intended to cause injury, in the quarter to December 2005, there was an increase of 16 per cent to 525 from the 444 assaults reported in the September 2005 quarter. But the year-to-date comparisons showed a smaller, 2.6 per cent increase, with 1,912 assaults reported between March 2005 and December 2005, after 1,864 between March 2004 and December 2004.

While acknowledging the small increase, it is not indicative of crime out of control. There is a respected field of criminological research that indicates that an increase in recorded crime for assaults might be evidence that policies on domestic violence and child abuse are beginning to bite. In other words, programs that include mandatory reporting, pro-arrest policies and support for victims encourage higher rates of reporting of offences that are traditionally underreported.

Sexual assaults were 96 in December 2005, after the 74 reported in September 2005, a 23 per cent rise and the highest quarter in 12 months. Year-to-date comparisons show a decrease of 15 per cent, with 279 sexual assaults reported between March 2005 and December 2005, after 328 between March 2004 and December 2004.

Robbery decreased by 17 per cent in December 2005, with 65 cases reported, after 78 reported in September 2005. Year-to-date comparisons show an increase of 3 per cent

in robberies, with 258 reported between March 2005 and December 2005, and 251 between March 2004 and December 2004.

Criminologists advise that, in offences where the overall number of offences is relatively low, in the case of robbery and sexual assault typically, around 250 to 300 a year, the rates tend to be more volatile. It only needs two or three recidivist offenders to cause a spike until arrested.

Burglary and break and enter offences for December 2005 decreased by 16 per cent to 1,233, after 473 reported in September 2005. Year-to-date comparisons show a 12 per cent decrease, with 4,683 reported between March 2005 and December 2005, after 5,302 between March and December 2004.

There were 497 incidents of motor vehicle theft. That shows a decrease of 24 per cent from 650 reported in September 2005. Year-to-date comparisons show a rise of 17 per cent in motor vehicle theft, with 2,107 reported between March 2005 and December 2005, after 1,795 between March 2004 and December 2004. While this may seem alarming, I understand that we are coming off an exceptionally low base. The figures for the 12 months to December 2004 were the lowest recorded for many years.

I made reference earlier to the property crime reduction strategy. It is targeting motor vehicle theft and is using, as its statistical baseline indicator, the offences reported in the calendar year 2003, the last full year prior to the commencement of the strategy. I am advised that the strategy is on track in meeting its interim targets, the first of which was a reduction of 15 per cent on the 2003 rate by December 2005.

The ACT has the lowest imprisonment rate in Australia. There was an increase of 5 per cent to 128 in the December 2005 quarter, from 122 in September 2005. Year-to-date comparisons showed little change, with a monthly average of 117 between March 2005 and December 2005, and 119 between March and December 2004. The Belconnen Remand Centre admissions decreased by 23 per cent to 134 in the December 2005 quarter, from 174 in September 2005. Year-to-date comparisons show a 12 per cent decline, with 614 admissions between March 2005 and December 2005, and 701 admissions between March 2004 and December 2004.

We know that not all crime is reported to the police, for a variety of understandable reasons. The national survey that the Australian Bureau of Statistics undertook to capture unreported crime, the crime and safety report released in April 2006, indicates that, in those areas where the data was reliable, for the ACT there was a downward trend in persons reporting being victims of crime compared to the previous survey conducted in 2002. In the same 2006 crime and safety report the ACT had the second highest feelings of safety rating in the country, at 84.7 per cent, compared to Tasmanian's top rating of 85.3 per cent.

It is clear that, on any fair assessment of the data, crime is not out of control. Let me repeat what the minister has already stated: in budgets since the Stanhope government assumed office, funding has been provided for 60 extra policing positions. That is not an insubstantial increase. I reject the motion.

MR SMYTH (Brindabella—Leader of the Opposition) (5.24): It is interesting that we cling to this notion of 60 extra police officers out on the street when inquiries, through estimates and annual reports, clearly show that the numbers have gone down. Yes, there might have been funding for an extra 60 police officers but what is the net outcome? That is the point that Mr Pratt makes. We do not know.

Why do we not know? The minister will not release the reports; the minister will not give us progress reports on the negotiation of the new agreement. The new police minister has form when it comes to not releasing information or shutting down consultation. As the planning minister, he shut down the LAPACs. He made a commitment to a new planning regime, a new consultation regime in planning, that never occurred.

Remember this place used to get a regular report, once a month, about the 21st of the month, on hospital numbers. There they were, once a month. We always published them; we were happy to publish them. What did the minister do? He got rid of them. Now he says—and it was there in the paper—he is determined to release this report but just not yet. You have to ask why. I think the reason is the numbers in the report.

The police minister tried to say that Mr Pratt had got his numbers wrong; it was not 130, it was only 110 that we were short. Okay, it is only 110. The notion in the argument that the minister mounts is that, somehow, what we are saying is not correct. He is willing to at least admit to 110. I would take as a rather more accurate account what Chief Police Commissioner Keelty said the other day. He said that, in Australia, the national police average is 224 officers per 100,000. In the ACT, it is 187. So we are 37 officers short per 100,000. Three point three times 37 per 100,000 it is at least 122 officers that we are short.

In the reports that the minister has, I am quite confident, there are larger numbers quoted. Commander Amanda Newton—I am not sure whether she was a superintendent or a commander at the time; I will call her commander—did a time and motion study for the government. I am sure that the figure that police minister will find, if he bothers to read the report, is that, on the internal assessment of the AFP, they are 186 officers short against modern need. The job has changed. As Mr Stefaniak and Mr Pratt have said, the job has changed.

It is well and good to quote all the reasons why Canberra should not have the national average of police officers—we do not have ports; we do not have a coastline; we do not have a large rural area—but what is it that we do have that makes us different? First and foremost, it is the complexity of the job. The complexity of the job is often dictated by the laws that we pass in this place and the way those laws are administered by the court system. The complexity, the need and the detail that now have to go into a brief to get a conviction grows exponentially every year and makes the job of the officers harder. No wonder there is an attitude that sometimes it is just too hard to do. The requirement of proof has gone through the roof; the job has changed.

What makes Canberra special? The fact that we have got the parliament here, we have got all the departments here, we have got the diplomatic corps here, we have got defence institutions here; and the sheer size of the city. The minister says, "We are a city/state."

The population of Canberra is 330,000. You would lose it two or three times in the eastern suburbs of Sydney, an area probably a 10th or a 20th of the size of Canberra. Ashfield to Roseville is about 18 kilometres. Hornsby to Cronulla is probably about 40 kilometres.

From the top of Gungahlin to the bottom of Banks is about 45 kilometres. If you have only got two or three units on at night and there is a serious incident in Belconnen and your nearest available unit is at the bottom of Tuggeranong, you are going to have to use some sirens. You are talking about a 15 or 20-minute trip. That is something that is not revealed from what the minister had to say.

Canberra, as a terrorist target, makes us have different needs. The growth in what the police do in community welfare has been enormous in the last 10 years. There is no consideration given to that by the minister. After hours, they are the CAT team; they are the crisis team for mental health. If you ring the CAT team and they are busy or there are no officers available or they are all out on call, call the cops.

When I was police minister we put in place mental health awareness training for police officers. Why? Because more and more, because of the failings of the former health minister in health, you cannot get a crisis team member to come to your residence if there is a crisis. The comment often made is: "Call the police."

After hours, if you are lucky enough to get a CAT team member who will attend, they will often not go until a police officer is available to attend with them. There is no credit given by the minister to the way that the job has changed and the complexity of that job.

Nobody is asking for the Northern Territory numbers of more than 600 per 100,000. We all understand the scale of the problems that the Northern Territory has. We are asking, though, to give our officers the ability to do their jobs properly, to take their leave when they are owed it so that they are refreshed and revitalised when they come back on the job after each shift, for an increase. As Commissioner Keelty said, 100 would be a reasonable figure to aim for.

We are picked on by the minister; we are ridiculed for going for the national average. You will remember this, Mr Speaker: about two Fridays before the 2001 election, who was out there calling for the national average? It was Mr Hargreaves, the man who called AFP officers the Keystone cops, the former police minister who lost his portfolio because he had been so inept. Now the torch is with Mr Corbell.

It is interesting that, for about a week there, the Labor Party was in favour of a national average of police officers. But they quickly walked away from that. "We do not want too many more cops on the street." That has never been properly explained. It has never been explained why they betrayed that promise. This is the promise that was broken before they were elected. That is how good a promise it was from the Labor Party. That was their commitment to policing.

But the job has changed; the job is more complex. The whole point of Mr Pratt's motion is to ensure that we have adequate detail so that we can have a reasonable debate on this. But of course that is not what Mr Corbell is interested in. He will stymie any reasonable debate any time he can. But we know these internal reviews and time and motion studies

are there. We know that the joint study by ACT Policing and the Department of Justice and Community Safety is there. It was done seven or eight months ago. It has been sitting in a minister's tray for at least seven months. So this ridiculous notion that somehow it is now cabinet-in-confidence and is part of the budget process is just ridiculous.

Commander Newton's time and motion study is certainly not cabinet-in-confidence. It was done as an internal working document of the AFP. How you can sit on that and not release that is beyond me. I suspect that is not being released because the reasonable analysis done by a very competent police officer in Commander Newton is that the number required to deal with the specifics of the ACT, its age profile, the complexity of the job and the variation and changes in crime in the ACT, is 186 police officers. It has been justified by time and motion studies, numbers and the required capability to do the job properly.

It is interesting that somehow this is portrayed as some sort of shift in the debate. "At the 2004 election, Mr Pratt, what did you promise in terms of police officers? National average, 100 extra officers." This is not something we have shifted from; this is something we have held dear for a long time; and this is something that we would like you to prove why we should not have it. If you reckon there is a shift in the debate, Mr Corbell, shift the debate back by being honest, being open and being accountable, as was promised in the lead-up to the 2001 election and certainly held dear by the government since. Release these reports.

It is a ludicrous notion to say that these were prepared for cabinet. They were not prepared for cabinet. They were prepared to find out what we needed to do the job properly. One was done by the police themselves; the other one was done as a joint study. It is a reasonable motion; it is a reasonable thing to ask for. You say you want community involvement; you say you want to have reasonable discussions. Prove it; table the reports.

MR PRATT (Brindabella) (5.33), in reply: Let me respond to a couple of things said here. The first is the question of police numbers coming from the minister. The police numbers issue is extremely important because it reflects capability—the capability that we on this side of the house want to see reviewed. We want to see it reviewed quickly.

The 2004-05 ACT Policing annual report, which the minister approved, shows that the number of sworn police has dropped to a five-year low of 571 out of a total of 791 police. Yet, with the release of the 2006 Productivity Commission report into government services, the minister gloated about the figures that were published in the report which showed that in 2004-05 the ACT had 606 sworn officers out of a total of 802. That is not much of a difference, is it?

Even if we accept that, by the way, as part of an agreed debating framework, to use the minister's preferred figure of 110 versus my 130 per 100,000 head of population, the thrust of our argument does not change, because the difference is miniscule. The thrust of the argument—the concern about capability, the concern about what are we doing in overstretching our own police force—does not change.

Mr Hargreaves has previously boasted that, with an increase to the police budget of about \$26 million over four years, the government had recruited an additional 60 police. Mr Smyth touched on this. Yet the loss rate of police over the same period, I am reliably informed, has been somewhere in the vicinity of 81. What is the real net position? Was there a net increase? Was there a net loss of 21? I do not quite know that, and that is why we want to see what these reviews are saying. Over a four-year period, \$26 million spent, including for additional police, is a lot of money spent. What have we got for that? That is why we want to see what these reviews state.

Mr Corbell's comment that the Australian benchmark standard is irrelevant to the ACT is a very interesting shifting of the goalposts. Mr Smyth pointed out the geographic factors here versus other jurisdictions. Yes, they may be points taken into consideration, but let us have a look at the Canberra city/state. We have a population of 330,000. The urban density is another major factor when you consider how many police are required per capita.

I do not know why police authorities in this country, justice authorities and others who look at Australian policing created a benchmark of 289 police per 100,000 head of population if certain jurisdictions are going to ignore it. Is this not a best practice standard? Are we not looking at a benchmark which jurisdictions should be aiming at? Is that not the average benchmark at least, regardless of whether you have got sea ports; tens of thousands of square kilometres of rural space; an urban density, as we have in Canberra, which a lot of other jurisdictions do not have; and a federal seat of power which brings with it all the challenges that a police force has to face up to in terms of protection?

I put it to you, Mr Speaker, that the national benchmark is a true factor to be considered and one to be aimed for. I know that Mr Hargreaves, when he was aiming at that figure in election promises, probably did that for a very, very, very good reason—the point that Mr Smyth pointed out earlier.

The ACT community expects, and rightly so, that the government will ensure the provision of adequate police numbers to manage the territory's community policing needs. While the government boasts about their adequate provision of police numbers, indicators clearly show people's satisfaction with ACT police services is continuing to fall.

Figure 5.6 of the Productivity Commission report 2006 shows that satisfaction levels have shown a declining trend from around 70 per cent in 2002-03 to around 60 per cent in 2004-05. Figure 5.23 (b) of that same commission report shows that the ACT has the highest level of concern, at over 70 per cent, of house break-ins being a problem in their neighbourhood. It is a concerning figure.

However, the most alarming figure coming out of that Productivity Commission report is figure 5.27, which shows that the ACT has the highest level or armed robberies, at 125 per 100,000 people. We have the highest level of armed robberies in Australia—but not just the highest levels, the highest levels by an astounding 40 per cent.

The Stanhope government has failed to increase police numbers to keep up with some of those things. While Mr Gentleman, in his speech, might argue that there is no crime wave, that crime is not out of control, he is quite right. That is not our argument. We do not argue that there is a crime wave or that crime is out of control. We do not argue that that is why we are standing up here today having this debate. We argue that we are standing up here today having this debate because of figures such as the ones for armed robbery, which is 40 per cent higher here than in any other jurisdiction.

We argue that, with a police strength which is the worst jurisdictionally and which is below the national per capita figure per 100,000, this is another reason why we are standing here pushing this debate. We also say that, when you look outside the town centres, the police presence diminishes dramatically. We say that is why we question what police capacity we currently have.

We know, from the feedback from our police services, that they are feeling overstretched. We know that our police services want to have a stronger police presence in group shopping centres. We know that they feel frustrated that they cannot. That is why we ask this government to table here, by 16 May, the internal reviews and the Costello functional review as it pertains to police capability. That is why we say that, given these deep concerns as illustrated by these factors I have just outlined, we must see here some progress report at least on where the hell this police agreement has got to—a police agreement which is 14 months late. If we cannot see a draft police agreement, then we want to see here tabled all documents pertaining to the review and assessment of where this negotiation on the police agreement is going. We do not see that.

The opposition feels that the police agreement is simply not concrete enough and is not strong enough. We suggest that a lot of work needs to be done to make that police agreement much more measurable and much more concrete in its tasking. The government has all the rights in the world, in paying for a police service, to negotiate for a police service and to know what they are getting for their dollars.

We do not want to see the government wasting money. We do not want to see the government agreeing to a police agreement which is loose and fast and which allows standards not to be so easily measured. That is why we will be, in the not too distant future, coming back to this place with stronger recommendations on what this government should be doing with the police agreement. But until we see where they have got with a 14-month late police agreement, we do not know what that standard is.

A couple of other points were raised. The minister talked about—shock-horror—why we are having this debate; why have the rules of debate changed in this place; we were supposedly politicising the issue of policing and community safety. That really is just obfuscation on the part of the minister. He is just throwing down dust and smoke. He is just throwing down dust and smoke to evade the serious issues that this motion that we are putting here today raises. He ought to be prepared to be more transparent. If he tables the documents that we are seeking, then the Assembly as a whole will be much more sympathetic to working with the government to define a way in which, in terms of budget limitations, this government is able to buy a better police service and assist that service to be able to function in a more clear cut way.

Dr Foskey's observations here today were very, very wise and very, very welcome. As she points out too, the underlying premise is that the Assembly expects the government to be accountable for police capability in the service that it delivers. It is very pleasing to see the relationships that ACT police patrols have in Tuggeranong, Woden and Belconnen shopping centres. They are very effective. The beat police and the community policing presence are very effective, but we know that our police are overstretched. We know that our police want to go out to the group shopping centres and perform in the same way. Let us see these documents; let us see where the police capability has got.

MR SPEAKER: The member's time has expired.

Question put:

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

The Assembly voted—

Ayes 8		Noes 9	
Mrs Burke	Mr Seselja	Mr Barr	Mr Hargreaves
Mrs Dunne	Mr Smyth	Mr Berry	Ms MacDonald
Dr Foskey	Mr Stefaniak	Mr Corbell	Ms Porter
Mr Mulcahy		Ms Gallagher	Mr Stanhope
Mr Pratt		Mr Gentleman	•

Question so resolved in the negative.

Community links and partnerships—government initiatives

MS PORTER (Ginninderra) (5.48): I move:

That this Assembly:

- (1) notes the important role for Government in the building of links and partnership in the community;
- (2) recognises the contribution of the Department of Urban Services 'Round Town program in this context; and
- (3) encourages the development of further ACT Government initiatives that develop our sense of community.

When the Chief Minister launched the Canberra social plan in 2003, he quoted long-time Canberra resident the late Professor Manning Clark, who, upon taking the decision to move here, said:

Canberra had much to offer. There was the beauty of the place, the call of the Molonglo, Black Mountain, Mount Ainslie ... and in the distance the Australian Alps, with their message to all who had eyes to see that some things were from eternity and would not change ... The human scene was just as inviting ... For some, Canberra was a city without a soul. I came to the conclusion that its critics were talking about themselves. I loved it."

I hope the Premier of New South Wales has heard of Professor Clark's quote.

One of the main priorities of the Canberra social plan is for a strong, safe and cohesive community and working to help community network building at a grassroots level. It is about creating a community that is inclusive and supportive, a community where we know one another, where we can support and rely on one another through tough times, and where we can celebrate with one another in the joyful times. The government has an important role to pay in community building, developing links and partnerships in our community. I am proud to be part of a government that has these goals. I am proud to be part of a government that has these goals out in the social plan and be actively working towards them.

Mr Speaker, I have a passionate belief in the power of people when they get together. When people work together with determination and commitment, things get done. I moved to Canberra in 1977. At that time, I lived in the very new and growing area of Tuggeranong with three children. Initially, I spent a lot of time at home. I was lonely and frustrated as I did not know how to get out and meet people and develop relationships, having moved from the Northern Territory, where I worked in a very small, very close-knit indigenous community that had welcomed my family on arrival. The contrasts between the experience there and my experience when newly arrived in Canberra at that time were marked.

At the Top End we were so far away from anywhere and anyone that we had to rely on each other. We all knew each other's name and each other's business. I do not necessarily advocate that lack of privacy for individuals, but I believe that it would be beneficial if at least we knew our neighbours' names. I found Canberra to be a very different place, at that time at least, until I took the first step of reaching out to others, not waiting for others to reach out to me. Fortunately, quite soon after my arrival, I noticed an ad in the paper about a public meeting to set up a community service. Since I did not know anyone, I thought I would go along and meet people. From that public meeting, a steering committee of about six or seven people, including me, was formed to establish Tuggeranong Community Service, now known as Communities@Work.

The steering committee worked tirelessly and voluntarily to establish Tuggeranong Community Service. My colleagues and I built community links from the ground up to form the now Communities@Work, a multimillion dollar community organisation that provides a range of services across the southern areas of Canberra. Not only did I get the opportunity to work on important projects to establish one of Canberra's larger community organisations but also I had the opportunity to develop relationships with members of my own community that would last until today and see many of those people in key roles in our city.

Mr Speaker, you and I, along with other members for Ginninderra, are patrons of the West Belconnen Community Health Committee, another fantastic example of what happens when the community gets together and nurtures community partnerships. For those of you who may not be aware, in 2004 a steering committee was formed to establish a community health centre in West Belconnen. Local residents came together and developed a plan for a community health centre. This plan has been well and truly finalised, with the support and assistance of the Charnwood primary school, the Canberra

Labor Club and a local pharmacist. The plan is now in the process of being implemented. Very soon, we hope, West Belconnen will have a community health cooperative, as I said, thanks to the local community and local residents and stakeholders.

Building community links and partnerships actually builds our city. When people work together, they achieve magnificent things for Canberra. Not only are we becoming more inclusive and supportive as a community, but also we are developing important community links and Canberra initiatives and, at the same time, helping people realise their potential.

When I was elected, one of my goals was to work with the government on actively encouraging our community to build such networks, encouraging people to get to know their neighbours, developing a sense of community in their local areas, in the suburbs where they live, in their schools, in their churches and in their community groups. I wanted people to know the names of their neighbours, to be able to offer help and support when needed, to be involved with each other in sharing personal joys and celebrations as well as when things went wrong.

The idea is that strong links within the community create a stronger and more supportive community. This kind of community obviously is a more inclusive one. This kind of community makes sure that Mrs Jones, who is elderly and lives down the road, has some company during the week, is not alone all the time and maybe goes out with a neighbour. This kind of community may seem old-fashioned, but it is one that takes a casserole around to a neighbour when a family experiences trauma. This kind of community shares the job of driving the neighbourhood children to and from school, babysitting on a reciprocal basis, and making sure that the person next door's yard, pets and mail are looked after when they are away.

Psychologist, social commentator and recent chair of the Community Inclusion Board, Hugh Mackay, discusses this subject at length in his book *Turning Point*. He says:

Our affection for the word "village" is a sign of our yearning to live in a more connected, interdependent community.

He went on to say that we are hoping for "closer connections with neighbourhood; the security of feeling 'safe' both physically and emotionally".

A good example of how neighbourliness can be encouraged has been the formation of the community fire units in many suburbs, which, while training households to defend their own property, has the flow-on effect of building community in local streets. This is one of the best ways of encouraging the development of these strong links and partnerships and of a more connected and interdependent community than I have seen in a long time, bearing in mind my 30-year history in the community sector here.

Another example is the 'round town program of the Department of Urban Services. The 'round town program has established a range of community activities that provide a wonderful opportunity for people to get to know one another and for our community to develop those important links that I have been talking about. The other very important function of the 'round town program is the provision of opportunities for families to get together and spend time together in our busy day-to-day activities.

Last year I had the pleasure of attending the party in the park in Hawker, where I live. It was a wonderful opportunity for my husband and me to spend some time with my stepdaughter and her husband and our grandchildren. The children had a wonderful time, of course, jumping on castles and getting their faces painted, while we grown-ups greatly valued the opportunity to relax with each other and catch up on each other's news and offer each other support. Families of all kinds are important in our community, I think we would all agree, and they are important in building community. We should be encouraging opportunities for families to spend time together, families of every description. Also, open events such as party in the park give everyone a chance to become involved: the single person, the elderly, the young.

Mr Speaker, as I said previously, I am very proud to be part of a government that realises the value of close community connectedness and a government that works towards the goals of strong community links and partnerships. I am proud of my government's commitment to the community inclusion fund and social plan, our other commitments to building community and, last but certainly not least, our commitment to the 'round town program. As I have said, the program is a perfect example of the way government can encourage our community to get together and support each other. I look forward to seeing these programs continuing in the future and to seeing the wonderful results of these programs evident in our community.

MS BURKE (Molonglo) (5.57): I rise to speak to this motion for the 2½ minutes left. I guess I agree with the primary thrust of the motion put forward by Ms Porter, but I would like to add something here. I am not trying to be a knocker; I would not do that. Lots of people get a lot of good entertainment out of the many things that have been put on. But I would add that, whilst most of the events staged have been positive, I would hope to see the government putting as much energy into community consultation. I want to say for the public record that, whilst governments should spend a great deal of time, as this government certainly has done, on what happens around town as it can be beneficial to the community and pull communities together, I think that what pulls communities together even more, as I know Mrs Dunne has alluded to many times, is a better form of community consultation.

I thank the government for putting it on, but the 'round town program needs perhaps to be arranged around special days, such as Mother's Day, Father's Day, cultural events and sporting events such as triathlons because, unfortunately, lots of people do not turn up to certain events, such as the one at Eddison Park last Sunday. It was a little sad that there were only a couple of people there. I think that we can learn from that, but I would say that I think we need to make sure when we are trying to engage with the community that it is not so much about having picnics in the park as about trying to talk with, commune with and consult with people for better outcomes for the whole of the community.

Motion agreed to.

Adjournment

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

That the Assembly do now adjourn.

Jackey Best—cancer treatment Brumbies

MR STEFANIAK (Ginninderra) (6.00): I rise tonight for two reasons. The first is to enlist the help of members who want to donate to a very worthy cause concerning a seriously ill Canberra woman who has to pay a lot of money for her medical treatment because it is yet to be put on the federal schedule. Her name is Jackey Best. Members might have heard of her. She is a marvellous mother with a lovely husband. She is a magnificent painter. She is an indigenous lady who does some magnificent indigenous art and is a very talented person. She has already battled cancer, having undergone numerous operations and chemotherapy and radiotherapy sessions.

She has beaten cancer on several occasions. She had a brain tumour and there was only a fifty-fifty chance of success there, but she came through that magnificently. However, she is still getting treatment for another bout of cancer and is now receiving treatment with the drug Avastin. The cost of this drug is huge. It is not on the pharmaceutical register yet. The cost is \$8,000 per treatment every three weeks and it is likely that Jackey will require this treatment for the next 12 months.

I am very happy to help Jackey and I have appealed already to the Canberra community for funds. I am delighted that we are very close to having raised \$10,000 in this particular part of the appeal through just a lot of good, hard work amongst her friends. In a low key way, she has already raised about another \$13,000. We are up to about \$23,000, but her treatment could cost anything up to \$186,000. The treatment is going exceptionally well; it is basically saving Jackey's life. Any donation would be welcome.

People interested in donating can contact my office. Cheques can be made out to the Billabong Aboriginal Organisation. Please put on the back of any cheque that it is for the Jackey Best appeal and post it to C/- Linda Vincent, PO box 5638, Latham, ACT, 2615. Of course, donations are tax deductible.

In the recent bout of the appeal I said that once it reached \$5,000 I would have my head shaved. I will be doing that next Thursday, the 18th.

Mrs Dunne: You are overdue for a haircut.

MR STEFANIAK: I am due for a haircut. I am pretty ugly and I suppose that I cannot get much more ugly. I hope that I will not scare children. Someone did tell me that if you cut your hair it actually grows back better and I am looking forward to that in a way. It is for a fantastic cause. She is truly a magnificent, inspirational lady and, if anyone is interested in donating, please do so. That would be fantastic. We might have a few extra thousand by the 18th, in which case Lisa Harvey, who is a prominent real estate agent, and Jamie Best, who has a beard about two feet long, are also going to have their heads shaved and in Jamie's case I think that his beard will be shaved as well. I commend that appeal to members.

Turning to my next point, I note that the finals season is coming up for the ACT Brumbies. This week they are to play the Crusaders without their halves combination of George Gregan, who has been suspended for a week, and

Steve Larkham. The game against the Crusaders will be very difficult for them. I think we need to wish them all the best. The Brumbies are in with a big show. If they do not beat them, they can still make the finals. Even so, they will probably have to go back and play the Crusaders again the following week; so it is going to be very hard for them.

Whilst I normally do not have a huge regard for New South Wales, I know, having played rugby for many years, that they can be very difficult to beat. They are an Australian team and, if the Brumbies do not make it, I certainly hope they will, although the way they went against the Chiefs last week in a game they should have won was somewhat disappointing. But the Brumbies are still in with a big show. It is going to be very hard. I am sure that you will all join me in wishing them all the best as they approach the finals.

Murray-Darling Basin—rice production

MRS DUNNE (Ginninderra) (6.03): Mr Speaker, last night's federal budget announcement about \$500 million being allocated to the Murray-Darling Basin raised in my mind the problems caused by thirsty agricultural practices like those in the cotton and rice industries. The issue of rice production in Australia is a quagmire of debate and conflict of interest. Roughly, the two sides of the debate come down to those who feel that rice production in Australia is more important than the ecological future of the Murray-Darling Basin and those who think that the rice industry should use considerably less water or face the consequences.

According to the Australian Bureau of Statistics, rice is Australia's most water-intensive industry, with an irrigated gross value of just \$189 per megalitre of water used. For the benefit of the laymen amongst us, including me, that means that for every dollar's worth of rice produced in the husk 7,459 litres of water is needed. Such a figure in itself should be enough to close the debate on this issue, but I think that it probably needs further illumination and illustration.

That amount of water, 7,459 litres, is the equivalent of 11 Olympic-size swimming pools: 11 Olympic-size swimming pools for every kilo of rice produced in the water stressed Murray-Darling Basin. By contrast, for every dollar of wine produced 503 litres of water are used and for every dollar of fruit and vegetables produced 103 litres of water are used. Even those combined figures are roughly only eight per cent of the amount of water used in rice production. This crop surely fits the AFFA description of inefficient and inappropriate water use.

The rice industry has caused serious concern to me and many others in the community and I think that these concerns need to be addressed. Fundamentally speaking, rice is a primary product which naturally comes from the monsoon wetlands of Asia and has been applied to the thin soils of the arid plains of New South Wales. There has been undeniable success through increased yields per hectare since the 1970s, but at a cost to the environment and at a cost to future generations.

Cotton is Australia's next most prolific consumer of water, and 1,600 litres of water are required for every dollar of cotton produced. That is considerably less than for rice, but cotton growing is a practice which causes considerable concern in rural Australia. The pesticide use associated with cotton has huge impacts where there is run-off. The

overspraying that lands on other people's properties means that often meat is contaminated and cannot be taken to market. The effects that it has on the ancient water of the Artesian Basin, which is used with such profligacy, is a matter of considerable concern.

The most outstanding example of how water is used for cotton production is the spectacular, for want of a better word, Cubby Station. My Liberal colleague in the Senate, Senator Bill Heffernan, stated recently:

In Queensland, the great national disgrace remains the water harvesting at Cubby Station which completely intercepts the water rights of downstream users.

The people downstream in the Darling are extremely disadvantaged. According to the *Australian* newspaper, while we in the ACT are paying in excess of \$1.30 a kilolitre, the country's largest irrigators in the Murray irrigation and Goulburn Valley are paying somewhere between 2c and 3c per kilolitre and, even worse, the owners of Cubby Station are paying 0.3c per kilolitre.

There are both economic and ecological implications for the continuing of rice and cotton industries in Australia. I think that the \$500 million provided in the federal budget for retrieving water out of the Murray-Darling Basin could best be put to use by creating structural adjustment schemes for cotton and rice growers to hand back their water rights, to convert their farming practices to something which is more suitable to our arid climate, for the benefit of the Murray-Darling Basin, for the benefit of the economy of Australia, and for the benefit of the ecology of Australia and of future generations.

Federal budget

DR FOSKEY (Molonglo) (6.08): Mr Speaker:

There was a time, or so we'll tell our great-grandchildren ... when being Australian was a point of pride. When Australianness stood for honestly, optimism and a fair go ... a twinkle in the eye and one up authority.

When things did get tough, in the early 21st century, there was a fleeting chance for us to signify, to show leadership, imagination and courage. There we sat, at the far, balmy end of the world, with vast resources, limitless space, a glorious climate and relatively few mouths to feed. We were educated, healthy and remarkably wealthy. All of this we could have used as a force for good. A force for survival.

Instead, we chose to get richer, fatter and smugger. We had resources to burn and, my, we burnt them. What a fire it was. We let our fauna drift into extinction and our indigenes into indigence. Instead of harvesting wind, wave, hot-rock or sun energy, which we had in sparkling abundance, we sold our forests for toilet tissue, our rivers for cotton farming, our space for radioactive waste, our military for oil.

And yet, as the icecaps started to melt and the earth to drown, we sank ever deeper into denial. While old Europe poured her energies into sustaining big, dense populations on the few renewables she could muster, we, stuck in neutral, let the mining lobby draft our energy policy, and the developers draft our urban plans. So, while the old world leapt forward we new worlders went on filling our air with fossil fuels and covering our remaining farmlands with fat, eaveless houses ...

What's that? Didn't anyone revolt? ... In fact, our politicians were more timid than anyone ... the government talked about "sustainability" while frantically building roads; chopped down more trees for sustainability press releases than were saved in their national parks. Only when they finally shuffled off did we notice that they hadn't done anything but line the pockets of the mates-in-industry.

... Meanwhile, the feds simply pretended climate change wasn't real. Like children under the bed they rejected international agreements and put every freak climate event down to "intelligent design"

And yes, people noticed. Sure. Outsiders especially, who came expecting a land of hope and instead found the entire country out to a very long lunch. (As Clive Hamilton once groaned, even as they extracted his thumbnails: "The Howard government still doesn't get it.")

Elizabeth Farrelly's opinion piece in today's *Sydney Morning Herald* is specifically a critique of planning in New South Wales. I have read an abridged version today as a foreword to some comments on the federal budget, which I see as the equivalent of fiddling while the fire gets ever closer to Rome.

As far as I can see, the federal government's budget delivers short-term rewards to working families but invests little in the social sphere and forgets about the environment. At a time when research shows that the gap between rich and poor is wider than it has ever been, the federal government has failed to invest in services which would make life better for all of us. An investment in social housing and public dentistry programs, two things that would significantly improve the lives of our poorest people, was glaringly absent.

The \$500 million for the Murray-Darling system is welcome, but we must remember that billions of dollars have already been thrown at the Murray-Darling with little to show for it. Politics and lack of commitment are the problem, not money shortages alone. It is unclear how the Murrumbidgee will benefit from that and, without a representative on the Murray-Darling ministerial council, there is little that the ACT can do to increase attention to the river system that we are part of. Indeed, there is a good chance that the \$500 million will go in payouts to farmers, perhaps for some of the schemes that Mrs Dunne was suggesting earlier.

Mr Speaker, you would never know that there was a looming oil crisis or that climate change demands action if you listened to the ACT's local and federal politicians, which I had the pleasure of hearing this morning at the chamber of commerce breakfast. The budget is in denial about these trends and locks us into further dependence on selling non-renewable resources such as uranium. It is a budget which wants people to keep on spending, but it robs our children of the choices that the federal government claims are its responsibility to deliver.

Public housing—funding

MRS BURKE (Molonglo) (6.13): I put on the public record a correction of something that Mr Corbell said. Maybe it was just a slip of words but it seems to be a trait that has happened a couple of times this week. It was about public housing and the \$30 million

funding that was a pre-election promise by the Stanhope government prior to the 2004 election. Mr Corbell said words to the effect that I have said that I ought to call for more money for public housing. That is simply not true. I do not believe I have ever, in this Assembly and probably the previous one—but certainly not in this Assembly—called for more money for public housing. The shadow Treasurer would not let me. There is no way. So we are very tight on that. I have to say that I simply want the government to come good on its pre-election promise.

Mr Corbell: That's it?

MRS BURKE: Mr Corbell can interject all he wants. He is feeling very embarrassed, sitting there. Better management of the territory's finances might have assured the housing sector, as we saw this morning—

Mr Corbell: So you are not calling for more funding, but you are calling for more funding.

MRS BURKE: You are very touchy. You are having a bad week. Obviously it has touched a nerve with Mr Corbell. Clearly he is trying to make mischief. Clearly he is trying to say something I never said. I am glad he is smiling and is in better cheer than he was earlier in the week and certainly earlier in the day.

Let us not forget that this election promise is now 18 months overdue. I point Mr Corbell to the Auditor-General's report. It makes for fascinating reading. He may find some useful recommendations there about areas where cost savings and efficiencies can be made. I finish on this note: if Mr Corbell feels he cannot correct the public record and stand up and be a gentleman and be a man, to quote the Chief Minister's words, then it is he who is the problem, not I.

Water conservation

MR MULCAHY (Molonglo) (6.15): I make some brief comments applauding the innovative and practical measures that local residents are taking to improve water use in the ACT, thanks to the support of the federal government's community water grants scheme. I was indebted recently to receive a briefing for me and one of my advisers from the federal Parliamentary Secretary to the Minister for the Environment and Heritage, Mr Greg Hunt MP, who was good enough to brief me in these areas shortly after my appointment as shadow minister for water.

The federal government has allocated \$200 million over five years to offer grants of up to \$50,000 to eligible applicants in local communities. These grants are encouraging the development of practical and effective projects that will result in greater community participation in sustainable water use activities.

The first successful round of community water grants projects was announced on 13 March this year. Funding of \$61.5 million was offered for 1,750 projects that will contribute to the conservation and protection of Australia's precious water resources. Of this first round, in which approximately one in three proposals were approved, more than 90 per cent were targeted at water saving and are expected to save around 18,500 megalitres of water each year.

But as well as saving water, community water grant projects promote wise water use, community engagement and greater popular awareness about the pressing issues of water efficiency and conservation, water reuse and recycling. A significant proportion of grant recipients were right here in the ACT.

I mention just a few of these projects to illustrate the kinds of practical water conservation measures that have been devised by territorians. Melrose primary school in Chifley has proposed a rainwater saving project that will now be able to install rainwater tanks to collect water from the roof of the school. According to the plan, this collected water will be used for toilet flushing and irrigation for the school grounds. In addition to the existing downpipe, the drainage system will be modified to increase water-harvesting effectiveness. With the \$45,455 grant that was received, the project is predicted to save 498,000 litres of water each year.

Dickson college in Canberra has also developed a school indoor water efficiency project which will now be able to greatly improve water efficiency at the college by implementing a range of water-saving initiatives. These initiatives include the installation of constant flow valves on taps, the replacement of inefficient toilets and a sealing of leaks. In addition, the school has expressed interest in trialling the use of a waterless urinal. Thanks to their \$42,019 grant, Dickson college will now be saving around 411,000 litres of water each year.

Finally, the Australian National University has successfully received a grant to implement a water reuse project that involves its chemistry laboratories. This project will make a monumental difference to the university's water saving by using air-cooled chillers to cool and reticulate water that passes through rotor evaporators in these labs. With this simple but practical solution that received \$40,568 to put it into action, approximately 26 million litres of water will be saved per year.

These innovative measures, which were created and proposed by local territorians to improve the sustainability of our water use and contribute to the long-term water health of our community, would not have been possible without the support and encouragement of the federal government that recognises the value that individual contributions can make to the betterment of society. I applaud the individuals behind these efforts and the forward-thinking policies that champion them.

Federal budget

MR GENTLEMAN (Brindabella) (6.19): Today this Assembly has had to endure yet another ode to the federal Liberals by the unquestioning and blindly faithful ACT opposition. Mr Mulcahy this morning was almost breathless as he sung the virtues of 7,000 public servants coming to Canberra, as promised by Messrs Howard and Costello.

It appears that the memories of the opposition are as short as the sight of the federal government, because if the opposition had any worthwhile recall they would recollect that it was 10 years ago that Howard and co slashed 14,000 jobs in the ACT. It has taken them 10 years to discover that their policy of economic rationalism simply does not work. But 7,000 is only half of 14,000, and I can only imagine Mr Mulcahy's excitement if the ACT were rewarded, as it were, with the return of all of the jobs slashed in 1996.

But it is not just here that the Howard-Costello budget fails the people of the ACT and, indeed, Australia. On leaving the budget breakfast this morning, the businesspeople at my table reflected, "This government is treating Australia like a quarry. What happens when the quarry is mined out? It is short-term thinking." The gentlemen said, "We should be investing in technological advancement and education. That is the future."

On aged care, this budget has failed. It does nothing to improve the standard of aged care in this country. Here the federal government had the opportunity to review facility accreditation, to provide funding for programs that eliminate violence against residents and to regulate staff-to-resident ratios. It has done nothing.

Health also suffered the federal government's snub. AMA president Mukesh Haikerwal said this morning:

So much could have been achieved with a big budget surplus, especially in indigenous health, and in combating obesity. With the budget surplus screaming out for big ticket items, we find ourselves in a health policy two-dollar shop.

Those areas that the federal government claim are supposed winners out of this budget receive bandaids instead of real solutions.

There are currently 174,000 families on waiting lists for childcare places. Apparently, we should shout aloud the praises of the federal government for their additional 25,000 places. I will not, because I did the maths. That is a decrease of only 14 per cent on current shortages. This measly 14 per cent reduction is not only bad politics but also bad economics, with reports by the Department of Family and Community Services showing a return of \$2 on every dollar spent on childcare in the form of increased tax revenue from working mums and savings on welfare spending.

Further on childcare, this budget had the opportunity to address child-to-carer ratios, staff turnover and again accreditation of facilities to ensure that our children are provided with the safest and best care possible. Instead, we are supposed to applaud the bandaid. What of children outside of childcare? What is the federal government's contribution to education? This is yet another budget that dumps TAFE facilities in marginal seats, a continuing policy of pork-barrelling.

As we have seen time and time again, Costello budgets are not about long-term solutions, they are about short-term political advantage. And it is here that this budget draws most of its criticism: tax cuts for supposed middle Australia and superannuation changes that disproportionately benefit the well-to-do. All these, economists claim, are spending the savings that are necessary for when the resource boom collapses. Any tax cuts will soon be sucked up by a rise in interest rates and petrol costs anyway.

This budget is not responsible. It does not assist middle Australia. It ignores those in our community for whom struggle is a way of life. Even with an apparent surplus of \$10.8 million, the Howard government fails to deliver for the people of Canberra. I urge the opposition to get their heads out of the sand. Their blind adoration of the Howard government is unwarranted.

Random breath tests
Road fatalities
Public housing—funding

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (6.24), in reply: There are a couple of issues worth reflecting on tonight in the debates today. The first is in relation to drink-driving and Mr Pratt's claim about the reduction in random breath tests in Canberra over the past year. It is true that during 2004 and 2005 ACT Policing conducted close to 47,000—46,898, to be precise—random breath tests in Canberra. This was down on previous years.

Mr Pratt needs to get with the program and to get up to date with the latest figures. To date in this financial year, ACT Policing have conducted 64,816 random breath tests and is on track to complete 75,000 random breath tests for this financial year. That is a pretty big difference from the previous year, and I look forward to a media release from Mr Pratt welcoming this improvement.

It is also worth noting that, overall, very fortunately, the number of fatalities to date on ACT roads has been dramatically less than for the same time last year. Last year, to the beginning of May, we had tragically seen nine fatalities on Canberra's roads. This year we have seen only two. Every death is a tragedy. To see that level of reduction is, nevertheless, very welcome. It is worth putting those things on the record.

The other interesting thing that I briefly comment on tonight is the issue that was raised by Mrs Burke: "When is \$30 million not \$30 million? It is not \$30 million when government makes a commitment for it." But the point I make to Mrs Burke, through you, Mr Speaker, is that \$30 million is still \$30 million. There is no getting around the fact that, if you call for \$30 million worth of expenditure, it does not matter who promised it, it is still \$30 million. This simply reinforces my point. The Liberals cannot have it both ways. They cannot say, "Do not spend any more money," but then say, "But do spend the money you promised to spend." Either they are serious about saying, "No more expenditure," or they are not. And \$30 million is still \$30 million is still \$30 million. There is no way around that.

That highlights the flip-flop that we have seen from the Liberal Party on a whole range of issues over the last couple of weeks. Mr Seselja asked, "When is a school closure not a school closure?" That is Mr Seselja. And there is a good one by Mrs Burke: "When is \$30 million not \$30 million?" It is the same approach from Mrs Burke.

This is the hypocrisy and double standards we are hearing from the Liberal Party in the lead-up to the budget. I am afraid that it is probably only going to continue as we head through the budget period.

Question resolved in the affirmative.

The Assembly adjourned at 6.28 pm.