



Debates

WEEKLY HANSARD

Legislative Assembly for the ACT

SIXTH ASSEMBLY

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Tuesday, 19 September 2006

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Tuesday, 19 September 2006

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

Petitions

The following petitions were lodged for presentation:

Dragway

By Dr Foskey, from 2,804 residents:

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

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

- We value the peace and quiet enjoyed by residents in the Majura Valley and the suburbs of Watson, Hackett, Ainslie and Campbell.
- The Mt Ainslie/Majura Nature Reserve is one of Canberra's favourite public places, which we also value for its peace and quiet.
- The proposed dragway at block 51, Majura Valley will generate levels of noise pollution that will destroy what we value.
- Other impacts of the proposed dragway concern us too, because they threaten Aboriginal and European heritage, wildlife corridors, the Molonglo catchment, and the productivity of agricultural land.
- Spending large amounts of public money on a private dragway is unacceptable to us, particularly in times of budgetary hardship.
- We strongly object to any ongoing subsidies for the proposed dragway, or any further expenditure of public money beyond what has been appropriated (\$8m).
- In short, the costs of the dragway (both financial and non-financial) are unreasonable, and therefore unacceptable to us.

Your petitioners therefore request the Assembly to abandon the proposal to build a dragway on Block 51, Majura Valley.

Schools—closures

By Ms Porter, from 47 residents:

TO THE HONORABLE SPEAKER AND MEMBERS OF THE A.C.T. LEGISLATIVE ASSEMBLY:

We the undersigned draws to the attention of the assembly to keep Hall Primary open.

The closing of this unique and historical school will have a severe effect on the students, the bus service and the Hall economy:

Your petitioners therefore request the A.C.T. Legislative Assembly not to close Hall Primary.

Schools—closures

By Ms Porter, from 14 residents:

TO THE SPEAKER AND LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

PETITION from Watson Preschool P&C on Towards 2020: Renewing our Schools regarding the closure of Hackett Pre School.

We the undersigned believe that the closure of Hackett Pre School will have an unacceptable impact on Watson Preschool. Currently, and in the past, Watson Pre School has run at close to its full capacity of fifty children (e.g. 48 out of 50 places in 2006). Closure of Hackett Pre School would increase the demand within area of Watson Preschool. This could result in several unacceptable scenarios, such as 'in-area' families being unable to obtain a place in Watson Pre School due to over demand, 'out of area' families with older siblings in Majura Primary (just across the road) being unable to obtain a place in Watson Pre School resulting in transportation difficulties, children attending Nipperville (the nearby day care centre) being unable to obtain a place.

Consequently, we the undersigned request that Hackett Pre School should remain open as we believe the closure of Hackett Pre School will have a negative impact on Watson Pre School.

Schools—closures

By Ms Porter, from 19 residents:

TO THE SPEAKER AND LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

PETITION from Watson Preschool P&C on Towards 2020: Renewing our Schools regarding the closure of Dickson College.

We the undersigned request that Dickson College should remain open so that the students of North Canberra have access to a locally based secondary school.

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

Dragway

DR FOSKEY (Molonglo): I seek leave to make a statement regarding the petition on the dragway.

Leave granted.

DR FOSKEY: This petition, calling for the proposed dragway to be abandoned, was handed over to me at a ceremony on Trevor and Sonja Brogan's farm, "Gladefield", in the Majura Valley. People would know that that is the proposed site for the dragway. Trevor and Sonja are very concerned that they will lose that farm and all the work that they have put into it if the proposed dragway goes ahead, work involving replanting and the destruction of an old settlers cottage.

All these signatures were collected over a number of months by residents of the northern suburbs. Hackett, as people would know, is the closest to the site of the dragway. I think that a lot of impetus for signing the petition has been gained over recent months with the meetings about school closures as people have become aware that there are lots of cuts being inflicted on the community but the dragway budget itself is going untouched and there is concern that, in fact, the dragway will cost a lot more than \$8 million because the government's own studies show that that will be the case.

The people who oppose the dragway are of several categories. There are the people who live near the dragway site and oppose it due to loss of amenity and there are probably a growing number of people who are just concerned about money going there when they see other needs for it. I think that, as understanding of the impacts of climate change and oil shortages kicks in, there will be a growing number of people who will oppose it on those grounds.

I do not think it is at all helpful to call people who oppose the dragway for any of those reasons and others elitists simply because they do not get off on motor racing. I think that everyone would understand why anybody who chose to move to a place for certain reasons and then found those reasons challenged and probably compromised and the quality of life they had enjoyed lost would oppose any proposal like that. This is something that we value and encourage in our democratic society. We certainly do not seek to quieten people by calling them names and accusing them of being classist, which I believe has been done recently. So I commend the petition to you, Mr Speaker.

Legal Affairs—Standing Committee Scrutiny report 32

MR STEFANIAK (Ginninderra—Leader of the Opposition): I present the following report:

Legal Affairs—Standing Committee (performing the duties of a Scrutiny of Bills and Subordinate Legislation Committee)—scrutiny report 32, dated 18 September 2006, together with the relevant minutes of proceedings.

I seek leave to make a brief statement.

Leave granted.

MR STEFANIAK: Scrutiny report 32 contains the committee's comments on five bills, three pieces of supporting legislation and 10 government responses. The report was

circulated to members when the Assembly was not sitting. I commend the report to the Assembly.

Planning and Environment—Standing Committee Report 21

MR GENTLEMAN (Brindabella) (10.36): I present the following report:

Report 21 of the Standing Committee on Planning and Environment entitled *Draft variation to the territory plan No. 257—suburb of Crace, Gungahlin* including a dissenting report, together with a copy of the extracts of the relevant minutes of proceedings.

I move:

That the report be noted.

After much consultation and discussion over the past number of months, I have now tabled the report on variation No 257 to the territory plan, relating to the suburb of Crace in Gungahlin, on behalf of the Standing Committee on Planning and Environment. The proposed suburb of Crace is one of the last undeveloped suburbs in Gungahlin. This variation to the territory plan sets out the planning principles and policies that will guide the development of the new suburb.

Crace is located in the southern portion of Gungahlin, south of the suburb of Palmerston, and has an area of approximately 133 hectares. It is expected to be inhabited by a population of about 3,000 in a variety of residential and urban residential dwellings. It will have community facilities and a mixed use shopping area. Crace had not been previously developed because it had been occupied by a CSIRO field station. The ACT government acquired the land from the commonwealth in 2004 and it has been deemed ready for urban development.

The purpose of the variation is to set out the principles and policies that reflect the planning intent and inform the development of the future suburb. The variation proposes to apply a defined land overlay to the area; adjust the current boundaries of the hills, ridges and buffer areas and residential policies between Crace, the Barton Highway and Gungaderra nature reserve; create areas of open space in the suburb, including two water quality control ponds; identify the local centre site; apply residential B9 area specific policy in the area around the Crace local centre; designate the major roads through the suburb; and introduce a broadacre land use policy in the north-eastern area of the suburb.

Issues such as domestic pet concerns, stormwater management, cultural heritage, biodiversity protection and transport were also addressed by way of this report, with positive implications for the territory plan. The committee believes that the recommendations within this report on variation No 257 to the territory plan will enable overall planning and development of Crace and future suburbs to incorporate sustainability principles including social, cultural, economic, environmental and ecological considerations. I urge the Assembly to take note of this report and endorse the recommendations contained therein.

MR SESELJA (Molonglo) (10.39): I would like to make a few comments on the report. Firstly, I think it is important that we are developing some of these newer suburbs in Gungahlin. There is significant demand in the ACT market at the moment for new residential space and I think it is important that we do bring these things on line. I want to raise a couple of the committee's recommendations that I opposed and make brief comments in relation to some of those.

Recommendation 5 states:

The Committee recommends that the Minister for Planning reconsider the width of the buffer areas in the proposed suburb of Crace along Barton Highway and adjacent to Gungaharra Grassland Nature Reserve with a view to widening these and strengthening their native landscape character with plants of local provenance.

I think it is important to have sufficient buffer zones and I think that ACTPLA and the ACT government have taken account of that through a fairly detailed process. My concern, as I will outline with some of the other recommendations, is that we consistently tinker at the edges or make recommendations about tinkering at the edges and every time we do that, for all sorts of reasons, we just reduce the amount of available space in these new suburbs. It is important that we get the balance right, but I think that due consideration has been given to issues such as buffer zones and to other environmental considerations which I will get into in a moment.

I think that every time we limit the space we put further upward pressure on prices in the ACT market. The most recent survey result showed that the cost of housing in the ACT is the third highest in the country. The ACT has only just been overtaken by Western Australia simply because of the massive resources boom there and the absolutely unbelievable house prices in Western Australia at the moment. I think that is a genuine concern and that is one of my concerns with recommendations like this one.

Another recommendation which I had some concerns with is recommendation 11, which reads:

The Committee recommends that in the proposed suburb of Crace, the bushfire protection zone should be established outside nature reserves with adjacent edge roads, where possible, so as not to erode the reserves' biodiversity values.

My concern there is that in terms of bushfire protection, bushfire abatement zones, our primary focus should be on protecting the community. I think that needs to be paramount and I do not think that we should be dictating to government that they should have all sorts of other considerations in terms of bushfire protection zones. The absolute primary focus of these should be to avoid the kind of calamity we had in January 2003 with the massive loss of property and life. So I think it is important that we do not have arbitrary limits on where those bushfire protection zones are put. I think they should be put in a place which gives maximum protection to the community. Recommendation 12 states:

The Committee recommends that the Planning and Land Authority attach conditions to each approved development application that will result in the loss of a significant tree or trees, requiring the developer to contribute to a biodiversity restoration initiative that will deliver equivalent biodiversity value.

I wish to make a couple of comments in relation to that. Firstly, we need to acknowledge that whenever we develop a new greenfields site there is going to be some environmental effect. Of course, all governments take account of that through various studies. I would encourage the government to continue to try to ensure that the environmental impact is the minimum possible.

Of course some trees are going to go and some of those trees are going to be significant. I think it is unrealistic and overly prescriptive to suggest that we should say to developers that they have to put in place restoration initiatives that will deliver equivalent biodiversity value. Firstly, it is a bit vague how you would judge whether the restoration initiative has delivered equivalent biodiversity value, but I think we do need to recognise that development does come with some environmental costs. If there were no growth in Canberra, if there were fewer and fewer people here, the impact on the environment certainly would be less, but the reality is that as the city grows there will be some environmental impact. We need to make sure that that is not too significant. I do not think many in the community would suggest, where a few significant trees would have to go in order to make way for new homes, that that would be an unreasonable impact on the environment.

I think that those kinds of things, going back once again to my earlier point, just tend to add to costs and are overly prescriptive. I think it is a vague concept anyway, but it does tend to add to costs, and the costs of building in the ACT are amongst the highest in the country as well. So we do need to be careful not to put more and more burdens on builders and developers as the costs of those burdens are inevitably passed on to first home buyers. I have real concern about the difficulty for young people in particular of getting into the housing market in the ACT. The more we place these burdens, and I think in this case unreasonable burdens, on builders and developers, the more upward pressure there will be on building costs and on the cost of the land.

Mr Speaker, we have made our position clear on cat containment zones before, so I will not go into that. Recommendation 15 states:

The Committee recommends “where possible” be replaced with “as a priority and under the Tree Protection Act 2005” ...

I would make the same sort of point as I was making in relation to recommendation 12. We do not want to put in place undue burdens. I think we already have a fairly stringent system in the ACT in terms of tree protection. I would argue that perhaps it has gone too far, but certainly we have more than enough protection for significant trees. There would not be a developer in town anymore who could get away with just knocking down trees where they liked. In fact, it is not in the interests of anyone for developers to be knocking down trees if they do not need to, because most people enjoy the amenity that trees bring to their blocks and they actually add value. So there is not a real commercial imperative in most cases for removing trees, except where it is necessary for the actual house to be constructed or for the various site works to be conducted.

In general, I think Crace will be a fantastic new suburb. The ever growing Gungahlin market is becoming a better and better place to live. I hope that Crace will add to that in a really positive and significant way, but I do think that we need to be careful generally

not to unduly restrict development and, when we make recommendations, I think it is important that we take account of the impact of those recommendation not just on the environment but, if those recommendations were taken up, on the cost of housing in the ACT, which is an ever growing and ever important issue.

Question resolved in the affirmative.

Leave of absence

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

That leave of absence be given to Mr Barr (Minister for Education and Training) and Mr Corbell (Attorney-General) for this sitting.

Electoral Amendment Bill 2006

Detail stage

Debate resumed from 17 August 2006.

Clauses 1 to 3.

Clauses 1 to 3 agreed to.

Clause 4.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (10.48): I move amendment No 1 circulated in my name [*see schedule 1 at page 2907*].

My amendment No 1 is a substituted amendment which we put in last time. This particular bill has had more false starts than a lot that have been reported in this place. It replicates an amendment initially put in by Dr Foskey. The Liberal Party had a look at the bill again and felt that, given the discussions last time between the Attorney-General, Dr Foskey and me, this probably would be the best way to go.

This particular amendment will ensure, firstly, that a person who had been a member of any parliament in Australia or a legislature of a state or territory, including, of course, the Legislative Assembly, could not be appointed a member. However, it would enable the executive to appoint a person who had not been, in the five years immediately before such an appointment, a member of a political party registered under the law of the commonwealth, state or territory—basically, any political party.

We feel this body has to be seen as squeaky clean; it has to be seen to be above politics. We feel that, even though there will probably be very many people who might have been members of parliament and who would be probably ably qualified to contribute, there is still that perception that would linger because of the fact that they had been members of a parliament. In the interests of complete transparency, it would be far better if they were unable to be a member.

That is not so perhaps with people who might have been a member of a political party. That is the second part of the amendment. People might simply have been a member for

a little while; they may not have taken much of an active role in their party. They would be in a very different situation to someone who had been a member of a parliament or a legislature. Accordingly, we saw sense in what Dr Foskey had initially proposed—and even the government has—that is, a five-year term.

We are not mindful, however, of supporting the government amendment, which Dr Foskey now agrees with, which only has a 10-year limit on someone who had been a member of a parliament. There is a need for a clean break; there is a need for complete transparency. Accordingly, I commend our amendment to the Assembly.

DR FOSKEY (Molonglo) (10.51): I am withdrawing my amendments that were tabled. This is a result of a conversation that I had, which Mr Stefaniak has already referred to, with the Attorney-General. There was good, helpful negotiation. The amendment that the government tabled on 22 August covers most of my concerns and reduces the potential of that appointment to be more a political appointment than one based on merit. In that instance, I thank the government and Mr Corbell for inviting Mr Stefaniak and me to have real consultation in creating that amendment.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (10.52): The government will not be supporting paragraph (a) of Mr Stefaniak's amendment. You will find that we are agreed on paragraph (b) of the amendment I am going to seek leave to move on Mr Corbell's behalf. I think Dr Foskey, the opposition and we are agreed on paragraph (b). We have an issue with paragraph (a) because it amounts to a lifetime ban on appointment as an electoral commissioner of anybody who has been a parliamentarian at all. We do not believe that a lifetime ban is appropriate. A couple of instances come to mind as to why we should not support this and why, in fact, we should support the government amendment, which says that a period of 10 years after that is appropriate.

I draw two things to the attention of the house. The first is that there are some members who are elected to an assembly or to a parliament who only ever serve one term. They never rise further than the backbench—in the case of the federal parliament, they may be a senator—for one reason. In the House of Reps particularly, a person can be a backbencher and be never heard of—ever. In fact, there was an ex-Labor senator who left the fold of the Labor Party after he left the Senate and who went down in history as never having made a speech in the entire time he was in the Senate.

It is a bit hard on people who, as young men or women—let us say in their late 20s—serve one term as an obscure backbencher in the federal parliament, emerge at the age of 30 and then go on to have, for example, quite a distinguished a career in the law and then, at the age of 55, we are not going to consider them for the position of electoral commissioner. That is a bit harsh. These people may very well have completely withdrawn themselves from any political life at all. That is not unheard of if a person had all of their career aspirations of being a lifetime politician dashed at an election. It is not unheard of that people just walk away from the whole concept of politics altogether. It is a little harsh that we say that, if you have ever been a politician or a parliamentarian, you cannot do it. We are proposing, in fact, that 10 years is a reasonable figure. I will be moving that amendment.

I also draw attention to the fact that the appointment of an electoral commissioner is a time-limited appointment. I draw the similarity—not even a similarity; a big difference, I suppose—between those appointments and appointments to the bench, to the judiciary. In most jurisdictions, in fact, ex-politicians, attorneys-general, have been appointed to the bench. The High Court was peppered with people who were former attorneys-general. Barton was one; Murphy was another. They were not banned for life because of their service to their community. In a funny kind of sense, the community took advantage of the vast experience of both of those two gentlemen when they were appointed to the High Court.

I suggest to you, Mr Speaker, that there is a conflict here. We are saying that a person cannot be appointed for a period of years to a position of electoral commissioner, yet we can appoint someone for life—or up to the age of 75 or something like that, anyway—to the bench immediately. That is a bit rich. The government will not be supporting the opposition's amendment. I will, as soon as the vote is taken, seek leave to move Mr Corbell's amendment.

Question put:

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

The Assembly voted—

Ayes 5

Noes 8

Mrs Dunne
Mr Mulcahy
Mr Pratt
Mr Seselja

Mr Stefaniak

Mr Berry
Dr Foskey
Ms Gallagher
Mr Gentleman

Mr Hargreaves
Ms MacDonald
Ms Porter
Mr Stanhope

Question so resolved in the negative.

Amendment negatived.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (11.01): I seek leave to move amendment No 1, circulated in the name of Mr Corbell, and to table a supplementary explanatory statement to the amendment.

Leave granted.

MR HARGREAVES: I move the amendment circulated in Mr Corbell's name [*see schedule 2 at page 2907*]. I table a supplementary explanatory statement to the amendment.

I will not address the amendment in detail because we have spoken to that already. There seems to be universal agreement on the second part of the amendment. On the first part of the amendment, I have already indicated the case for not going with a lifetime ban. We believe that 10 years is a suitable period for a person to have the perception of divorce from the political process of parliamentary life. That is a reasonable position to

take. I do not think there is much else that needs to be said on this that has not been said already. We might proceed with the vote.

Amendment agreed to.

Clause 4, as amended, agreed to.

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

Bill, as amended, agreed to.

Revenue Legislation Amendment Bill 2006 (No 2)

Debate resumed from 24 August 2006, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

MR MULCAHY (Molonglo) (11.04): First of all, I express my gratitude to the Treasurer and his staff for the cooperation and the ongoing briefing provided on this bill and for his people in the DLO making themselves available for follow-up queries. I must say there has been an improvement in briefings with Treasury since the change in that role. I appreciate that because it enables us to have constructive debate rather than cast around in the dark hoping that the matters we raise have been examined during framing of the legislation.

The Revenue Legislation Amendment Bill 2006 (No 2) proposes changes to the method of payment for dutiable transactions. These are largely positive and beneficial to the ways in which duties are obtained by the ACT Revenue Office. More specifically, the bill makes the following legislative changes: it amends the Duties Act 1999 to allow for the electronic lodgment and authorisation of duties, enabling users of the new electronic payment system to forgo lodging a written statement with the Commissioner for ACT Revenue, as has been required in the past; it extends the Taxation Administration Act 1999 to allow not only the individual taxpayer but also an approved person who acts on behalf of the taxpayer, such as a law firm, to keep and maintain appropriate records of tax liability; and it amends the relevant provisions so that cash payments for conveyancing duties are no longer accepted at an office of the Commissioner for ACT Revenue, enabling the ACT Revenue Office shopfront to be closed. According to advice provided by the government, this bill marks a shift away from front-office scrutiny of conveyancing transactions towards back-office auditing of transactions, which is possible because land conveyancing is a relatively simple transaction to check.

The government also believes that these new measures have the wholehearted support of the law society. However, I am advised that this is not entirely the case. From initial feedback from the chief executive of the Law Society of the ACT, Mr Larry King, I have been advised that the profession is inclined to theoretically agree with the changes being made to favour online payments. However, the mechanisms to be used to make this happen have not, in their opinion, been sufficiently explained. More specifically, Mr King has indicated that he believes that the direct debit mechanisms currently being suggested by the Commissioner for ACT Revenue are overly simplistic and somewhat

fanciful. I am not saying that position is correct. This is the advice that has been conveyed to my office.

Other significant reservations that have been raised by the legal profession have been concerned with the compatibility of the new electronic systems with legal practices' existing IT systems and the increased reliance on computer systems generally. ACT government representatives have assured us that they have been consulting with law firms regarding these concerns and are offering a training package to assist with their transition. We hope that these are sufficiently adequate measures in ensuring that the issues raised by solicitors are properly addressed.

I understand that the ACT government intends to employ InTACT for the development and ongoing management of the new electronic system's security safeguards. We hope that InTACT has the requisite expertise and reliability to ensure that an important new system such as this one is maintained properly and with a minimum of technical difficulties.

There are several limitations to the range of dutiable transactions that this new electronic system will cover. For example, duty relief for the home buyer concession scheme involves overly complex income testing requirements, and some business-related duties will always involve too many front-office processes for an automated system to cope with. Nevertheless, it is intended that as many duties as possible will be eventually incorporated into this system, improving the efficiency of processing and collecting ACT government revenue in this area.

As far as the revenue implications are concerned, I am advised that it is expected that over \$2 million will be saved by the introduction of this new system by 2009. The additional audit fees arising from the potentially increased volume of trust account transactions being processed is another area of some discussion. However, officials have indicated that the government is working with the legal profession to ensure that any undue costs to their business as a result of these changes are minimised. I believed, from the briefing I was kindly provided, that a separate accounting arrangement was going to be established, but it does not seem that that is fully appreciated yet by the law society, based on the information provided.

In summary, the opposition is of the view that this bill is a step in the right direction from a theoretical perspective. It is our policy to support improvements in efficiency in government. We note that this streamlines the processing of conveyancing duties for land transactions, adopts electronic transaction technology that has been already widely adopted in other areas of business and saves the government money.

There are, however, some issues that have yet to be fully resolved with the legal profession. I understand that the system will not be introduced until at least probably February next year. One hopes that in the coming months these matters are fully resolved. But it is important for the legal profession that their concerns are addressed satisfactorily in relation to the practicality of the proposed mechanisms through which duties will be collected and processed. On the understanding that these issues will be properly addressed and in light of the fact that I am of the view that the end product potentially delivers savings to the ACT taxpayer and will improve the overall running of

government in the territory, the Liberal opposition will be pleased to vote in favour of this amendment bill.

DR FOSKEY (Molonglo) (11.11): This bill is both simple and complex. On the one hand, it affects few businesses, and not in a particularly significant way. On the other hand, it represents a profound shift away from the material stamping of documents as evidence that duty has been paid, and the consequent requirement that employees of conveyancing lawyers physically attend the titles office to hand over money and have papers stamped, towards an on-line digital system which requires only an electronic transaction and accurate record-keeping.

I believe that the ACT has the first electronic legislation register where the legal version of a law is the digital version accessed via a web site rather than any paper reproduction. That is the same approach as has been taken here. Of course the advantage of paper records is exactly that they do have a concrete form. This, however, makes them vulnerable to theft or damage. We have seen, with the loss of the Alexandria library and the libraries and archives of Kosovo, how calamitous that can be. If it reduces the paper trail, it will reduce the environmental impact of paper production and disposal. Presuming that an unusual meteor shower or radiographic calamity does not similarly expunge all of our digital records at some time in the future, I am advised that the system being established for the ACT has been designed to ensure that people paying duties on-line will not be interacting with the titles record or the database itself.

I also wish to express my gratitude to the Treasurer and to the staff of Treasury for coming and talking with me and my staff and explaining to us the changes in this amendment bill.

I am also aware that some concerns have been expressed by the law society on behalf of those members that will be affected by the legislation. I understand that there will be a few months put aside to ensure that the new system is working well and the 200 or so clients who will be using it will know what to do and will be satisfied that it can be made to work with their own systems. It is important to run a proper risk management strategy when deciding to introduce a new system.

Here the risk is probably well contained, but it is reassuring to know that attention has been paid to detail and that the people affected were well consulted prior to its implementation. It is salutary to compare this approach to the one used with the *Towards 2020* proposal where the people most affected were not consulted until it was in essence a fait accompli and where it would appear that there has been no risk analysis conducted on the impact on kids at risk of unsatisfactory education outcomes, indigenous students, students with a disability, enrolment levels or local community centre viability. It is worth pointing out that this government has signed up for a risk management strategy, and it is great to see the smaller business units using that approach. It is interesting, to say the least, that some major decisions are made without taking that level of care.

The Greens' other concern is that raised in some detail by the scrutiny of bills committee. It centres on the balancing act between administrative convenience and the rule of law, particularly in a human rights context. The ACT Greens have always supported the commitment of this government to a human rights act. We understand the challenge that this government faces in shifting in many small ways agencies'

expectations and procedures to make them consistent with a human rights based approach.

Having embarked on this project, though, it is incumbent on all levels of government to ensure that due scrutiny through the human rights lens is applied to their activities. That is of particular and obvious significance when it comes to the introduction of legislation. We note that this legislation came with its statement of compatibility with the human rights legislation, but it does not appear as though the issues raised by the scrutiny of bills committee were considered in that analysis or not considered important enough. Again, the problem here is that we never, ever see the thinking that goes into those compatibility statements; so again we will never, ever know.

Unfortunately, this bill was introduced on 24 August, which was the last sitting day of that two-week period, and now we are debating it, which is the next possible day it could have been debated. By the time that the scrutiny committee had finished its analysis and reported, the government was probably locked into the debate today. We shall see. In retrospect, I suppose I could have suggested that the government change the order of business last week, prior to the committee's deliberations, on the presumption that there could well be issues that needed more consideration. However, I had hoped that the government would have held over the debate on the legislation until Thursday so that it could take into account the committee's comments.

It surely would have been preferable if the government, with its commitment to human rights, had ensured that it had seen the comments from the scrutiny committee and had had time to respond and give members time to absorb that dialogue prior to debate. That would seem a respectful process that would have allowed the human rights scrutiny to be properly applied to the legislation. Consequently, I look forward to reading the government's response to the scrutiny comments, and perhaps hearing it shortly from the Treasurer, but I am surprised that it comes too late to properly inform the process.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (11.17): Mr Speaker, as members have noted, the Revenue Legislation Amendment Bill amends the Duties Act and the Taxation Administration Act to provide the changes required to introduce electronic lodgment and payment services. The ACT Revenue Office has been working towards increasing the availability of electronic services since the initiative was first announced in the 2005-06 budget. The development of the IT system to facilitate the online lodgment and payment service is progressing and it is expected that extensive testing by both revenue office staff and selected external users will commence in 2007.

The Law Society of the ACT is supportive of the new service and has provided useful feedback on the design of the system. A key element of the consultation on the development of the new service is a series of workshops and presentations for affected clients of the revenue office. Principals of ACT law firms, as well as from financial advisers and accounting firms that frequently interact with the revenue office, are invited to attend and receive documentation on the progress of the project as well as the detail of the system to be introduced. Further consultation with the law society and other stakeholders will occur prior to the implementation of the new system to ensure that it operates effectively and securely.

When fully operational, the introduction of the online service will lead to the closure of the public counter at the ACT Revenue Office. Mr Speaker, as you would expect with such an important system, this will only occur once the online service has been rigorously tested and any deficiencies that might be identified are addressed. The online service is expected to simplify dealings with the ACT Revenue Office for approved persons such as solicitors and other professionals involved in multiple transactions on behalf of their clients. These approved persons will be able to process certain dutiable transactions and payments online through a web interface without physically lodging documents with the Commissioner for ACT Revenue. This will provide faster turnaround times for transactions and reduce the need for multiple visits to the revenue office.

Initially about half of all dutiable transactions of the ACT will be able to be electronically processed. These will include transfers of land, the grant of residential crown leases, declarations of trust over non-dutiable property, deeds that establish superannuation funds and certain commercial leases. An online training component will be available to guide approved persons through the processes. Over time, as approved persons become more familiar with the service, the number of transaction types that can be processed by the service will increase, providing further efficiencies for taxpayers. The IT system that will support the online service also has the capacity to share data with key ACT government stakeholders. Strict security procedures and protocols will ensure system integrity.

The bill amends the Duties Act to allow the Commissioner for ACT Revenue to approve persons who will be able to access the online service. Approved persons must provide details of a cleared funds bank account to enable the revenue office to debit the nominated financial institution account for every transaction. The approval can be conditional and can be amended if required.

A new provision in the Duties Act requires an approved person to apply to the commissioner for approval to make electronic assessments of the tax liability of a taxpayer. For the purpose of the online service, documents are deemed to be lodged with the commissioner when a transaction is processed online, and are taken to be “stamped” when a unique authorisation number is provided. Several provisions relating to stamping have been amended to accommodate the electronic authorisation of these transactions.

It is already an offence if someone other than the commissioner endorses an instrument. This bill expands this offence to encompass the new processes for endorsing documents through the online service. It is now an offence if anyone other than the commissioner does anything that indicates that the commissioner has endorsed an instrument or given a unique authorisation number.

The bill also amends the Taxation Administration Act. The current record-keeping provisions require the taxpayer to retain the relevant documentation necessary to enable the tax liability for a particular transaction or instrument to be properly assessed. These provisions have been extended so that, where an approved person uses the electronic lodgment and payment service on behalf of the taxpayer, the approved person must keep all necessary documentation.

The final amendment is in relation to payment methods accepted by the commissioner. The bill introduces a provision that requires transactions undertaken using the new electronic service to be paid for electronically in accordance with the approval to use the service. With the closure of the revenue office's public counter, cash payments can no longer be accepted. It is therefore necessary to amend the Taxation Administration Act to remove the requirement to accept cash payments at the office of the commissioner. This is not expected to inconvenience taxpayers, as cash payments constitute less than one per cent of all duty payments. The majority of transactions are paid by bank cheque, money order or credit card. All taxes, other than duty, can be paid elsewhere—for example, at ACT government shopfronts, Canberra Connect payment portal, Australia Post, BPAY and via mail.

The ACT Revenue Office will continue to cater for clients who cannot access the online service, and for duty transactions that cannot be processed electronically. A drop-off box for documents and payments made by cheque or money order will be provided at a convenient location within the ACT Revenue Office. These transactions will be assessed by ACT Revenue Office staff and returned to the lodging party. Expected turnaround times for documents and payments lodged in this manner will be clearly displayed. As is currently the case, it is the client's responsibility to ensure they allow sufficient time for documents to be processed. Clients will continue to have access to the customer service call centre and will be able to make appointments to speak to senior staff in relation to any issues that they may have in relation to their tax liability.

Mr Speaker, I note that as a result of the time lapse in relation to the introduction, debate and ultimate passage of this bill, there has been a short time frame for the Standing Committee on Legal Affairs to develop its latest scrutiny report on this legislation. In its report the legal affairs committee drew the attention of the Assembly to what it characterises as "an insufficient definition of the powers of the commissioner under proposed section 239 of the Duties Act to approve the making of an assessment application and the payment of duty electronically, and then to amend, suspend or cancel such an approval". The query raised by the scrutiny committee was whether there were sufficient guidelines for the exercising of that power and whether any review of that decision would be available. The committee indicated in its report that its primary concern related to the level of guidance provided and how decisions might be made by the commissioner approving access to the new electronic lodgment and payment service and the mechanism for reviewing decisions made by the commissioner.

The government in its response to the scrutiny report has, for the reasons I will just touch on, taken the position that the legislation does not need to be changed in any way to address the concerns of the scrutiny committee—concerns that are well made and have been noted—on the basis that, in the first instance, any decision made by the commissioner would be subject to review in any event by the administrative decisions judicial review framework. So there is a capacity for external independent review of any decision made by the commissioner through the ADJR framework. Secondly, it is proposed that the commissioner will publish a revenue circular at the time of implementation of this particular change which will set out quite clearly the transparency in administration of the decision-making framework in regard to access to the new service. Advice on the administration of that access will be included in the application form which is currently being drafted in consultation with the Law Society of the ACT.

For those reasons, the government believes that the issues raised appropriately by the scrutiny committee have been dealt with appropriately in the government's approach to the introduction of this new scheme.

Mr Speaker, I thank members for their interest in this bill and for their support of what I think is a quite significant continuing reform of our processes.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Civil Law (Property) Bill 2005

Debate resumed from 24 November 2005, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.26): Mr Speaker, this bill, which has resulted from some reforms that started 10 years or so ago, concludes stage 1 of the reform process. It provides for a single law that consolidates the provisions of the existing law. According to the government, this will reduce fragmentation and unnecessary complexities of the law. It will reduce confusion and uncertainty as to which laws apply in territory and as to what the law is. It seeks to eliminate redundant, irrelevant and inappropriate legislation, reduce archaic language and rationalise drafting styles and techniques. Some of the laws it repudiates are, indeed, quite ancient. Some of the laws—indeed, most of them—go back to the 19th century and early 20th century. What we have before us is stage 1 of the process.

Mr Speaker, neither the bill nor the amendments, which the opposition will be supporting as well, are controversial. It has taken a fair amount of time to get to this stage. I think stage 2 will quite possibly be somewhat more controversial. The key players have been consulted in respect of the bill that is now before us and certainly they do not have any particular problems with it. I have discussed the bill with a number of players such as the Law Society of the ACT, who are quite comfortable with it. Stage 2 will perhaps be more problematic because this will involve reform of some of the law of property.

I am pleased to see that the Attorney-General says there will be wide consultation with the key players, especially the commercial and retail interests that might be affected by the reforms and, of course, the law society. The government may well find that stage 2 will be a lot more controversial than stage 1, which is basically an updating and consolidation of existing acts into one bill. The opposition supports the bill.

DR FOSKEY (Molonglo) (11.29): As the Chief Minister articulated at the end of last year when this bill was introduced, this is the first stage of a modernising project to bring all the property law as it applies in the ACT into the one act. While that does involve the

removal of some redundancies and archaic constructions, it does not and does not intend to change much in the way of intent or effect.

My office sought advice from people who might be affected by this project and we gave the legislation itself some examination. We are satisfied that the bill does exactly what it claims to do. This is not the occasion to discuss any possible changes to the operation of our property law or any challenges to or expansion of the principles that underpin them. We will save that discussion up to the next stage of the project. I will be supporting the bill.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (11.30): Mr Speaker, the speech that I am about to make will have the effect of closing the debate. I would like to foreshadow that I will be seeking leave to move two government amendments during the detail stage of the Civil Law (Property) Bill 2005. I will be tabling a supplementary explanatory statement in respect of the amendments.

The Civil Law (Property) Bill is the culmination of a commitment by this government to consolidate and simplify the law of property in the ACT. The current law relating to property in the ACT cannot be found in a complete conveyancing act or property act. In the ACT, the law relating to property and conveyancing is found in various places—in the common law; in imperial acts, most of which are reinstated in the Imperial Acts (Substituted Provisions) Act 1984; in New South Wales acts received by the territory when it was established in 1911, some of which were restated by the New South Wales Application Act 1984, and in provisions derived from New South Wales laws adopted in the ACT, of which the Conveyancing Act 1919 is the most significant; and, of course, in various ACT acts.

The numeration in the bill is such that in the future the two remaining huge bodies of law outside the bill at present—the Land Titles Act 1925 and the Civil Law (Sale of Residential Property) Act 2003—can be brought into the act. This is not attempted at this stage because these two bodies of law deal with fairly difficult subject matters and the priority has been to establish the framework that we have before us today.

The bill is a restatement of the present or existing statute law rather than a revision of it. The law, once the bill is passed, will for all practical purposes be almost identical to the law as it is today. However, the bill does represent a significant advance on the current position in three important respects. Firstly, the bill brings together a substantial part of the ACT's statute law about property and it presents that law in a much more accessible way. Secondly, the bill largely completes the process of removing redundant and confusing provisions in this area of the law that no longer serve any useful purpose. Finally, the bill, although not itself changing the law, will provide a platform through which changes can be made in the future. Until now, the ACT has not had legislation that could fulfil that function.

The bill replaces the five remaining acts relating to conveyancing with a single new act which, as far as possible, will be expressed in simple, up-to-date language and be in a form which makes it easy to understand the elements of its provisions and the relationship between those elements, and have a logical structure that enables readers to easily find the provisions relevant to them. The bill does not make any significant change

to the present law relating to conveyancing but rather consolidates and simplifies the present provisions and places them in a more readily understandable and useable form. The bill therefore repeals and replaces the following five acts: the Conveyancing and Law of Property Act 1898, the Landlord and Tenant Act 1899, the Forfeiture and Validation of Leases Act 1905, the Conveyancing Act 1919 and the Law Reform (Miscellaneous Provisions) Act 1955.

The bill creates a single law that consolidates the provisions of the existing law. This meets the government's objective of reducing fragmentation of laws and reducing unnecessary complexity in the laws. It reduces confusion and uncertainty as to which laws apply in the territory and as to what the law is. It eliminates redundant, irrelevant and inappropriate legislation adopted or made on a piecemeal and often uncritical basis. Finally, it reduces archaic language and rationalises drafting styles and techniques.

Mr Speaker, I would like to thank the officers of my colleague's department for the work that they have done in compiling the amendments and also those officers who contributed to the amendment to the Electoral Act passed earlier today. I commend the Civil Law (Property) Bill 2005 to the Assembly.

Question resolved in the affirmative.

Bill agreed to in principle.

Detail stage

Bill, by leave, taken as a whole.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (11.35): Mr Speaker, I seek leave to move amendments Nos 1 and 2.

Leave granted.

MR HARGREAVES: I move amendments Nos 1 and 2 circulated together [*see schedule 3 at page 2908*]. I table a supplementary explanation to those amendments.

As Mr Stefaniak indicated, these amendments are largely mechanical. The first amendment is a technical amendment to facilitate the relocation of section 62 of the Law Reform (Miscellaneous Provisions) Act 1955 to the Court Procedures Act 2004 and renumbers the existing sections to accommodate the addition of section 80A.

The second amendment relocates section 62 of the Law Reform (Miscellaneous Provisions) Act 1955 to the Court Procedures Act 2004 as new section 80A, which will become section 81 of the act after it is renumbered. This amendment will ensure that a court retains the longstanding and legal right to inquire into the truth of the matters set out in the return of a writ of habeas corpus where the writ required the production of a person in custody to be brought before the court for the purpose of examination or trial.

While the new court procedures rules set up a sensible process for dealing with habeas corpus applications, the government believes that it is necessary to retain section 62

because of its historical and legal significance. I commend both amendments to the Assembly.

Amendments agreed to.

Bill, as a whole, as amended, agreed to.

Bill agreed to.

Legal Affairs—Standing Committee Membership

Motion (by **Mrs Dunne**) proposed:

That Mr Stefaniak be discharged from the Standing Committee on Legal Affairs and that Mr Seselja be appointed in Mr Stefaniak's place.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.38): I will just formally put on the record that I wish Mr Seselja luck on the committee. He will work with some excellent people: the deputy chair, Ms MacDonald, and Dr Foskey. As chair of the legal affairs committee, I would like to thank my two Assembly colleagues for the work that they have done during this term. Indeed, I was also chair of the committee last year, although there was then a different composition of the committee. Certainly I thank both Karin and Deb for their work as fellow members. I also thank the then committee secretary, Robina Jaffray, who has done excellent work.

There are some very interesting matters in progress. I think the committee has almost finished the Taser gun inquiry, which is a particularly interesting inquiry. A number of other inquiries are under way. Of course, the work of the committee also incorporates the scrutiny of bills. I would like to thank the Deputy Clerk and everyone else who has assisted the committee in relation to the scrutiny of bills effort. We are particularly well served by our legal advisers. We now, of course, have a legal adviser for regulations and subordinate legislation, and I think that is particularly handy. That was something we all missed and it was something that Peter Bayne simply could not do in the limited time available. The fact that he was able to produce some excellent reports speaks volumes for his ability. Stephen Argument is there now, and he does an excellent job with subordinate legislation. As I have just said, this was something the poor old Assembly staff had to do before he came on board, and it is pleasing to see that he is now with us. I think that enhances the scrutiny process as well.

This is a busy committee which is particularly aided by excellent Assembly staff and legal advisers. I wish the committee well. I thank everyone involved with the legal affairs committee and the scrutiny of bills committee for their efforts over the last close on two years, and I look forward to receiving reports in an entirely different capacity from now on.

MS MacDONALD (Brindabella) (11.40): In my capacity as deputy chair of the legal affairs committee, I would like to put some remarks on the record in respect of the motion that is now before us. I am sure that Mr Hargreaves will stand up and make some comments after I have spoken, as he served with Mr Stefaniak in the last Assembly on

the legal affairs committee, which performs the functions of a scrutiny of bills committee. I would like to say formally on the record—I have said this to Mr Stefaniak within the committee itself—that I thank Bill for his service to the committee. Bill is one of the most amiable people you could work with on a committee. Stop pointing at yourself, Mr Mulcahy; that is not going to be attributed to you. Bill is a very amiable person to deal with. However, I have no doubt that should I transgress the law, Mr Stefaniak would be urging that I be locked up and the key be thrown away.

I do not think you could find a committee with more disparate views than those of the current three members of the legal affairs committee. Deb Foskey, Mr Stefaniak and I have found a way, on a continuous basis, to work together in spite of the fact that we have had some issues on which we have not always seen eye to eye, including, most notably, the preventative detention orders bill which was before us at the beginning of the year.

It has certainly been educational from my perspective to serve with you, Bill, and I thank you for your service. I am also hoping that Mr Seselja might break your mould a little bit and not necessarily advocate locking up and throwing away the key.

DR FOSKEY (Molonglo) (11.42): I too rise to say thank you to Mr Stefaniak and farewell him formally. Mr Stefaniak is both “amia-Bill” and “affa-Bill”. If I had had longer I could have thought of heaps more words to describe him. He is certainly a very good companion at conferences and I really appreciated working with him. I find it hard to understand how Mr Stefaniak can listen to most learned opinions for two or three days on issues such as sentencing and alternatives to imprisonment and still come and stand here in front of the house and revert to a default position which, I guess, is hard-wired. This just shows the contradictions and how sensible it is not to indulge in stereotypes. Bill is probably someone who would make way for an ant. However, when we were recently debating the ACT’s version of the terrorism laws he said things that really sent a bit of a chill down my spine—but he did so in the nicest possible way. So it is amazing what you can get away with.

It just shows you that manner is as important as matter in getting along on this planet, and Bill is someone who gets along on the planet very well. I am sorry that he is going. Our environment and working conditions will be different, and Karin MacDonald and I are looking forward to this new challenge. I am hoping that we can manage to complete our inquiries in the same harmonious style in which we have conducted them up until now.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (11.45): The last time I heard speeches like this was when people were leaving the Assembly altogether. Bill, it has been nice working with you, mate. Bill came to this Assembly back in the early nineties as a young man with a full head of hair and all the ambition under the sun, fresh out of law school and working for Bernard Collaery. Well, I have to ask you: what would you rather do? You would rather be the leader of the opposition, wouldn’t you?

Mr Speaker, on a slightly serious note, it is significant that so many people have stood up and said something about, as it were, a person leaving the chair of the committee. It just

usually does not happen. They usually just sail into the sunset, and as soon as they get over the horizon the battleship lets go and you hear a little explosion, you see a bit of flame and that is the end of it. Not so with the ACT's favourite rugby son.

Mr Speaker, I want to make a couple of points about my service as deputy chair of the legal affairs committee. I spent two terms in this place on the committees of which Bill is currently the chair. I had the interesting time as deputy chair to Paul Osborne and I want to thank him for teaching me how to chair a standing committee—I got so much opportunity to act as a chair that I do not know if I would have been able to do it without his help!

I also have to acknowledge for the record that Bill is currently in his third term on the committee. In earlier times he served on what was probably called the legal affairs committee. I believe that he is the longest serving member of that committee. I spent roughly 6½ years on the committee and I have to say that I had a great relationship with Bill. One of the beautiful things about that committee is that it affords members of the Assembly an opportunity to be parliamentarians and not party politicians. That committee is composed of the guardians of the parliamentary process in this place. I can recall many of the conferences on the scrutiny of bills and subordinate legislation.

I congratulate the committee on having Stephen Argument look at subordinate legislation. Celeste Italiano and Janice Rafferty and people who went before them—Celia Harsdorf, for example, who was in my view one of the most beautiful ladies of all time—performed this work with help from the textbook written by Stephen Argument. This is a giant leap forward and I congratulate the committee on the step it has taken.

The other thing that I need to say about the parliamentary process is that this committee can distinguish the difference between being a politician, pushing a party line, pushing a government line, opposing it, engaging in a cross-bench activity, or whatever you like. But in my view, the exercise of true democratic representation finds its expression in this committee. Where was the origin of the interstate agreements act, for example? It was the legal affairs committee. Where did the need to put in regulatory impact statements come from? It came from the legal affairs committee in another guise.

The committee is also concerned about the quality of debate. We know, for example, that in primary legislation debate is automatic. But it is not automatic with subordinate legislation. Debate is only enjoined if one of the members of the Assembly moves to disallow. So it is important that the Assembly be aware of what is going on in subordinate legislation, and that is where the scrutiny of bills and subordinate legislation committee can play a role. As I say, they are guardians of things parliamentary in this place.

I welcome Mr Seselja's appointment to the committee. Mr Seselja was recently exposed to the parliamentary process through a Westminster seminar. He will have gained enormous knowledge and education from that exposure to the Westminster style of democracy and from his talks with members of parliament from other commonwealth countries in the setting of a Westminster democracy. He would have seen how other governments roll over the top of their parliaments in respect of the scrutiny of subordinate legislation. I believe that we in the ACT are unique in the commonwealth in having a scrutiny of bills committee which is representative of all segments of this place

and which has hitherto conducted itself in a true multipartisan fashion. I think Bill Stefaniak set the standard in his first term. He continued that standard in his second and third terms. Now, of course, the challenge for Mr Seselja is to make sure that the legacy left by Mr Stefaniak is continued in the future, and I wish him the very best of luck.

I enjoyed my time on that committee immensely. It enabled me to obtain an education about the difference between a politician and a parliamentarian. I was able to absorb that and I hope to be able to employ it. If I have not employed it, let me assure the house that this has been deliberate and not accidental. I commend the appointment of Mr Seselja. It is a job I would have dearly loved to have had when I was on the committee, even though, as I have said, I had some exposure thanks to Mr Osborne. So, again, welcome to Mr Seselja and a big thank you to Bill Stefaniak.

MR SPEAKER: I welcome the students from year 5 of St Thomas the Apostle, Kambah.

Question resolved in the affirmative.

Sitting suspended from 11.52 to 2.30 pm.

Ministerial arrangements

MR STANHOPE: As members would be aware, two of my colleagues, the Attorney-General and the minister for education, are unavailable to attend the Assembly today as a result of illness. I apologise. In that event, I am available to take questions that may have been directed to Mr Corbell. Ms Gallagher will take questions that may have been directed to Mr Barr.

Questions without notice

Health—reform

MR STEFANIAK: My question is to the Minister for Health. On 11 September this year you announced yet another reform plan, which I think is the seventh health reform plan of the Stanhope government, to tackle the long waiting lists for elective surgery. Your announcement contains a number of good intentions or what you describe incorrectly as “new initiatives”. Minister, what are you anticipating from your latest request—to develop specific programs, to explore options, to review waiting list criteria and to review role delineations?

MS GALLAGHER: I thank the Leader of the Opposition for the question and for the opportunity to talk about elective surgery and some of the areas we are looking into to improve our performance.

Every year the government spends around \$76 million on elective surgery in the ACT. As members would be aware, in the last financial year we exceeded 9,000 operations—in fact, 9,120 removals from the list, which was a record for the ACT. Ninety-six per cent of category 1 patients are being seen within the standard 30-day time frame. We have seen big improvements for category 2 patients where it is desirable that they have

surgery within 90 days. We are seeing improvements there of around 42 days quicker access to elective surgery than at the same time last year.

Mrs Dunne: Which is how long?

MS GALLAGHER: Ninety-four days, which is just outside the 90-day criteria for category 2 patients. There are very big improvements there.

For category 3 patients, where surgery is desirable with the year, the median waiting time this year is 176 days. Again, that is well within the criteria and is 68 days better than at this time last year. Despite the criticisms we are getting from the opposition, all the indications show that the waiting lists are trending down, that people are having access to their surgery faster than ever before and that more surgery is being performed than ever before—in fact, 1,400 more operations in the last financial year than four years ago.

The comment Mr Stefaniak made was that it was the seventh health plan. It is not quite that. In my media release, I indicated a range of measures which we were looking at to improve the waiting list for a particular type of patient—those patients in categories 2 and 3 who are waiting too long to get access to their surgery. They are longer than the desirable time—longer than the 90 days and, in some instances, longer than the year. It is in that context that I have had discussions with the department of health about how we manage that particular type of patient. For the most part, patients are getting access to their surgery and access to it faster than ever before.

Some of this is about the criteria for management of the waiting list. They are discussions I need to have with the surgical specialists. I am arranging that meeting very soon. In fact, in the next couple of weeks, I will be meeting them to talk through ideas they have for improvements and exploring options for contracting out some services. We have already done that a bit this year. I think there were 50 operations; it might have been a bit more. Fifty low-cost, low-acuity procedures were performed by private providers. Those procedures could be delivered faster than we were going to be able to do them.

Discussions on role delineations between TCH and Calvary are ongoing with Calvary. Naturally, Calvary does a lot of our elective surgery. We are discussing with Calvary about where there is an opportunity to increase the work that they do and, therefore, reduce cancellations and times for people who are waiting for too long. That is the particular type of patient. I am looking at specifically managing these patients within the broader context of patients waiting for elective surgery.

We have commissioned an extra theatre. We have extended the operating theatre times by an hour. I will be discussing any further reforms and improvements we can make with the surgical specialists when I meet with them at a time to be organised soon. All in all, if we put those measures together, we will see improvements for this particular group of patients. At the moment they are not getting access to their surgery quickly enough.

MR STEFANIAK: I thank the minister for that, Mr Speaker. I have a supplementary question. Minister, how long will it take for the people on the waiting list you describe to see some outcomes from this latest list of requests?

MS GALLAGHER: I thank Mr Stefaniak. I would be hopeful that we could certainly see some big improvements within the first half of this year, if not throughout the year. It is a particular group of patients that we are looking at managing, and there are not great numbers of them. There are hundreds of patients rather than thousands. There may be reasons why—one reason or another, including patient-initiated reasons—they have not had their surgery and why they are still on the waiting list. We will explore that. We are talking about those who are there, ready to have their surgery, who have been waiting a long time. I know there are some category 2 patients who have been waiting a substantial amount of time but I think there are only about 70 of them.

This is why I have announced these measures—to keep the community informed. There is a very small group of patients on the waiting list who have just been waiting too long. We have seen very big improvements for almost every other patient outside of that category. We need to work harder with this particular group of patients. I am confident that if we look at this group specifically, take them out and implement some measures to deal with them, we will see improvements for those people and they will get access to their surgery as soon as they can.

Canberra—quality of life

MS PORTER: My question is directed to the Chief Minister. Chief Minister, could you please inform the Assembly of the findings of the Australian Bureau of Statistics released last week in its *Australian Capital Territory in Focus* publication? Does the ABS data confirm what those of us on this side of the chamber already know to be true—that Canberra is a great place to live?

MR STANHOPE: It is timely that we stop, take a breath, and reflect about Canberra and the great place that it is. We are all aware of how fantastic Canberra is.

Mr Stefaniak: It was.

Mr Smyth: It used to be. Watch that pothole!

MR STANHOPE: Indeed, I was about to respond that it is not necessary to restrict the knowledge or the confirmation around what a great place that Canberra is to live to this side of the chamber. It is something we know to be true. I was going to graciously suggest that it is what everybody in this place knows to be true, until I overheard the interjections from those in the Liberal Party, who continue to willingly talk Canberra down.

It is a pity that in this place we do not have bipartisan support for the view that Canberra is the most wonderful place in Australia. And it is. There is certainly nobody—I was going to say “in this chamber”—that would dispute that. I will now adopt your language, Ms Porter: there is nobody on this side of the chamber that disputes for one minute that Canberra is the most wonderful city and the most wonderful community in Australia in which to live. It certainly is moot in the context of an assault on Canberra reported just today by some institute or other and constant assaults on Canberra by media particularly around Australia.

We should reflect on what the Australian Bureau of Statistics latest statistical analysis of life in the territory reveals for us. It is essentially confirmation of a story that we all know to be true. It is a reflection of the fact that each of us chooses to live here, continues to live here and has no intention of moving anywhere else.

Across the board, in the latest ACT and region bureau of statistics *Australian Capital Territory in Focus*, we find that the Australian Capital Territory continues, particularly in a qualitative sense, to lead the nation. Whether it be health, education, delivery of community services, any particular component part of delivery of health services, educational outcomes or musical services, the level of government service delivery in the Australian Capital Territory and the outcomes achieved leads the nation by far.

This is led of course by the fact that gross household disposable income is confirmed by the Australian Bureau of Statistics per capita in the ACT to be at \$43,084—this is as at the end of 2005—as against a national average of \$27,468. Average disposable household income in the Australian Capital Territory is more than \$15,000 a year higher than it is for others living elsewhere in Australia. That has enormous implications for the quality of life in the territory.

Retention rates from year 7 to year 12 in the Australian Capital Territory in 2005 were just over 88 per cent, as against the national average of 73 per cent. There has been a six per cent rise in the number of health professionals in the year to 30 June 2005. The proportion of the population receiving income support from Centrelink is the lowest in the nation. There has been a three per cent increase in sworn police numbers whilst we have been in government.

There was a 12 per cent decline in reported crimes between 2004 and 2005. When one reflects on some of the humbug that the Leader of the Opposition and the shadow minister for police have been peddling in relation to crime in the territory, one sees that it really is in the context of that determination to frighten the population, to keep them frightened and to peddle perceptions of unsafety, which are simply false. It really is an indictment of the Leader of the Opposition and the shadow minister for police.

It is consistent with the whistleblowing that we see from their colleagues on the hill in relation to issues around safety. In the context of a 12 per cent over-the-year reduction in crime, for the Leader of the Opposition and the shadow minister for police to be going around blowing the dog whistle, trying to make this community more frightened—in the context of this being the safest city in Australia bar none—is an indictment of them.

Economy

MR MULCAHY: Mr Speaker, my question is for the Treasurer. In the *Canberra Times* of 11 September 2006, Chris Uhlmann made the following statement regarding the ACT economy:

As much as we might like to see ourselves as sturdily independent of the Commonwealth, and point to the growth in Canberra's private sector over the past 10 years as proof, the fact remains that Peter Costello is the person most responsible for the economic weather here. And the private sector growth is largely based on federal government spending ...

In light of these comments, what specific ACT growth figures, apart from the blow-out in public sector spending, can your government genuinely claim responsibility for?

MR STANHOPE: It is interesting again that the shadow Treasurer, the coat-tugger extraordinaire—

Mr Mulcahy: That's Ted's line—come on!

MR STANHOPE: No, it was mine; Ted borrowed it from me, Mr Mulcahy. The shadow Treasurer, Mr Mulcahy, is a coat-tugger extraordinaire—the forelock-toucher, the coat-tugger, Peter Costello's lap boy.

Of course, we are again seeing the opposition taking the opportunity to talk down the economy and the ACT as a place to invest. We are seeing again the opposition engaging in the game of talking the town down. The shadow Treasurer is the person in whom the Liberal Party have invested responsibility for the economy, our economic wellbeing, issues around growth and the essential responsibility for broadening the economic base. And what does he do? He does as his leader has been doing in recent times. He takes every opportunity to talk the place down, saying to interstate investors, "This is not a place to which you should come. This is not a place in which you should invest. This is a town that is not doing well. Why would you, if you were a private sector investor, invest in this town?" This is the message which the shadow Treasurer, his leader, the property council of the ACT and others are constantly sending off to the major institutional investors in Sydney and Melbourne. The message is: "Don't come here. Don't invest here. This is not a place that is going well. You should think twice before you come to this town."

That is the message—the constant, repetitive message now—of the Liberal Party. We have seen it over the last couple of weeks—belying the facts—from the Leader of the Opposition and the shadow minister for police that this is a dangerous place and picking up the catchcry from a unionist that you are better off walking through Sydney and that Sydney is safer than Canberra. This ignores the fact that there has been a 12 per cent year on year reduction in crime. This has been talked up to such an extent that the interstate media have been interested. The message is: "Don't go to Canberra; it is a really dangerous place. Don't go to Canberra; crime is rampant." This could not be further from the truth. It is a complete distortion of the truth. But the message that has been sent to the rest of Australia is: "Don't come to this town." This applies not only to tourists. The message is: "Don't come here because this is not a safe place in which to walk around". We see it now from the shadow Treasurer.

Mr Mulcahy: Mr Speaker, I take a point of order. I asked the Treasurer to indicate the growth figures. I am fascinated by the dissertation but it has absolutely no relevance to the question. It is not even remotely relevant.

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

MR STANHOPE: Then we go to the shadow Treasurer and his attempt to talk the town down. He has moved away from crime and is onto the economy. The message that he sends—and he sends it through this question—is that this is not a place in which you as a

private investor should contemplate investing. He talks it down. He is saying, "There is nothing going on here. If it were not for the federal government there would be nothing happening."

This belies the fact that there has been an enormous shift from the government sector to the non-government sector within the ACT, with an interesting turnaround of about 55 to 56 per cent of our total work force now in the private sector. It is a moot point and an interesting challenge for the private sector that the private sector contribution to the economy is not yet reflective of the number of employees within the private sector. It is contributing around 44 per cent to state final demand as against the 56 per cent from the commonwealth. So it is true that, whilst now being a minor employer, the commonwealth and ACT governments combined, contributing around about 43 per cent of employees within the territory, are nevertheless still contributing a significantly higher proportion of the dollars that circulate within the community. To that extent it is true that they are a major contributor.

Mr Smyth: So it is true.

MR STANHOPE: Of course it is. They have more money. The commonwealth and ACT governments combined—I will say this for Mr Smyth so that he understands—circulate more dollars in this community than does the private sector. It is a fact. But, having said that, it is of concern to me that the shadow Treasurer belittles the private sector's contribution to this town and is prepared to send the message out to the rest of Australia that this not a place in which you should invest. That is the message that Mr Mulcahy is sending out today.

MR MULCAHY: I ask a supplementary question. Why is the ACT government's projected budget outcome not better than it currently is, given the considerable assistance the commonwealth has provided to the ACT in terms of stable economic growth and record GST revenues?

MR STANHOPE: As members are aware, the ACT government has, through this particular budget process, made some very significant decisions, decisions that previous governments were not prepared to take, decisions certainly in relation to accounting standards and a determination for a sustainable future for the territory. We have taken the hard decisions in relation to the extent to which we will continue to fund government service delivery in the ACT at a level significantly above that at which it is funded interstate.

As everybody in this place knows, it is an unsustainable level. In the context of the debate we have had around the budget and around the decision that the government has taken, most particularly in relation to education but certainly in relation to health, ACTION bus services and a whole range of government service delivery, we have sought to contain our expenditure within sustainable limits. These limits will ensure that we can, into the future, provide the same range and quality of service in education, health and municipal services that we have enjoyed and that we risk not being able to provide to those that come after us, whether it be next year or the year after, but most certainly for our children and their children. Our capacity to continue to provide government services at the level that we have become used to and that we expect is simply not sustained into the future.

We know that most particularly by the stark example of health expenditure. We have clawed health expenditure back to less than 10 per cent in this budget. It will take an enormous effort to achieve those outcomes, and Ms Gallagher has just commented on that. But the unrestrained, incremental increase in health expenditure that has seen, in our period of government, health expenditure increase by \$250 million to \$300 million in the space of five years is a level of incremental increase that is simply unsustainable and one which would have led, by the year 2020, to 50 per cent, or half, of our entire budget being expended on health. That is simply not possible. It is simply unsustainable.

This is an issue that affects governments all around Australia. I was present at a talk given by Morris Iemma, the Premier of New South Wales. He used precisely the same example. Morris Iemma said that, by 2030, the incremental increase in health expenditure in New South Wales would have resulted in the entire New South Wales budget being required to fund health.

These are the issues that we face as a community. This is at the heart of the decisions that we have taken in this budget. We had the courage to take those hard decisions. You shirked those decisions year after year in government. It is those significant reductions in increase in expenditure, not reductions in expenditure, but reductions in the increase in expenditure that are at the heart of the budget that has been delivered this year and which the Assembly was pleased to pass.

That is at the heart of the budget decisions that we have taken and of our forecasts. It is about a sustainable future. It is about a future in which our children and grandchildren will inherit government services that deliver quality services to the extent to which they are delivered now and from which we have benefited so significantly. That level of service delivery is at sore risk if we continue to pretend that we can sustain an education system that is 30 per cent under utilised and leaching at the rate of one per cent a year. If we believe that this is sustainable and that, by sustaining a system that is inefficient, we can provide the same opportunities and educational outcomes into the future that we have been able to provide to date, we cannot. It takes a government that is committed to the future and to quality educational outcomes to take the decisions that need to be taken, and this is the government that has done it.

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

Commissioner for Children and Young People

DR FOSKEY: Mr Speaker, my question is to the minister for community affairs. It concerns the as yet unfilled position of Commissioner for Children and Young People and the capacity for that person to meet their responsibilities. Minister, I understand from an answer to a question on notice that this commissioner will also be the disability and community services commissioner. Can the minister assure the Assembly that the part-time children's commissioner will have sufficient resources to provide adequate support for the most vulnerable children and young people, including those deemed at risk of unsatisfactory educational outcomes who will be affected by the 2020 school closure program, and that the office will not be put in place too late to make that difference?

MS GALLAGHER: Thank you, Mr Speaker. The commissioner, and the appointment of the commissioner, comes under the portfolio of the Attorney-General, but I think Dr Foskey's question is to me as minister for children and youth about the capacity of that commissioner to support the work of children and young people in the ACT. Her question is whether I am confident that the commissioner will have the capacity to deal with some of the issues that will go to the commissioner. I can say yes, I am confident that it will.

This is a new service. These are services in addition to what has ever existed for children and young people in the ACT. There has never been a commissioner. We have relied on the Public Advocate and on non-government organisations that we fund. They provide advocacy support for children and young people, particularly vulnerable children and young people. CREATE is an example of that. It is an organisation that is specifically there to provide support to children and young people in the ACT. So there are already a number of programs that are supported by the recent increases in the budget into this area by this government—unprecedented levels of resources going into addressing the needs of our vulnerable children and young people in the ACT.

This is a new service. We should be very excited about the potential having a commissioner for children brings to the ACT. I think it is going to add tremendously to the advice to me and to the attorney on issues affecting children and young people. It will provide excellent support to the area of care and protection—I have no doubt about that—and to the work we deliver through the children's plan.

The fact that we have never had one simply shows that we have prioritised this. We have passed legislation and we have funded the commissioner—all in the interests of providing extra support to children and young people in the ACT. It is an extra service. It is going to be fantastic when a suitable person is appointed. It can actually get off the ground, get running and start doing the work that we have all planned. No doubt there are people lining up to provide that work to the commissioner as soon as possible.

In terms of commitment to the role of the commissioner, it has been this government's idea to have the children's commissioner. As I said, we have passed legislation. We have funded it. We are the ones who prioritised the children's commissioner in the first place. For the first time a government has funded a children's commissioner as an extra level of support for children and young people in the ACT.

DR FOSKEY: Is the minister aware—and I am cognisant of the fact that perhaps this one should go to the Attorney-General, but it is still of interest to me—of expert concerns that this part-time commissioner will lack the time to pay the close attention needed, which includes time to listen to young people at risk? Are there any plans in place to address those concerns?

MS GALLAGHER: It is a bit hard to say—the commissioner is not even in place—how they will manage their workloads. I am aware of comments that were made at the launch of child protection week, which Dr Foskey was at, by Dr Sue Packer that she would have some concerns about an underresourced commissioner. I talk to Dr Packer all the time. We keep that dialogue open. I will be talking to her about her concerns in that area, to make sure we can address them. I do not think they are insurmountable.

We are a small jurisdiction dealing with a small number of children. For example, we only have just under 500 children on some sort of order and in the care of the chief executive. We are not dealing with a huge population here. We have got huge amounts of resources going into this area. We have had a massive period of reform. Our community sector in this area is very strong.

The commissioner is to complement that. It is not to be a place which handles individual grievances or manages that very close, one-to-one dealing with complaints which arise from time to time. The role of the commissioner, and the idea of the commissioner, is to provide systemic advice across the community about priorities for children. Listening to children and young people is one of those areas. I am sure the persons appointed to these positions will have the level of professionalism for those decisions to be taken by all commissioners about how they manage their workloads. When we are looking at the role of the children's commissioner—and, as I said, I will talk to Dr Packer about the concerns which she did not go into but alluded to—I am sure that we can certainly work out a way of supporting those concerns.

As I said, this is a new service in addition to the organisations that are already funded. A number of them are in the non-government area. We have the Office of Children, Youth and Family Support and the Public Advocate. This is a new level of support for children and young people. I am very confident that the model that is put place—and we consulted extensively with children and young people in determining the model—will be able to deliver an excellent service for children and young people in the ACT.

Health—public system

MR SMYTH: Mr Speaker, my question is also to the Minister for Health. Minister, in recent days the ACT community has learnt of the relatively limited availability of the EEG service that is provided by the ACT public health system. Why does the ACT public health system have only one technician who is capable of using the EEG facility? What arrangements have you put in place, in the event that that person capable of performing EEG tests goes on leave, to ensure that patients can still get an EEG test in the ACT public hospital system?

MS GALLAGHER: I thank Mr Smyth for the question. I am advised that it requires a very specialised skill to perform an EEG. It is not an area where we have a lot of staff. In fact, I think the person who has been doing the EEGs and was unavailable in the instance that Mr Smyth talks about is the only person at the Canberra Hospital performing EEGs at this moment. We have engaged a trainee technical officer, who will be starting work in the next month, to provide extra support and extra capacity in this area. But I think it is simply about a very specialised service that is being run and the fact that we do not have additional people to perform that task, although we have another measure in place with this trainee coming in the next month.

I understand that for EEGs to be performed, it is quite acceptable in almost every instance to book people for those procedures and that that can be done and that it can be managed. In the case that was referred to in the *Canberra Times*, the advice was that an EEG to be performed a couple of weeks after the patient presented to the hospital was quite clinically acceptable—although, I accept, quite distressing for that family. That is

certainly the advice to me: that the management of the illness was being done regardless of the EEG, and that the EEG would have provided, I guess, an extra level of advice about what was going on for that child, but that the treatment had started anyway. I accept that for that family it was very distressing.

I will have a further look at how we can make sure that people's access to EEGs is done in a timely fashion, but from time to time there will be situations where people will have to wait for this service. If that is because the appropriate person is not there and is not able to perform that test, then I cannot see any other way around that, other than looking for additional staff. We have done that and we will have that in place so that, hopefully, this issue will not come up.

My advice is that the technician was not on recreation leave but was actually attending a professional seminar during the time. I think contingency measures are put in place for things like recreation leave. It was another situation which led to this occurrence. I accept the concern that it has caused the family, but I am advised that a procedure which would have been booked in early October—on 3 October—for that patient was clinically acceptable. If you have other advice, Mr Smyth, I am happy to look at that.

MR SMYTH: Mr Speaker, I have a supplementary question. Minister, given that the technician has now apparently gone on recreation leave until the first week of October, how is it that the ACT health system, which your government has put so much extra money towards, will not be able to offer EEGs in the ACT public hospital system for the next two weeks?

MS GALLAGHER: I have not been advised of that. I was unaware that the technician is unavailable now. I will take some advice on that and come back to the Assembly.

Education—indigenous students

MRS BURKE: My question is to the Chief Minister and minister for indigenous affairs. Recently on ABC radio, you said:

Indigenous students have been carefully considered in the proposed changes to the education system.

You went on to take umbrage with Save Our Schools, saying:

But to suggest that the Government has deliberately targeted Indigenous students, that we've shown no sensitivity to their particular needs in identifying schools for closure is offensive.

That was from ABC Online. Chief Minister, according to you, how then does *Towards 2020* take into consideration the needs of indigenous families and their children?

MR STANHOPE: I thank Mrs Burke for the question. At the outset, it needs to be said that, if there is one area of my government's performance or response to issues on indigenous disadvantaged of which I am particularly proud, it is the enormous advances which have occurred in indigenous education in the last five years. It is the outstanding success story of indigenous affairs in Australia, not just the ACT.

For the first time in Australia's history, it has not been possible, in either of the last two years, in an analysis of outcomes from years 3 and 5 in primary schools, to distinguish between the outcomes of indigenous and non-indigenous students. That is the most phenomenal achievement in education in terms of addressing disadvantage achieved by any government in Australia. There is no difference in educational outcomes being achieved in government primary schools in the ACT between indigenous and non-indigenous students—none.

The proposition or the thesis now advanced by Save Our Schools and the Greens and, one thinks, endorsed by the Liberal Party is that, in an environment in which this government has, through its commitment to indigenous disadvantaged and indigenous advancement, achieved a circumstance where indigenous and non-indigenous students are achieving the same results and at the same level in government primary schools is that, nevertheless, we need to assume that the parents of those indigenous children would give up on their children. The press release, jointly launched by the Greens and Save Our Schools, stated that the parents of these indigenous children, if they were required to move their children to another school in the next suburb, would not bother and that these children were at a particular disadvantage because their parents could not be trusted to ensure that those children continued at school.

If they were required to go to another suburb, if they were required to move to another school, the thesis that you are flirting with, Mrs Burke, is that indigenous parents cannot be trusted with their children's education or with the future of their children. That is what the press release says. It comes from a position of judgment—the judgment being, “You cannot trust indigenous parents with their children's best interests,” even in an environment where those children are attending school at essentially the same rate—

Mrs Burke: That is an insult.

MR STANHOPE: It is insulting. It is a gross insult. Go back to the press release and the press conference and listen to what was being said.

Mrs Burke: On a point of order, Mr Speaker: I maintain he needs to get to the heart of the question, which was: how then does *Towards 2020* take into consideration the needs of indigenous families and their children—no past history, *Towards 2020*? Can the minister stick to the question?

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

MR STANHOPE: This is the subject matter of the question. The subject matter of the question, and the heart of the question, is the determination to ensure a continuation of outstanding educational outcomes in the ACT government education system, whether it be for indigenous students, non-indigenous students or red-headed students. We want the best possible outcomes into the future for all of our children. We are determined to run a system that ensures our capacity to do just that. We have made major inroads. Anybody in this place who stands up and points a finger at this government on indigenous education needs to take a history lesson. They need to look at the past. Before making throw-away remarks for the sake of a stunt in relation to this government's proposals on school closures, they need to look at the outstanding results which we have achieved.

They should think a little before they make allegations on truancy rates. This is the allegation that was made last week. It is offensive. It is judgmental. It is patronising. It is insulting to indigenous people within this community to the extent that it bundles them together and suggests that they are not ensuring their children get to school. The differential between attendance by indigenous students in government primary schools and non-indigenous students is five per cent—88 against 93.

MR SPEAKER: The minister's time has expired.

MRS BURKE: I thank the minister for the non-answer and ask a supplementary question. What consultations has the ACT government conducted with indigenous communities? What groups and indigenous elders have been consulted on the impact of school closures on them, and on what dates?

MR STANHOPE: The government is engaging in the most exhaustive period of consultation probably in the history of the ACT. To date there have been 550 meetings in relation to the school closures proposal. The minister has personally conducted 60 of those meetings, with 500 being conducted by the department, and similar numbers to come.

The consultation in relation to these proposals has been exhaustive and exhausting. It is a level of consultation that the Liberal Party, we see now, wishes to emulate through its decision to actually develop a policy on something. Anything will do. We will, of course, follow those consultations and keep count of how many they get through. We will be watching with great interest to see where the money comes from for the proposals.

The time has come across the board for the opposition and for the Greens, for that matter, to give some indication as to which of the policies we are pursuing they will not pursue—those decisions that they would take, were they in government, which would reverse decisions that we will take. We saw some of these through the budget debate. The tally is up to about \$300 million. I would hate to be the Treasurer in the next Liberal government.

Mrs Burke: I raise a point of order under standing order 118 (b). Can the Chief Minister please stick to the subject matter? I asked what groups and indigenous elders have been consulted on the impact of school closures upon them, and on what dates.

MR STANHOPE: The government is engaging in an exhaustive consultation process in relation to school closures. The minister has conducted 60 meetings. The department has conducted over 500, with the expectation that those meetings will continue. Nobody has been excluded from consultation in relation to the school closures and the impact on individual children. The department will ensure that there is a detailed transitional plan or arrangement for every single child affected by the proposals. That is the level of consultation and detail that the department and the government are engaged in. It is personal.

The answer to your question, Mrs Burke, is that every single child affected or potentially affected by a school closure will receive personal assistance. There will be consultation

at the family and individual student level on every aspect of the implications of a school closure.

This decision to play the race card, which the Liberal Party is now willingly engaging in, is, of course, consistent with their history in other places, although they have perhaps been a bit leery of that approach here. That is what it is. For the sake of the stunt, they talk initially about the implications for this group of students; then we move on to the implications for this group of students.

There are implications, of course, for every child potentially affected by a school closure, which is every child in government education in the ACT, because of our capacity to ensure optimal educational outcomes in a system running at 30 per cent below capacity at significant cost. The cost is not just in dollars. The cost is very much in our capacity to provide that range and depth of educational opportunity that will ensure the sorts of outcomes which we all expect within the territory for all children that are part and parcel of the system.

It cannot be done if we continue to run or seek to support a system with 30 per cent spare capacity in the context not just of the cost but in the context of the lost educational opportunities for us to ensure optimal outcomes for every child within the ACT government system, not just indigenous children, for whom this government has responded strongly and received outstanding results in a national context, but for all children in the system.

Roads

MR PRATT: My question is directed to the Minister for the Territory and Municipal Services, Mr Hargreaves. In appropriation bill debates last sitting you claimed—at some length I might add—that your government had committed to millions of dollars worth of roads capital works and roads improvements in the 2006-07 budget. In fact, you were referring to works in last year's budget, were you not? Why did you not realise that you had the wrong budget before you got up to speak? You gave incorrect information to the Assembly.

MR HARGREAVES: I thought I had explained it once before, but perhaps not. From the volume of budget papers contained in my drawer down here, I took out and extracted—I clearly indicated at the time—the wrong one. Right colour, wrong thing. I fessed up to that and made no secret of it. I do not think that there is much more to be said about it.

However, I say to Mr Pratt that you are a sad and disappointing person. Is that the best you can do when you have the opportunity to quiz the government on the content of its programs and policies? We are talking about our local roads and maintenance expenditure; I was half expecting a question from Mr Pratt based on recent articles in the *Canberra Times* on potholes. I know what an absolutely committed local member Mr Pratt is and the fixation he has with potholes.

In fact, I can also recall in the same area promising to get Mr Pratt his very own pothole. I have to fess up to the Assembly: I am an abject failure—I have not yet delivered that pothole. But I will get hold of the officers who assured me you would have a pothole and

I will speak sternly with them. I honestly will speak very sternly with them. I am hoping that in the context of talking about potholes—Mr Pratt’s favourite subject—it needs to be understood that—

Opposition members interjecting—

MR HARGREAVES: I do not think that Mr Pratt knows what local roads are. For the benefit of those opposite—I was going to say Dr Foskey, but she is not here—a local road is in fact the very road that Dr Foskey drives upon as we speak not discharging her responsibilities to the people of the electorate of Molonglo. No, she is off on a search for a pothole. A search to Giralang I understand, which is not in her electorate, but she has heard of it as a suburb of some interest; so she has headed off. I confess a disappointment because I had hoped to talk about climate change in a few moments—and I will—but the good doctor is not going to be here; she is off in search of Mr Pratt’s pothole.

Mr Smyth: But you can’t announce government policy.

MR SPEAKER: Order! Mr Smyth, quiet please.

MR HARGREAVES: Over the last three financial years we have spent an average of \$5 million on local road maintenance. When people criticise this government for its expenditure on road maintenance generally speaking, they forget about the \$30 million that is at the base of this. They think about it in terms of top up. They think, “You haven’t put any extra money in.” That is because we have not yet been able to get you your pothole. But we will get you your very one pothole in the suburb that is not in your electorate either.

It is interesting that Mr Pratt scurries around somebody else’s electorate or lives in a different one, not unlike the good Dr Foskey, who, discharging the responsibilities she has to her constituents, is meddling in the constituencies of Mrs Dunne, Mr Stefaniak, the Chief Minister and my colleague, Mary Porter. While we work here representing the people of the ACT, she takes the opportunity to scurry away and contributing—

Mr Smyth: But not you, Mr Speaker—you have been cast asunder; ignored by Mr Hargreaves.

MR SPEAKER: Order! I don’t need your help, Mr Smyth.

MR HARGREAVES: I am corrected by those opposite yet again about the longest serving member for Ginninderra here, the good Speaker. He does not want a pothole because he stands behind Mr Pratt’s request for a pothole. But we will get you one. Fear not; we will get you one. Then we will worry about increasing the road maintenance payment.

Mr Pratt: Is it in the budget papers?

MR HARGREAVES: Your pothole is not in the budget papers, and I apologise for that.

MR PRATT: Mr Speaker, I have a supplementary question. Minister, was your performance during budget estimates due to your failure to master your brief? Why are

you not aware of what is going on in your portfolio, nearly two years after becoming a minister?

MR HARGREAVES: The answer to the first question is no. The answer to the second question is that I am across my portfolio. Sadly, again, we have another pathetic question from Mr Pratt. He just demonstrated absolutely no knowledge of content at all. He asks: Mr Hargreaves, are you doing a good job? I have to confess to you, Mr Speaker, and to Mr Pratt that yes I am, thank you very much. Do I enjoy the confidence of my electorate? Yes I do, thank you very much. Do I know the content? Yes I do. Will I share it with you? No, I will not.

Hospitals—waiting lists

MRS DUNNE: Mr Speaker, my question is to the Minister for Health. Minister, in an interview on ABC radio on 12 September a surgeon at the Canberra Hospital said that doctors were being frustrated about the long waiting lists in ACT public hospitals. What are you doing to remove the influence described by this surgeon of “the ‘faceless men’ in the bureaucracy” who create inefficiencies in the delivery of health care?

MS GALLAGHER: I thank Mrs Dunne for the question. I did not actually hear the interview but I think I got the general theme of it. Coming to health in recent months, I have been going out visiting a number of places and having discussions with staff. I think there is sometimes frustration between doctors about the capacity to provide services. They are very much about their dealings with their patients. There seems to me to be a conflict from time to time—but not often—between what can be provided and what they want to provide.

The department is working very closely with the surgical specialists at the hospital on those issues and I think we have seen the improvements there. I note that in that interview I do not think the doctor acknowledged the extended opening times of the operating theatres or the commissioning of the additional or ninth operating theatre which has been put in place in recognition of concerns from surgeons about their capacity to deliver.

I think all of the measures I have spoken about in my discussion, or the question earlier from Mr Stefaniak about dealing with some of the patients on the waiting lists, will further clarify some of the concerns for doctors. As I said, I am setting up a number of meetings with doctors at the hospital in the next few weeks to talk with them about further areas where they believe improvements can be made.

As I said, we are delivering record amounts of surgery at the hospital in record time frames. More people than ever are having access to elective surgery. We are looking at further relationships with private providers. Where we cannot provide surgery in a timely fashion, we can work with private providers to support that. There is a range of things in place which I am happy to speak to that doctor about—and to other doctors at the hospital—to further improve that relationship.

I think there is an inherent conflict that exists from time to time. It is about doctors who work day to day with patients and see the need and the capacity of the health system to deal with the demand, and the emergencies that present to it every day, day on day. That

creates some conflict from time to time, but I am hopeful that we can work through a lot of that.

MRS DUNNE: Mr Speaker, I have a supplementary question. So minister, what are you going to do as the Minister for Health to resolve the inherent conflict in the system and thereby resolve the waiting lists?

MS GALLAGHER: I think I just answered that. One of the measures is for me to attend several forums—not special forums but meetings that already exist between surgeons and doctors at the hospital who meet with the department of health regularly about issues that they see. I am going to attend some of those.

I want to talk with the doctors about areas where we can further improve, from their point of view: where are the areas that we can further improve access to our hospitals. It is access in general that there are often complaints about. I have already outlined a range of measures in my previous answer—the commissioning of an extra theatre; the extension of the operating theatre; the additional \$10.4 million in this budget, which will provide an extra 300 operations on top of the extra 500 operations that were performed last year; looking at our relationship with private providers; and looking at the role delineation between the Canberra Hospital and Calvary Hospital. These are all areas where I think we can improve access to the hospital and access to services within the hospital.

We also have the access improvement program, which is already delivering improvements in particular areas within the health system. There is a lot of work going on and we are seeing the benefits of that. It does not happen overnight, but it has certainly happened.

The information provided in all of our reporting on the health system is certainly showing that there is a range of measures which are delivering improvements. But there are more improvements that can be done and all of this is being done in an era of increased demand for services. I think we are heading the right way, but there is more work to be done. I have been pretty open about what measures we are doing and where we are going to focus our energies in improving access to the health system.

Environment—greenhouse gas emissions

MR GENTLEMAN: My question is to the Minister for the Territory and Municipal Services. I am glad that the minister indicated earlier that he wanted to discuss climate change. I have noticed recent press reports about action being taken in South Australia to implement various schemes to abate greenhouse gas emissions. Today, the Premier announced the installation of wind turbines on government buildings. What action has the ACT government taken to date to address some of the issues of climate change?

MR HARGREAVES: I thank Mr Gentleman for the question. I also thank Dr Foskey for her interest. The vehemence of her interest is exhibited by the way in which she is contributing to our greenhouse gas emissions from the motorcar as she wanders down Belconnen Way in her search for self-aggrandisement. I certainly hope that she finds it.

The ACT government regards climate change as a pressing issue for all governments. Each government is, in fact, undertaking some activity in this area. We are undertaking many actions to address climate change and the greenhouse gas emissions that are the cause of climate change. We have a current *ACT greenhouse strategy 2000*, with initiatives both completed and continuing that address greenhouse gas abatement. We are building on this work to develop a climate change strategy which will address both the abatement of greenhouse gases and how the ACT can adapt to current and future impacts of climate change. I expect the government to be in a position to announce that new strategy early in 2007, when the community consultation on our proposed approach is completed.

The current strategy, covering climate change in the ACT, is the *ACT greenhouse strategy 2000*, as I said. The major initiatives operating under this strategy include the greenhouse gas abatement scheme, a form of emissions trading scheme that operates in New South Wales and the ACT. The scheme commenced in January 2005. It requires all electricity retailers to procure over time an increased component of electricity from accredited clean or green sources. The scheme is the single most effective mechanism in Australia for reducing greenhouse gas emissions. In 2005, it achieved greenhouse gas emissions abatement of about 316,362 tonnes. This is the equivalent of the annual emissions produced by about 73,570 cars.

In regard to the building sector, for residential buildings the initiatives include mandatory energy efficiency rating declaration at point of sale, introduction of five-star energy to the building code, investigations into a residential rating tool for sustainability and energy efficient subdivision guidelines.

Community programs include the ACT energy wise program, announced in December 2004, which provides home energy audits and rebates for energy efficiency improvements. It is a three-year program of \$300,000 a year, funded to 2007-08. The uptake for the audit program from June 2005 to June 2006 is 568, and for rebates the uptake is 255.

The Home Energy Advisory Service provides advice to residents and small businesses on energy efficiency measures and is funded at \$140,000 a year. The Home Energy Advisory Service has responded to a total of 5,548 inquiries between 2002-03 and 2005-06. The Home Energy Advisory Service is an ongoing program worth \$140,000, as I said. The ACT energy wise program is a three-year program of \$268,000 a year to 2007-08. Three-year contracts for both programs are currently out to tender.

MR GENTLEMAN: Minister, are you able to tell the Assembly what stage you are at in developing a climate change strategy for the coming year?

MR HARGREAVES: Yes, I can. Before doing so, I need to advise that, in relation to government programs, in September 2005 the government increased its commitment to the purchase of green electricity to an estimated 23 per cent from 1 July 2006, at a cost of \$300,000, for an estimated 30,180 tonnes of CO₂ equivalent saving. This makes the ACT second only to Tasmania in the percentage use of green electricity among all Australian governments.

The government spent \$150,000 conducting an energy audit program that addressed energy efficiency in government facilities and operations and has committed funds in the budget to improve energy efficiency in public housing. In November 2005, the government committed to purchase appliances with low-standby power usage, the first Australian jurisdiction to do so.

The government fleet has purchased low-emission hybrid vehicles. Currently, about 10½ per cent of the ACT government rates four stars or better on the green vehicle guide which, in effect, means the election commitment has been met more than two years ahead of schedule. Compare this with the Vancouver taxi fleet where eight per cent of taxis are hybrid vehicles. They operate in the same way and at the same price as other taxis but are much less polluting and their emissions are way lower.

In addition to buying hybrid vehicles, the government has committed to all fleet vehicles becoming four-cylinder models. The Chief Minister has led the way by changing his vehicle to a four-cylinder vehicle. Other members might like to consider that as an option.

ACTION has purchased 42 compressed natural gas buses, at \$17.2 million, bringing the percentage of gas-powered buses in the fleet to 11 per cent. Another 11 new CNG buses will be procured in 2006, for which we have allocated \$4.84 million in the 2005-06 budget. A further \$.17 million has been spent on the construction of ACTION's CNG refuelling station in Tuggeranong, which was launched in December 2004. ACTION has committed \$345,000 to incorporate bike racks on buses on major routes, to encourage commuters to use bicycles. ACT NOWaste has a program that converts methane gas emissions to green electricity in a revenue-positive program.

In March this year, the government released *Avoid Abate Adapt*, which is a discussion paper for a new ACT climate change strategy. The release was followed by a six-week consultation period. Key issues arising from the public consultation included education programs. This was a very strong theme in all the consultations. Participants indicated that there needed to be increased awareness of climate change and energy issues and how they relate to individuals in the community. They talked about regional leaderships. A number of participants indicated the need to recognise Canberra's place in the surrounding region and to ensure interaction with regional groups and governments.

The consultation revealed a need for bipartisan political support. Some participants articulated their belief that bipartisan support was needed to ensure that the climate change strategy and energy policy are not reversed. They talked about population growth and the issue of factoring population growth into potential energy use. Climate change impacts were brought up at several of the consultations.

They regarded highly the need for more research. Some participants advocated greater research specific to the ACT so that residents can be better informed and personalise the problem. In addition, it was felt that the government should support research being undertaken in the ACT through current research facilities like the CSIRO, the ANU and the University of Canberra.

The development of the climate change strategy recognises that the science of climate change has improved significantly. In addition to reducing emissions, it will also, importantly, include actions to address adaptation to climate change. In addition, community and media interest in climate change has increased significantly. The film *An Inconvenient Truth*, by Al Gore, received much publicity recently. The film is well done and clearly explains the complex science of climate change and the issues surrounding it.

I expect to be in a position to have the draft climate change strategy approved by my government colleagues later this year. I would like to be moving more quickly on it, but I am advised that there is a high expectation among community groups that there will be further consultation. This government is doing particularly well. I particularly thank the Chief Minister for the power of his commitment to climate change strategies.

Hospitals—pay parking

MR SESELJA: My question is to the Minister for Health. Minister, the Canberra and Calvary hospitals now have pay parking seven days a week from 6.30 in the morning to nine at night. Visiting hours at Canberra Hospital are between 8 am and 8 pm daily, so you cannot visit a sick friend or relative without paying for parking. In contrast, the hours of pay parking outside this building are between 8.30 am and 5.30 pm. Minister, why is it that you have pay parking at the hospitals on weekends and at night when other parking areas allow you to park free of charge at those times?

MS GALLAGHER: The decision was that that is the time that the hospitals receive high usage of car parks. A lot of people go to hospitals on weekends.

Mr Seselja: It is a revenue raiser.

MS GALLAGHER: Yes, it is a revenue raising issue. The whole idea of pay parking has been to raise revenue for the health system and to manage the car parks. Visits to hospitals occur largely in the evenings and on weekends, and those are the times that visitor car parking needs to be provided. I do not think there is any secret about the motivations for pay parking. There are two reasons. One is to manage demand for car parking at hospitals. The other is to raise money to be reinvested back into the health system. The decisions about the hours of usage of pay parking have been based on the hours at which those car parks are used. They are the times that pay parking has been brought in for.

MR SESELJA: I ask a supplementary question. Minister, why is your department charging people to visit sick relatives on the weekend when they can park in Civic to do their shopping for free?

MS GALLAGHER: I have answered the question. About 75 or 76 per cent of users of the car parks—the figure might be a bit higher—are exempt from paying for parking. We have tried to be extremely compassionate with our arrangements for people who are exhibiting hardship or who need to attend hospital frequently. There is a very compassionate exemption scheme being negotiated. We have done everything we can to address people's concerns.

Five dollars for 24 hour parking is a very low cost for parking. We can look at car parking in hospitals across Australia. Last year, when I was visiting a hospital in Sydney, it cost upwards of \$20 a day to get access to a car park. We have implemented a very low cost scheme at Canberra hospitals. It will provide a great deal of resources to the hospitals, and I will be transparent about how we report that to the community.

For \$5 you can park your car at a hospital for 24 hours. I think it is a reasonable scheme. It has been negotiated extensively over the past 12 months. In fact, it was actually in last year's budget that this decision was taken, not this year's budget, although the estimates committee decided to view it anyway. I think we have done everything we can. We will monitor the arrangements. I am still taking feedback from people. For the large part, we have instigated a scheme at the hospitals that is as fair as it can be, whilst acknowledging that what we are doing is raising money for the health system.

Health—services

MS MacDONALD: Mr Speaker, my question is to Ms Gallagher in her capacity as the Minister for Health. Minister, the opposition constantly claims that the government has “chucked” money at health and not delivered outcomes. Can you please inform the Assembly of the investment the ACT government has made in health and improved areas of service delivery.

MS GALLAGHER: I thank Ms MacDonald for the question. The ACT has perhaps one of the best health systems in the world. That is my view. I do not think anyone in this place, despite what is said by those opposite, would choose not to go to the Canberra Hospital or any part of our health system if they were ill and in need. The opposition should really stop talking down the health system because it is a good health system. It is strong and it responds to demands in a climate of increasing pressure. I acknowledge that we have such a health system because of the efforts and the professionalism of staff across the health portfolio—I am talking about the community sector as well—in providing services to the people of the ACT. Governments can provide the resourcing but we are in this position because of the skill and the professionalism of the people within the health sector who are providing these excellent services.

As members would know, the budget this year for health is over three-quarters of a billion dollars and it is delivering results. In fact, members who are interested can access a whole range of information, which we report quarterly to the community, about the state of the health system.

Mr Smyth: It used to report monthly.

MS GALLAGHER: If you look at the information you will see that it does not just give you the waiting list information, which is all that Mr Smyth wants, or the bypass information—which, for the record of the Assembly, is six hours for the month of September—but it provides a whole range of information that should be and is of interest to the community. It refers to the two things that the Liberals constantly look at and constantly talk about and also provides a very good analysis of areas of demand within the health system. It talks about access to services; safety for patients, which is something the community is very interested in; the efficiency and effectiveness of the

health system; activity levels—how busy are the hospitals; and gives a snapshot of how our health measures up across the community. This is produced every three months and I do not think you will find any level of this sort of information being provided by any other health system across the country.

The report shows that Canberra Hospital and Calvary Hospital are busier than ever. It also shows that there has been a seven per cent increase in cost-weighted separations for the 2005-06 year—that is, almost 72,000 in-patient cost-weighted separations for that year; that the emergency departments treated almost 100,000 people, which is again a six per cent increase in activity; that all life threatening presentations were dealt with on time; and that more people are accessing elective surgery than ever. It shows that our breast cancer screening services have grown by 10.5 per cent; that 100 of all eligible babies were screened for hearing; that we recorded almost 900 births in the third quarter; and that 96 per cent of our elective surgery patients in category 1 received care within 30 days. Further, the report shows that our immunisation rates are 94 per cent, which is three per cent above the national benchmark and that our community health services continued to meet their targets for the last five quarters with 95 per cent of people accessing emergency dental services within 24 hours. Also, waiting times for urgent radiotherapy services remain within best practice guidelines. We have invested in an additional linear accelerator—almost \$20 million has been provided in the budget—to reduce the need for patients to travel interstate. I think from this you can see that our health system is travelling very well within the climate of increased demand for services.

Mr Smyth: It is not what the AIHW say. Longest wait lists, longest wait times.

MS GALLAGHER: I am talking about the health system as a whole, Mr Smyth. I am trying to broaden it from your narrow focus on waiting lists. There have been big improvements in emergency department waiting times. The opposition does not like to be told that the areas they have been focusing on are all improving. We are delivering good access to health services in the Canberra community. We will continue to report, as we do, be transparent, talk about areas where we can improve our performance and look at ways in which we can improve our performance within a climate where demand is increasing.

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

Auditor-General's reports Nos 5 and 6 of 2006

Mr Speaker presented the following papers:

Auditor-General Act—Auditor-General's reports—

No 5/2006—Rhodium Asset Solutions Limited, dated 18 September 2006.

No 6/2006—Vocational Education and Training, dated 18 September 2006.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (3.49): I ask leave to move a motion to authorise publication of Auditor-General's reports Nos 5 and 6 of 2006.

Leave granted.

MR STANHOPE: I move:

That the Assembly authorises the publication of the Auditor-General's reports Nos 5/2006 and 6/2006.

I seek leave to make a statement in relation to Rhodium Asset Solutions.

Leave granted.

MR STANHOPE: The Auditor-General has tabled a performance audit report of Rhodium Asset Solutions. I wish to make a statement concerning the government's response to the report. As members would be aware, in June this year the government agreed that it would be desirable for concerns about Rhodium's operations to be reviewed by the Auditor-General.

This followed specific matters being raised about certain financial management and staffing practices that took place before the resignation of the former chief executive officer in March 2006. The resignation came at the time the board was investigating allegations by a former employee that there had been inappropriate expenditure involving Rhodium funds.

The board took immediate steps to investigate the allegations by engaging KPMG to conduct an independent review. This review was completed on 15 March 2006. These initial investigations led the board to decide that a more wide-ranging review should be undertaken by KPMG.

The terms of reference for the second review were developed with the assistance of the Auditor-General's Office. The investigations commissioned by the board found that there were a number of control weaknesses at Rhodium, particularly around the use of credit cards and the approval of travel and hospitality.

The board addressed these matters as a matter of urgency, and further controls and policies were put in place by Rhodium before the commencement of the performance audit by the Auditor-General. The board also referred the findings of the reports by KPMG to the government, to the Auditor-General and to the Australian Federal Police, the latter because there were concerns about the potential misuse of moneys for personal gain without proper authority. It was against this backdrop that the Auditor-General was requested to undertake the audit review of Rhodium in June.

The government is strongly committed to the highest standards of integrity in the management of territory-owned corporations. It is deeply disappointed by the significant deficiencies in the management of Rhodium reported by the Auditor-General and the failure of former senior managers of Rhodium to meet their fundamental responsibilities. The performance audit report shows that former senior management failed to ensure that company funds were managed prudently and efficiently, and that staffing decisions were not based on proper procedures.

In particular, the performance audit raises serious concerns around the use of credit cards, including the use of corporate credit cards for personal expenses. The report also

raises serious concerns around hospitality expenses and some sponsorship arrangements, including arrangements where there was no apparent benefit to Rhodium to justify the costs.

The report also identifies concerns around the processes used for employing several close relatives of the former CEO in the company. The Auditor-General finds that serious deficiencies in these areas suggest that Rhodium's senior management did not consistently meet, in the Auditor-General's words, "community expectations regarding due care and integrity".

The government greatly appreciates the efforts of the independent board members over many months in responding to the management failures of Rhodium. The report clearly shows that the board was misled, or not adequately informed, by senior management about a range of matters.

With the benefit of hindsight, it is possible that the board might have recognised some of the problems at Rhodium earlier or put in place stronger policies and procedures. However, in its response to the report the board points out that it could reasonably have expected that the existing policies and practices would have been adequate, at least in the short to medium term, assuming that senior management acted appropriately.

Unfortunately, the board was badly let down by senior management, particularly the former CEO. The board's response to the audit report at page 12 makes that clear. The Rhodium board was misled over a long period. It made decisions in good faith but, as it now appreciates, based on faulty advice and information. It believes its trust was misplaced and abused.

The Auditor-General also recognised this in her report by stating at paragraph 5.91 that in the initial establishment phase of the company, "it was the expectation of the Board that Rhodium management, in particular the CEO, would demonstrate leadership and skills in managing the internal governance and accountability framework prudently and effectively. Such expectations ... were not fulfilled."

While the board was clearly served very badly by former senior management, it acted decisively when the deficiencies in the management of the company were drawn to its attention, keeping the Auditor-General and the government advised throughout. Indeed, the Auditor-General specifically finds that the board acted promptly to address the management deficiencies as soon as they became known to the board.

The matters reviewed by the Auditor-General clearly raise very serious concerns about the actions and behaviour of certain individuals, most particularly the former CEO. For this reason, the government has been very mindful of the need for due process and natural justice to be followed, including throughout the Auditor-General's review. The government therefore refrained from prejudicing this process by making extensive statements before the review was completed.

The government and the board generally support the recommendations contained in the performance audit. However, in view of the prospective sale of Rhodium, it may not be cost effective to fully implement some of the recommendations prior to the sale. Final decisions on these recommendations will be made following the completion of the

scoping study of the sale of Rhodium that is currently being conducted by external consultants.

In conclusion, the government is very concerned about the serious deficiencies and the past conduct of senior management at Rhodium. The government is pleased to note the efforts of the board to deal decisively and openly with the management deficiencies and to put in place measures to ensure that Rhodium is managed ethically and effectively prior to its proposed sale.

Paper

Mr Speaker presented the following paper:

Study trip—Report by Mr Mulcahy MLA—The Menzies Research Centre Conference on State Policy Issues and meeting with Mr Peter Debnam MP, NSW Leader of the Opposition and Shadow Treasurer—Sydney, 7-9 September 2006.

Executive contracts Papers and statement by minister

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present the following papers:

Public Sector Management Act, pursuant to sections 31A and 79—Copies of executive contracts or instruments—

Contract variations:

John Stanwell, dated 7 August 2006.
Marion Wands.
Michael William Kegel, dated 31 August 2006.
Phillip Hextell.

Long-term contract:

Janet Lorraine Davy, dated 31 August 2006.

Short-term contracts:

Jenelle Clare Reading, dated 28 July 2006.
Pam Davoren, dated 23 August 2006.

I ask leave to make a statement in relation to the papers.

Leave granted.

MR STANHOPE: I present another set of executive contracts. These documents are tabled in accordance with sections 31A and 79 of the Public Sector Management Act which require the tabling of all executive contracts and contract variations. Contracts were previously tabled on 15 August. Today I present one long-term contract, two short-term contracts and four contract variations. The details will be circulated to members.

Financial Management Act—instruments Papers and statement by minister

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts): For the information of members, I present the following papers:

Financial Management Act, pursuant to section 14—

Instrument directing a transfer of funds from the Department of Disability, Housing and Community Services to Housing ACT, including a statement of reasons, dated 12 September 2006.

Instrument directing a transfer of funds from the Department of Disability, Housing and Community Services to the Chief Minister's Department, including a statement of reasons.

I ask leave to make a statement in relation to the papers.

Leave granted.

MR STANHOPE: As required by the Financial Management Act 1996, I table two instruments issued under section 14 of the act. The associated statement of reasons for an instrument must be tabled in the Assembly within three sitting days after it is given. The first transfer of an appropriation under section 14 of the Financial Management Act involves the transfer of \$76,000 of capital injection to the Department of Disability, Housing and Community Services to Housing ACT in relation to the intensive care and treatment facility project. The transfer has no impact on the territory's operating result.

The second instrument, transferring an appropriation under section 14 of the Financial Management Act, involves a transfer of \$410,000 of government payment for outputs related to the community initiatives fund for the Department of Disability, Housing and Community Services to the Chief Minister's Department. The transfer has no impact on the territory's operating result. The details of the instruments can be found within the tabled packages. I commend the papers to the Assembly.

Papers

Mr Hargreaves presented the following papers:

Australian Capital Tourism Corporation Act, pursuant to subsection 12(2)—
Australian Capital Tourism Corporation—4th Quarterly report—April-June 2006.

Petition—out of order

Petition which does not conform with the standing orders—automated voice recognition taxi hiring system—Mr Stanhope (25 signatures).

Subordinate legislation (including explanatory statements unless otherwise stated)

Legislation Act, pursuant to section 64—

Canberra Institute of Technology Act—Canberra Institute of Technology (Fees)

Determination 2006 (No 2)—Disallowable Instrument DI2006-205 (LR, 11 September 2006).

Dangerous Substances Act—

Dangerous Substances (National Code of Practice for the Control of Workplace Hazardous Substances) Code of Practice Approval 2006—Disallowable Instrument DI2006-192 (LR, 17 August 2006).

Dangerous Substances (National Code of Practice for the Labelling of Workplace Substances) Code of Practice Approval 2006—Disallowable Instrument DI2006-191 (LR, 17 August 2006).

Dangerous Substances (National Code of Practice for the Preparation of Material Safety Data Sheets) Code of Practice Approval 2006—Disallowable Instrument DI2006-194 (LR, 17 August 2006).

Dangerous Substances (National Model Regulations for the Control of Workplace Hazardous Substances) Code of Practice Approval 2006—Disallowable Instrument DI2006-193 (LR, 17 August 2006).

Gambling and Racing Control Act 1997 and the Financial Management Act—Gambling and Racing Control (Governing Board) Appointment 2006 (No 2)—Disallowable Instrument DI2006-204 (LR, 7 September 2006).

Health Act—Health (Fees) Determination 2006 (No 2)—Disallowable Instrument DI2006-197 (LR, 24 August 2006).

Health Professionals Regulation 2004—

Health Professionals (Dental Technicians and Dental Prosthetists) Board Appointment 2006 (No 1)—Disallowable Instrument DI2006-200 (LR, 31 August 2006).

Health Professionals (Optometrists Board) Appointment 2006 (No 1)—Disallowable Instrument DI2006-203 (LR, 31 August 2006).

Health Professionals (Physiotherapists Board) Appointment 2006 (No 1)—Disallowable Instrument DI2006-199 (LR, 31 August 2006).

Health Professionals (Psychologists Board) Appointment 2006 (No 1)—Disallowable Instrument DI2006-201 (LR, 31 August 2006).

Health Professionals (Veterinary Surgeons Board) Appointment 2006 (No 1)—Disallowable Instrument DI2006-202 (LR, 31 August 2006).

Public Places Names Act—Public Place Names (Forde) Determination 2006 (No 1)—Disallowable Instrument DI2006-196 (LR, 17 August 2006).

Race and Sports Bookmaking Act—

Race and Sports Bookmaking (Rules for Sports Bookmaking) Determination 2006 (No 2)—Disallowable Instrument DI2006-208 (LR, 4 September 2006).

Race and Sports Bookmaking (Sports Bookmaking Events) Determination 2006 (No 1)—Disallowable Instrument DI2006-207 (LR, 4 September 2006).

Race and Sports Bookmaking (Sports Bookmaking Venues) Determination 2006 (No 5)—Disallowable Instrument DI2006-206 (LR, 4 September 2006).

Road Transport (General) Act—Road Transport (General) (Application of Road Transport Legislation) Declaration 2006 (No 9)—Disallowable Instrument DI2006-198 (LR, 31 August 2006).

Government taxes and charges

Discussion of matter of public importance

MR SPEAKER: I have received letters from Dr Foskey, Mr Gentleman, Ms MacDonald, Mr Mulcahy, Ms Porter and Mr Stefaniak proposing that matters of public importance be submitted to the Assembly. In accordance with standing order 79, I have determined that the matter proposed by Mr Mulcahy be submitted to the Assembly, namely:

The burden and impact of ACT Government taxes and charges on the people of Canberra.

MR MULCAHY (Molonglo) (3.58): The 2006-07 ACT budget will go down in infamy as the budget that condemned the people of Canberra to years of acute and progressively worse financial pain. It was the inevitable product of over four years of economic mismanagement and irresponsible government, a period of time that many ACT taxpayers will not easily forget, particularly now that their newly inflated rate notices are appearing in their letterboxes, some of which have already had to be paid in recent weeks.

Looking down the list of increased charges and newly created levies passed down in this year's budget, it makes for difficult reading. The new fire and emergency services levy will cost households an extra \$84 per year. The new utility land use permit will cost ACT households at least an additional \$15 per year. A 30c per kilolitre increase to the water abstraction charge will cost households an extra \$137 per year. Land rates have increased by six per cent—not to mention revaluations—which translates into dollar increases ranging from \$63 to \$403 per household.

Putting this in perspective, a ratepayer in Oaks Estate, which is one of the most disadvantaged parts of my electorate, now pays about \$915 in charges in relation to their property—up from \$611 in 2005-06. Charnwood residents now pay \$1,021—up from \$698. A household in Banks will pay \$1,106—up from \$762. In the northern part of my electorate, Harrison residents now pay \$1,234 on their property—up from \$752. That is an extraordinary increase.

Shockingly, these residents have suffered increases in their combined government property charges ranging from 45 to 64 per cent. If that is not enough, if an ACT ratepayer wants to contest their rates assessment they will have to find a \$64 objection fee unless it relates to a land valuation case. In that case a \$20 fee applies. Of course, if you want to succeed in relation to an objection to your land valuation, your chances of succeeding are going to be pretty remote unless you retain the services of a valuation firm.

It is interesting when we compare this taxation system to what is prevailing at the federal government level. The federal Liberal government has recently introduced its fourth round of income tax cuts in as many years, as well as increased maternity payments, increased family tax benefits, expanded large-family supplements and a new fuel tax credit system.

Federally things are moving forward, with households reaping the benefit of the sound economic management we have experienced for the past decade. In the ACT, however, we see the reverse occurring, with years of poor economic management translating into further financial punishment for Canberra households.

This punishment is guaranteed to be compounded in the coming years, courtesy of the government's move to index its fees, levies and charges by the newly created—in terms of tax policy—wage price index, abandoning the consumer price index which has served all other Australian government jurisdictions for many years. I have seen colleagues in other states and territories and at the commonwealth level. Indeed, there has been absolute amazement at the introduction of this new method of regulating the rate of tax increases.

It seems that the ACT is a special case that deserves a higher rate of tax indexation. It will be at a rate some 45 per cent higher than was previously applied. The wage price index is expected to rise by four per cent compared to the consumer price index, which is only expected to grow by $2\frac{3}{4}$ per cent in 2006-07. Because the wage price index is 45 per cent greater than the CPI, it will greatly accelerate the increase in rates, administrative fees and charges, feeding inflationary pressures and prolonging the financial burden on the territory well into this decade.

Chris Uhlmann of the *Canberra Times* believes that the switch to WPI will mean that a rates charge of \$1,000 this year will result in a cumulative difference of \$729 to a household over 10 years. This means that under WPI Canberrans will be \$729, in net terms, worse off than under the CPI. That may well mean that you would have to earn somewhere in the order of \$1,400, if you are on the higher tax scale, to create these net additional available funds to meet the demands of the territory government.

What does all this mean for the people of Canberra generally? ACT households have one of the highest levels of debt in the country. The May 2006 Australian Bureau of Statistics housing finance report shows that in the ACT there is an average home loan debt of \$231,700, which is the second highest in Australia.

In addition to the significant burden of mortgages, many Canberra households are struggling to control their credit card debt. This situation has not been helped by the rising fuel prices and, obviously, recent increases in interest rates. It will only get worse when the full impact of the ACT government's increases to rates charges and levies is felt.

It is inevitable that ACT taxpayers are now going to experience significant pressure on both their home loan repayments and credit card bills, simply from the fact that they are having to pay more to cover necessities like petrol and housing costs in this financial year. Indeed, over the longer term it will not only be property owners who are adversely affected by these new charges but rent payers will also eventually feel the effect of the Stanhope government's 2006 budget, through higher rent and utility bills each month.

It is interesting that when I was preparing these notes, it was in advance of the publication of data yesterday which showed that Canberra is now holding the title of having the highest median rent rate for a three-bedroom house at some \$320 a week.

That is certainly contributed to by a number of factors. It is a situation that is going to be exacerbated, in my view. I said it yesterday and I see that someone much more competent than I in the field of economics, Dr Richardson, expressed the same view today—that is, that we will see these rents increase.

Landlords in a market such as the ACT will not absorb the charges that the territory is imposing on property owners. They will flow through to taxpayers. It may be easy for those who are on subsidised housing through defence, government or diplomatic postings to deal with these charges, but there is a large number of our community—for example, many of those who work for us here in the Assembly—whose accommodation is not being subsidised. They will have to find those costs and try and provide for themselves in a climate where not only is the market tight but costs are also going up at an extraordinary rate, due in no small part to the extra charges we are imposing on owners.

Consider those in the ACT who are financially vulnerable and have very little extra income to absorb these new imposts. I am genuinely concerned about how those people are really being expected to cope. It is basically opportunism that is seeing the territory squeeze hundreds of extra dollars from Canberra households every year.

This is an unacceptable and inequitable burden. It will be extra painful for families. It will be very difficult for retirees, many of whom are commonwealth public service superannuants whose incomes go up on a CPI basis. That will no longer ensure that they stay in line with the costs of government. And, of course, it will be difficult for those on other fixed incomes who are already struggling to make ends meet.

Business will certainly not be immune to the additional fees and charges imposed by this government. In fact, their burden is particularly acute. Commercial properties can expect increases of 19 per cent in average unimproved values to their land, translating into total government charge increases of up to 60 per cent.

It should not be surprising to see many small businesses such as video stores, restaurants, take-aways, hospitality venues, entertainment centres and retail outlets experiencing a significant fall in trade as a result of these new charges being imposed. At the budget breakfast the Chief Minister, to my absolute amazement, said he struggled to know what he could say that lunchtime to the Council of Social Service when I was proclaiming the benefits of tourism. But if you stop and take stock of things for five seconds, you realise that in fact there is a very direct correlation between buoyancy of employment and those who end up needing the services of welfare.

The potential reductions in expenditure in areas of discretionary activity will translate into the employment area. Casual employees in particular would be the most likely to experience the effects of employers' economic hardship, as they will see their hours reduced or shifts cut altogether.

We hear Mr Gentleman repeatedly go on about the plight of the worker, but here is a situation where we are going to strike hard at the position of discretionary spending. Those businesses that see their sales soften as a result of extra costs and people's inability to enjoy themselves as they would will, in fact, apply this in relation to the students, other young people and others that are employed in their businesses.

What is the key driver that is likely to impact on this economic activity? Obviously, it will be discretionary spending. The government needs to understand that people's incomes will not be rising to meet these newly imposed taxes and charges. Canberrans quite simply will have to make do with less.

The first items to go from household budgets will be the discretionary items of expenditure. It is the fundamental economic problem. Households cannot cut back on their essential needs such as petrol, groceries—which are going up above the rate of inflation—utilities and rent. But when it comes to the so-called luxury or discretionary items, these are expendable and, reluctantly, will be the first to go. Families are already suffering from exorbitant fuel prices and have been experiencing progressively higher interest payments.

When you combine these drains on the household budget with a raft of new tax measures, then it is inevitable that there will be cutbacks on individual spending. It troubles me that the next wave of instalments on rate notices will hit in mid-November. This will be as families are preparing for the Christmas period. I do not know where these additional funds that the Chief Minister expects people to find to meet the substantial increases in taxes and charges that are well above the inflationary figure are going to be sourced.

We should no longer be under any illusion in relation to this government's taxes, fees and charges. They are a fact of life. I understand that. I understand we have a budget that has been passed, but it is certainly the view of the Liberal opposition that it is not an area that we should accept. We are going to continue to champion the cause of the people of our community who are suffering as a result of this ill-considered range of charges.

It is an unavoidable reality that Canberrans will now have to sacrifice more of their discretionary income to cover the increased costs of living in Canberra. What will be the burden and impact of ACT government taxes and charges on the people of Canberra? It is quite difficult to know the exact dollar amounts for sure, as new levies such as the utility land use permit may or may not be passed through to consumers. But one thing is certain: the new set of taxes, fees and levies that have been increased or introduced in the budget will mean that Canberrans are worse off financially.

The reason why this is happening is very clear. It is because the government has not been responsible in its handling of the territory's financial affairs. It has resorted to extreme measures in order to get its budget back on track before the next election in 2008. Sadly, the position was forecast last December in the credit assessment report by Standard and Poor's. I think that, with the departure of Mr Quinlan, it has descended on the Chief Minister like a ton of bricks when he realised that his government had to take radical and dramatic steps. He certainly concedes that.

The issue we have on this side of the house is why did it take four years? Why did it take an independent assessment agency to force this government to take measures that were absolutely required as a precondition for retaining the credit rating of this government? I cannot overstate the significance, I believe, of the independent assessment. I had the opportunity, along with my colleagues here, to talk about that issue only two weeks ago in more depth with the agency concerned.

This is a critical area for governments. They, thank heavens, play a role independent of all political parties in assessing the performance of governments and the operating expenditure in particular of governments and their capacity to live within their revenue stream. Sadly, the people of Canberra are the ones wearing the impact of these charges. They are seeing services chopped back. They are seeing courageous statements being made—and I say that with a measure of facetiousness—that the Chief Minister is now able to make the tough decisions.

One has to ask the question why tough decisions were not being made over the past four years. Why is it that suddenly, overnight, we have had to see this massive corrective action when it has been very evident to this opposition here—certainly to me in my two years in the Assembly—that major problems were starting to develop?

All of this community is now suffering. Thank heavens for the federal government's initiatives. They are countering some of the impacts—they are creating employment and the like—but, at the end of the day, the taxes we are all wearing are excessive. I believe they cause a deal of pain to the many people in Canberra who had faith in this territory's government.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (4.14): The thing that needs to be said first on this constant parroting of the commonwealth's economic credentials is the fact that the commonwealth government under Peter Costello and John Howard is the highest taxing jurisdiction in Australia, and its share of taxation is increasing. It is the highest taxing government the nation has ever seen, and the commonwealth's share of taxation is increasing.

The measure that you use in relation to that is the proportion of taxation relative to gross domestic product. Taxation revenue for the commonwealth increased from 25 per cent of GDP in 2003-04 to 25.7 per cent in 2004-05. Taxation revenue collected by the states and territories and local government fell in the same period. All this parroting here from Peter Costello's apologist in this particular place—

Mr Mulcahy: He does not need an apologist. He is doing pretty well.

MR STANHOPE: He does. You get up here and talk about this raging taxation regime here in the context of relativities. You parade in here and beat your breast about the credentials of the commonwealth, the highest taxing regime in the history of Australia. Its proportion of the tax take is increasing, and you know it is, as against that collected by the states and the territories. Between 2003-04 and 2004-05 commonwealth taxation revenue increased by 9.3 per cent.

Do not come in here and talk about the extent to which the people of Australia, particularly the people of the ACT, are doing well because of the taxing regimes of the commonwealth—the commonwealth is taxing the people—and then parade and parrot a range of services that we receive from the commonwealth as a result of this 9.3 per cent increase in taxation revenue taken by the commonwealth over the year. In fact, to parade this outrageous set of rates and fees that are levied here in the territory as somehow extraordinary again belies the facts.

Mr Mulcahy: Who else has got a wage price index? No-one.

MR STANHOPE: We will go to that in a minute. The Commonwealth Grants Commission assesses the taxation effort of every jurisdiction in the context of its capacity. The ACT, as we all know, because of the overwhelming presence of the commonwealth within the territory, has a far lower relative capacity to tax than other places around Australia. Essentially, of course, we cannot impose payroll tax on half of our work force and cannot levy rates against all those commonwealth properties.

The latest figures from the Australian Grants Commission on relative fiscal capacity show that in 2006 the ACT's own-source revenue is average. In fact, it is lower than in Western Australia, South Australia, Tasmania and the Northern Territory. The ACT is not a high-taxing government. We tax at a lower level and a lower rate than Western Australia, South Australia, Tasmania and the Northern Territory. They are on Grants Commission figures.

But let us go to the heart of this debate. It is all right to stand up here today and talk about the outrageous impost of rates and taxes. It behoves the shadow Treasurer and the Leader of the Opposition today to have the courage that the shadow minister for police had in the debate on the budget, the appropriation bill, to stand up and claim definitively, "In government we will abolish the fire levy."

Mrs Dunne: The prison. The arboretum.

MR STANHOPE: No, the fire levy. At least Mr Pratt had the courage to say it. He had the courage to make an announcement. He said unequivocally, "In government we will abolish the fire levy." There is \$20 million or so. I admire the shadow minister for the courage he showed in the debate because he got up and said, "We will abolish that. That is \$20 million which we will simply do without." He did not then go on and say, "We will not say what we will do without when we abolish the fire levy." He will not say what they will cut. He will not say whether they will take the \$20 million out of emergency services or whether they will take the \$20 million out of health or whether they will take the \$20 million out of education.

Then again, we get to the position where the shadow minister for education stands with her leader and announces a 12-month inquiry into education, but we do not see much in the way of what a future Liberal government will do about any school that may be closed. How many schools will you reopen?

I prefer the shadow minister for police on this matter of emergency services, a shadow minister with the courage to say, "We will abolish the fire levy. We will not accept that \$20 million a year in government." I urge Mr Pratt to tell us whether or not he is going to replace the \$20 million in any way, whether he is going to cut \$20 million out of emergency services. It is hard to imagine that he is going to cut the \$20 million out of education in an environment where the shadow minister for education essentially has to accept that the Liberal Party's position at this stage is that the Liberal Party will reopen every school that may be closed. It is going to be difficult to take that \$20 million, which Mr Pratt has announced will be abolished and taken from the budget, from education in

an environment where the shadow minister for education will not give any indication of how many schools will be reopened.

We heard, in the matter of public importance today, the shadow Treasurer talk about the burden of rates and taxes. Which rates and taxes is the shadow Treasurer going to abolish? The shadow treasurer stands up here today and berates the government for a rated regime. That is an indication that this is not good enough. These are rates and charges which the Liberal Party in government simply would not tolerate. Mr Mulcahy would not tolerate this regime of rates, charges and fees. Therefore the shadow Treasurer, if he ever becomes Treasurer, will remove these increases. He will make these cuts. That is what the shadow Treasurer will do.

Mr Pratt is the only one that has had the honesty to date to state that, in government, that has gone—\$20 million. We have got this concrete figure of \$20 million.

Mr Mulcahy: It was \$300 million at lunchtime.

MR STANHOPE: It is, if we add everything up.

Mr Mulcahy: Sorry, I was confused.

MR STANHOPE: No, it is there, and it will be produced, as you very well know.

Mr Mulcahy: I am sure.

MR DEPUTY SPEAKER: Order, members of the opposition! I am hanging on every word the Chief Minister is saying. Chief Minister, proceed.

MR STANHOPE: Particularly the words of praise. But we need to develop this theme. It behoves the opposition as the alternative government not just to note the impact of rates and charges—to criticise them, to condemn them, to insist that in government it would not have done this—and then provide no answers, make no suggestions, offer no solutions, simply condemn without an alternative, and suggest that these rates, fees and charges will be cut or will be removed, as Mr Pratt has done with the fire levy.

We can start with the explicit \$20 million. We are dealing with \$60 million over three years. Where is it coming from? Then we have your condemnation today of the full range of rates, charges and increases. Where is the money coming from? What will a Liberal government do? Which services will you cut? Particularly in an environment where you are condemning rates and charges—

Mrs Dunne: Not spend like a drunken sailor.

MR STANHOPE: Mrs Dunne, I hope, is the next to stand so that she can address the issue of the cuts she is going to make in education. Which commitment is the Liberal Party making on schools it may close? They are all being reopened, are they? The Liberal Party in government will reopen all the schools that we close, with the budgetary implications and education implications of that.

We heard just two weeks ago from the shadow minister for education the suggestion that there should not be a productivity dividend in relation to pay claims currently being negotiated and presumably to be negotiated in the future. This is the Liberal Party position: we should simply pay the four per cent without any suggestion of productivity. Once again, where is the Liberal Party in government going to find the funds to support that particular regime and those particular policies? Mr Smyth wants an immediate additional 100 beds. Where is the Liberal Party, in the face of the cut to the fire levy and to the rates being suggested today, going to find the funds for that? Where are they coming from? Where are these additional projects coming from?

The Liberal Party claims it would abandon the prison. It has done it again today in this debate. Then again, in the budget debate, we heard one of the great ironies: “We will abandon the prison but we will build a new remand centre.” What have you costed the remand centre at? You are out there parroting from the rooftops that you will abandon the prison. You do not then go to the subtext, which is there in Mr Smyth’s report.

Mr Mulcahy, you have not been here for two years yet you are saddled with everything that all of your colleagues say. It does not matter whether you said it or not. Your colleagues in their estimates committee report promised a remand centre. We see this nonsense from the Leader of the Opposition—I think the Leader of the Opposition had not read the report of his colleagues either—just this week artfully, disingenuously, essentially dishonestly suggesting that there are only 115 prisoners or 130 prisoners in New South Wales; how could you possibly need a facility—

Mr Mulcahy: Point of order—

MR STANHOPE: I withdraw “disingenuous”.

MR DEPUTY SPEAKER: Thank you, Chief Minister. Be a bit more careful.

MR STANHOPE: I meant in an intellectual sense.

MR DEPUTY SPEAKER: That is not the way I judged it, Chief Minister.

MR STANHOPE: At the heart of the prison is a remand centre. The heart of the project is a new remand centre because the one we currently have is simply unacceptable. Nobody in this place who wished to be objective thinks otherwise. At the heart of the Alexander Maconachie Centre is a remand centre for over 100 potential remandees. It is a third of the establishment. Yet we hear just this week this talk about the number of prisoners in prisons in New South Wales, and we subtract that from the final potential total of beds at the Alexander Maconachie Centre without any reference to the fact that a third of the establishment is a remand centre. That is disingenuous. That is misleading. Here we go again: we will abolish the prison and redirect those funds into hospital beds, without any suggestion of how we will pay for the staff to staff an extra 200 beds.

Mr Mulcahy: It was costed in the election.

MR STANHOPE: No, it was not.

Mr Mulcahy: I have seen the figures.

MR STANHOPE: So have the rest of us. You say it has been costed but you have just got rid of your first \$20 million with the fire levy. Today, in the context of this matter of public importance, we have the Liberal Party, the opposition, the alternative government, saying, “This level of rates and charges is unacceptable. We will certainly abolish and abandon the wage price index.” Mr Mulcahy is on the record as saying that. There is another few million.

Mr Mulcahy: Do not mislead the house.

MR STANHOPE: Here we have it now. We get up in this place and beat our breasts about how wicked the wage price index is but do not for one minute think that we will abandon it. Here we have it now from the oracle himself, waxing lyrical against the evil of the wage price index as opposed to the CPI. Here he is today refusing to commit to abandon it. Here you have it, the shadow Treasurer will not even commit.

Opposition members interjecting—

MR DEPUTY SPEAKER: Order! Opposition members, let us have a bit of decorum. Chief Minister, if you direct your remarks through me and not across the chamber we might mitigate some of this cross-border sparring.

MR STANHOPE: That sums this debate up—a debate about the impact of rates. We have heard the shadow Treasurer wax constantly, repetitively, ad nauseum one might say, about the wage price index but here we have it from his mouth today: “That does not mean that the Liberal Party in government will abandon it.” Here we have the words from his mouth, an acceptance by the shadow Treasurer that he will not abandon the wage price index. Humbug, humbug!

MR DEPUTY SPEAKER: Chief Minister, your time has expired.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (4.29): The talk was entertaining, and there certainly was a fair bit of humbug flying around. I am utterly amazed at the panic stricken way in which this government in its budget has imposed extra taxes and charges on the people of Canberra. It is all very well for the Chief Minister to say, “What are you going to do about it?” Chief Minister, we have already indicated a number of things that we certainly would not be proceeding with. We have indicated that in about six or seven areas, and we will continue to do that.

But one thing you need to appreciate is that you have still got two more years to run. You have got this territory into a god unholy mess in the four or five years you have had here to date. This panic budget is indicative of that. I remember you here in March or April of this year being very surprised, as no doubt you would be, to find an extra 2,500 public servants on the books. Where on earth did they come from? They came basically from the result of four years of just letting things drift. I concede there are probably about 500 of these you can well and truly justify. I am not too sure about the other 2,000. They are all people. Now you are starting to prune back there. That is fair enough; you needed to.

But how on earth did you let that happen in the first place? How on earth could your ministers be so derelict that they did not know how many people they had in their departments? They did not do regular checks to see whether we really need those extra people or not. That utterly amazes me.

For seven years I was part of a government which was trying to claw back the unholy mess we inherited in 1995. We got to the stage where we finally got into the black. That first budget was even before the GST came in. We finally took some initiatives, which cost a bit of money, for the benefit of the people of the ACT, such as the kindergarten to year 2 initiative in March 2001. You expanded it, in a better financial situation, to kindergarten to year 3. It was a good initiative.

Mr Stanhope: You did not even fund it.

MR STEFANIAK: We did. That was funded. Check your facts on that one, Chief Minister. That was funded. I say to you, "Go and check that."

MR DEPUTY SPEAKER: Both sides of the chamber, order! It is getting a bit carried away. Carry on, Mr Stefaniak.

MR STEFANIAK: Those initiatives were done without the benefit of GST. I was around in the dying days of the Carnell government. I remember seeing some GST figures where we got an extra \$30 million or \$40 million. It was up to about \$80 million instead of the \$40 million we expected. What an absolute godsend that was. What is it now? I have seen your budget projections. Very soon you are going to be getting over \$700 million of GST funding. What an absolute windfall for the territory. Despite the GST money going up, despite the federal grants going up and despite the booming economic times that the territory has, largely thanks to a very competent federal government, you have still managed to make an unholy mess of it.

It is interesting that this particular budget certainly has a big impact and a big burden on the ordinary people of the ACT. When I say "people", I mean Mr and Mrs Charnwood out there. They would be paying rates last year of about \$680; now it is up to \$1,021. Battlers can ill afford that. People out in some of the boondocks around Tuggeranong are paying very, very similar rates, as are the people out at Oaks Estate. These people certainly cannot afford to pay these new taxes.

Guess what happens. Whatever discretionary income they have goes out the window. When that happens, that has a cumulative effect on creating employment in our city and on jobs for young people. The boom times cannot last forever. How are we going to be placed when the territory does come upon hard times, as it inevitably must as a result of the cycle slowing or dipping down? That is going to have a very big effect. This government has got two years to run, at least.

Mr Stanhope: Two and a bit, Bill.

MR STEFANIAK: Two and a bit years to run. God knows what mess you are going to make in the next couple of years, because you certainly have in the last four or five years. This panic budget shows that. If you had brilliantly managed the territory's budget

from 2002-03 onwards, if you had not let the public service expand by 2½ thousand public servants—a figure even you were very, very surprised at—if you had paid the attention to detail, as the people of the ACT would expect you to do, you would not need to take some of these measures that you are taking now and add this huge impost on the people of the ACT.

Mr Seselja: Busway designers.

MR STEFANIAK: And some of your crazy vanity projects like the busway. I thought you were not going to go ahead with that, but I got a glossy in the mail from Mr Corbell indicating that this wonderful \$150 million nonsense program to save three minutes from Belconnen to Civic is still likely to proceed.

Then there is the use of the recurrent money and even your human rights act costs. Maybe it is not a huge amount in terms of the immediate bureaucracy, but the extra time all the other elements of the bureaucracy have to spend translates into extra staff, et cetera, to accommodate this act that does nothing for the ordinary, law-abiding citizens of the ACT. I mention those few things where your priorities are all absolutely askew. And it is the ordinary people of Canberra who are going to suffer as a result.

An increase in general rates of six per cent is not particularly huge, but that still translates into increases ranging from \$63 to \$403. Then we get the levies: the \$84 fire levy, the abstraction charge of \$137 for household water bills—

Mrs Dunne: Which is probably illegal.

MR STEFANIAK: Which is probably illegal; you are right, Mrs Dunne. Frank Pangelo is talking about legal action in relation to that. That will leave about a \$27 million hole in your budget if that goes west. We are waiting with interest to see what happens there.

Then there is the wage price index. What a great little earner that is—four per cent instead of the 2.75 per cent for the consumer price index. That will further accelerate tax increases and maximise government revenue. It is a cynical attempt by the Stanhope government to maximise its revenues to cover over four years of economic mismanagement. For four years you did not need to do this because you were going into good times. You were left a surplus by the previous government; you had a booming federal economy that just kept going and going and going and getting stronger and stronger. Yet you have somehow managed to get us into this incredible mess. You did not need to.

It is one thing to introduce rates and charges in a prudent, progressive and equitable way, but it really is quite another to slap a raft of levies across the board in a reactionary and panic stricken way in an obvious attempt just to get yourself out of trouble. Many of these increases and rates, charges and levies included in this year's budget have been cleverly concealed, resulting in household budgets experiencing unexpected additional burdens over the coming years.

I do not think you, as Treasurer, Mr Stanhope, have fully grasped the consequences of this new revenue-raising scheme. We are staring down the barrel of an economic slowdown as high rates and charges eat up discretionary spending. That is going to be

a very, very significant problem in the years to come. That is something that whoever forms the government in 2008 is going to have to really come to grips with.

Mr Mulcahy: That will be our problem, Bill.

MR STEFANIAK: That issue will be our problem indeed. That is something that we just have to do. That is what we are here for. But it was rather annoying, having been in this place for a long time, coming into government in 1995, when there was a significant deficit of \$344.8 million—

Mr Stanhope: Bulldust, Bill.

MR STEFANIAK: You can argue the toss on that one, but the significant fact was that it took a lot of effort for four or five years to get us out of that particular mess.

When you look at these rates and charges, maybe there is another way you should have done this. What you have been doing with these rates and charges is taking money out of an ever-diminishing pool—that is, the pockets of ordinary Canberra citizens—rather than perhaps even spending a little bit of money, the \$3.5 million in not getting rid of the tourist commission for example, and getting money in from outside. Maybe you should not have made some of the changes you made in the business area, where you cut about 30 staff, and not made cuts in programs which had the potential to grow business here, get money and generate extra income, rather than taking it out of a flat pool of people in the ACT, which is basically what your rates and charges are doing.

You have gone about it not in a very competent way. You cannot really blame the commonwealth, as I said earlier. There is record GST money coming into the territory, undreamed of in the latter days of the Carnell and Humphries governments. We would have loved to have had about \$150 million or \$200 million a year coming in from the GST. Think what a good, competent government, like we were, could have done with that. You have not had that problem. You have had record and rising GST revenues.

You expect this year to receive commonwealth grants of \$1.2 billion, over \$65 million more than in 2005-06. That includes compensation for the deficiencies such as payroll tax receipts, which you mentioned. All in all, through your own ineptitude you have created in this budget a huge burden and impact on ordinary Canberrans.

MR GENTLEMAN (Brindabella) (4.39): The Chief Minister has responded comprehensively to the MPI. However, I wish to emphasise a number of key points.

The ACT's economy is strong. Our unemployment rate is the lowest of all jurisdictions. Our participation rate is the highest of all states. The territory also has one of the strongest balance sheets of all jurisdictions. At lunchtime today I was able to go to the Floriade exhibition. There was an artist painting a view back from the gardens towards City Hill. In his painting, as well as the flowers, he had cranes in the skyline of Canberra showing the amount of growth in the city. There were six cranes in one painting by this artist from Floriade. That is quite a significant statement by a visiting artist.

What are the opposition's policies on taxes and levies? What are their fiscal policies? We have heard about the Liberal love fest in Sydney just the other weekend. We heard quite

a detailed report from Mr Stefaniak on the radio on the Monday morning following the love fest. What did he have to say? He was asked what advice the Prime Minister provided to the love-in. He was asked why the Liberal Party is in opposition in every state and territory and what the PM had asked the Liberals to do. Mr Stefaniak said, "We have to get some policies. We have to come up with good policies to combat incumbent governments."

What are these policies? The only one the Leader of the Opposition could come up with on the radio that morning, after a weekend with the Prime Minister, was the abolition of pay parking at Canberra's hospitals. The only policy in their fiscal armoury is to abolish pay parking. The only policy to come out of a whole weekend with the leader of their federal party, the Prime Minister of Australia, was to abolish pay parking at hospitals. How incredible!

This government has demonstrated its record for sound budgetary management and has delivered surpluses on an Australian Accounting Standards basis over the last four years, even after making significant investments in critical areas neglected by previous governments, such as disability services, emergency services, child protection and mental health. The ACT does not have a record as a high taxing jurisdiction, as indicated by the Commonwealth Grants Commission and the ABS. The burden of territory taxation on the people of the ACT is not over and above that experienced by people in other states.

In recent years the ACT has not been raising revenue at a sufficient rate to support the services the community expects. In 2004-05, according to the Commonwealth Grants Commission, the ACT had a taxation effort around the national average, with a total taxation assessed revenue-raising effort of 100.27 per cent. The taxation revenue figures published by the Australian Bureau of Statistics in ABS catalogue No 5506 released on 29 March 2006 show that per capita state and local taxes in the ACT were 11 per cent lower than the average of all states and territories.

The most recent available figures show that the ACT takes relatively less tax per person today than it did in 2000 and 2001. In 2000-01, the ACT per capita taxation was the third highest behind New South Wales and Victoria and almost on par with the average for all states and territories. In 2004-05, the ACT was the third lowest at around \$270 per capita lower than the average. 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 at nine per cent. In all other Australian jurisdictions per capita taxation increased by between 11 and 43 per cent.

The ACT is the only jurisdiction that had a decrease in per capita taxation between 2003-04 and 2004-05. While per capita taxation in the ACT decreased by six per cent, every other jurisdiction had an increase ranging between two per cent and 16 per cent. It is worth mentioning again that the commonwealth government is the highest taxing jurisdiction in Australia, and its share of total taxation is still increasing. A useful measure in this case is the proportion of taxation relative to the gross domestic product, the size of the national economy.

Taxation revenue for the commonwealth increased from 25 per cent of GDP in 2003-04 to 25.7 per cent of GDP in 2004-05, and GST revenue was only a small part of this.

Taxation revenue collected by states and local governments fell from 5.7 per cent of GDP in 2003-04 to 5.6 per cent of GDP in 2004-05. Between 2003-04 and 2004-05 commonwealth taxation revenue increased by 9.3 per cent.

Another way to measure relative taxation between states and territories is the ratio of taxation to the gross state product, the size of the state or territory economy. Comparing the ratio of state and local taxes to GSP puts the ACT at the second lowest level, above only the Northern Territory. The taxation to GSP ratio for the ACT is 3.9 per cent, well below the national average of 5.6 per cent.

The Commonwealth Grants Commission assesses the taxation effort of the jurisdiction in the context of its capacity. The ACT has a relatively lower capacity, as it cannot impose payroll tax on commonwealth agencies. The commission's 2006 update on relative fiscal capacities indicates that the ACT's own source revenue is on par with the average and lower than Western Australia, South Australia, Tasmania and the Northern Territory. Once again, the commission's assessment does not suggest that the ACT is a high taxing government.

It is worth noting that over the coming years this government will abolish several business taxes.

Mr Mulcahy: That is because you are getting GST.

MR GENTLEMAN: Already a number of local taxes have been abolished in the fulfilment of the intergovernmental agreement. In coming years a number more are to be abolished. Under a schedule agreed with the federal Treasurer—that is agreed with the federal Treasurer, Mr Mulcahy—the territory will eliminate taxes that will see the government forgo approximately \$21 million across the budget years, rising to more than \$14 million a year once the final taxes are abolished in 2010.

From 1 July non real estate business conveyances have been abolished. Stamp duty on credit arrangements, instalment purchase agreements and rental arrangements will be abolished by next July. Stamp duty on non-quotable market securities will go by July 2010.

Most in the Assembly would agree that in the ACT we have a high standard of government services that need to be sustained. This government had to increase fees and charges to better reflect the real costs of delivering services. Without this action, this government and future governments would not be able to deliver and pay for the sorts of services that Canberrans expect and deserve.

Although fees for municipal services are increasing, the government is investing an additional \$5 million per annum into providing additional maintenance for roads, bridges and stormwater infrastructure. In addition, the government has made significant investments in key service areas such as health, education and policing to the benefit of ACT residents. In being fiscally responsible, the government will continue to take action to ensure that the territory's finances are put on a sustainable footing to ensure that priority and high standard services continue to be provided and that emerging service needs are met. This is a responsible government, Mr Speaker, responsibly managing.

MR SESELJA (Molonglo) (4.49): I want to respond to some of the things that the Treasurer had to say, which Mr Gentleman repeated. The Chief Minister focused on the amount of tax actually collected by the commonwealth. He neglected to mention that the GST, which has been the massive growth tax, is included in the figures that he is quoting. All that money is going to the states and territories, and the ACT has been a beneficiary of the massive increase in GST revenue coming in over the past few years. Neither the Treasurer nor Mr Gentleman mentioned that.

Both the Treasurer and Mr Gentleman talked about our being at about 100 per cent of our revenue raising capacity and how we have less revenue raising capacity than other states and territories. Of course, they neglected to mention that we are compensated for that. I believe the grants commission applies a formula of about 1.08 or 1.1, which takes account of the fact that we have less revenue raising capacity than some of the other states and territories. That is something that both Mr Gentleman and the Treasurer neglected to mention. They neglected to mention all sorts of facts in this debate because it suits them.

The Treasurer asked what we would do differently and what our policies would be. We are constantly highlighting areas of wasted expenditure by this government. We talk about the busway, the arboretum and the prison. We see the hundreds of thousands and millions of dollars of waste by the LDA. We are constantly highlighting areas where this government could be cutting back its expenditure without significantly affecting services. But they will not take us up on it. The Treasurer was essentially asking, "What would you guys do? If you had made as big a mess of it as we have, what would you then do? Would you raise taxes?" Well, if we had made as big a mess of it as they have, we might be forced to raise taxes. But we would not have made as big a mess of it. We would not have squandered the massive windfall that we have seen coming to this government in recent years.

Let us look at some of that windfall. Between 2002 and 2005, the ACT received around \$908 million in unanticipated revenue; that is, revenue over and above what was estimated in the budget papers. Between 2002 and 2005 the ACT received \$900 million. What have we seen for that? The Chief Minister always mentions the Vardon report and the Gallop report and the bushfire recovery. The cost of those was about \$365 million. Of course, that is not taking into account the fact that good governments budget for unexpected events. There needs to be a bit of money in the kitty for things like that happening.

But even if we take into account that \$365 million of extra expenditure that could not have been anticipated, we had a \$900 million windfall in that time. What does that leave us with? The answer is that \$535 million of expenditure has been misallocated. We knew there was going to be growth in health expenditure. That was planned for. We knew there was going to be growth in education expenditure. We have seen \$900 million extra come in, but this government has squandered it. We have had a massive windfall. Where has that come from? Some of it has come from GST revenue. Some of it has come from land sales. Some of it has come from extra stamp duty revenue. They have been the three biggest things. We have been the recipients of a massive windfall gain from the property boom and from GST. They have been the two main areas of extra money that has been coming in.

What has been the result? The government has sold off the assets. Have we seen significant amounts of spending on infrastructure? You sold off assets. Have you put it back into infrastructure? No, you have not. Has anyone seen great infrastructure projects as a result of this windfall? What is the biggest infrastructure project we are going to see from this government? It is the prison. At a time of booming revenue and a booming economy, we have seen barely any increase in expenditure on significant infrastructure projects. Have we seen a great upgrade of our road network in the last few years? Have we seen a dam built? Have we seen our water infrastructure significantly upgraded? No, we have not. Have the people of the ACT seen a significant increase in the level of services? Are we seeing waiting lists slashed? No, we have not seen waiting lists slashed in this time.

The Treasurer talked about the GDE. Road funding is about the only thing they are spending money on at this stage. They seem to have diverted all other road funding into the GDE. There has been a blow-out in the cost of the GDE, in part because of the government's mismanagement, yet when we drive down Adelaide Avenue we see the massive potholes that Mr Hargreaves refers to. They cannot even look after the basics like the bridge in Tharwa. We have seen example after example of declining service. Money is not being spent on infrastructure. Let us be clear about this. The boom time revenues are unprecedented. They are unlikely to be seen again any time soon. The people of the ACT could reasonably expect better services, better roads and better water infrastructure. Has that happened? No, it has not. That is going to be legacy of this government.

The end result is that close to 39 schools will be closed and taxes and charges will go up. We have not seen upgrades in infrastructure. We have not seen improvements in services. At the end of that boom revenue we will see the closure of 39 schools and massive increases in taxes and charges to cover government spending. Before the last election the Treasurer told us not to fear a majority government. The people of the ACT have every reason to believe that they should have feared a majority government. We are now seeing the results.

Let us look at some of the individual increases. The suburb of Phillip in the electorate of Molonglo has had its land values increased by 13 per cent. However, rates and taxes have increased by 41 per cent, from \$825 to \$1,167. Land values in Lyons increased by 10 per cent, but rates and taxes have increased by 31 per cent, from \$1,142 to \$1,496. In Rivett land values are up by 11 per cent, but the overall increase per household is 37 per cent, from \$925 to \$1,266, and their school will be closed down.

Mr Stanhope: Are you going to reopen it?

MR SESELJA: Again, this is the argument from the Chief Minister. He says, "If you had done as bad a job as we have, what would you do?" That is the question: if you had squandered the revenue for the last five years and not provided better services and not provided better infrastructure, what would you do then? Would you close the schools or would you reopen them? Would you leave the taxes the same or would you increase them? That is the question. We would not have stuffed things up the way you have. There is no doubt about it.

In Ngunnawal land values increased by six per cent, yet rates and charges have increased by 39 per cent, from \$777 to \$1,083. In Amaroo land values have increased by five per cent, but rates and charges have increased by 35 per cent, from \$877 to \$1,185. The government's response is that it is our fault, that it is the fault of the people of the ACT. The Chief Minister has said that the people of the ACT have been living beyond their means. It is not the people of the ACT who have been living beyond their means. This government has been living beyond its means. This government has squandered massive windfall revenues. It has not provided for the future through better infrastructure. It has not provided better services. The government did not say anything before the last election, but now it says it is going to reward us by closing 39 schools and increasing taxes by 50 or 60 per cent. That is a disgraceful record. That is the record of a government that has lost control of its expenditure. It is now seeking to blame everyone but itself. It has no one to blame but itself and its ministry.

MS PORTER (Ginninderra) (4.58): I rise to make a brief point. One should ask whether expenditure to meet the needs of the ACT community should be around the national average. It is a reasonable question to ask. However, the next question is whether the ACT community would be happy with an average level of service. The answer clearly is no. The people of the ACT are not content with an average level of service. Why should they be? The community has high expectations for services. However, pleasingly, it is also prepared to invest in the sustainability of health and education services, municipal and emergency services and the sustainability of our community and disability services. I have this view confirmed every weekend when I discuss this issue with people who—

MR SPEAKER: Order! The time for the discussion has expired.

Adjournment

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

That the Assembly do now adjourn.

Death of Glen Parry

MR SMYTH (Brindabella) (4.59): Mr Speaker, I rise to bring to the attention of members and the ACT community the passing of Glen Parry. Glen was assistant secretary of the CFMEU, a position he worked in for a long time, and was a man of great passions. I was lucky enough to work with Glen on a number of issues, including some occupational health and safety reforms whereby we got programs going inside the building industry to look at drug and alcohol abuse. Workplace safety was something that Glen was very strong about.

It is interesting that on one occasion Glen and I actually had to fight the ACT Labor government over giving them a free utility. Yes, that is right, Mr Speaker, the CFMEU and I, a member of the Liberal Party and also a member of a volunteer bushfire brigade, helped to organise a free vehicle for a volunteer bushfire brigade, something which the ACT Labor government, under Jon Stanhope, refused to accept, or at least initially refused to accept. I think that that was very much to their shame and, very much to his last days, Glen laughed at the fact that he and I had worked very hard to ensure that this

vehicle came into use with a volunteer bush fire brigade. Indeed, all of the brigades now have similar vehicles because it was such a good thing. But it is interesting that one of his last great fights was actually against the Jon Stanhope Labor government.

Mr Speaker, I am sure you and others knew Mr Parry. He worked most of his life in the building and construction industry. He was a welder, a rigger, a dogman, a scaffolder and a teacher. I understand that his real passion was driving a crane and that in this regard he was probably second to none. He started his working career on the Snowy Mountains scheme. He worked in all facets of the building and construction industry. He was, indeed, a member of the BLF and later he was, as I have said, assistant secretary of the CFMEU.

Those of us who knew Glen very much appreciated his candour, his honesty and his passion about all the things in which he got involved. In that regard, Canberra is the lesser for the passing of Glen Parry. I am grateful to the CFMEU for giving me some of this information. Indeed, an article written by Steve King will appear in the next edition of the CFMEU news with a rather charming photograph of Glen with that characteristic moustache and goatee. I just wanted to say that we did not see eye to eye on everything, but you had to admire Glen Parry's passion for life, his love for those that he worked with, and his commitment to occupational health and safety and improving the lot of the ordinary worker.

Economy—consumer price index

DR FOSKEY (Molonglo) (5.02): Mr Speaker, following the MPI today and the discussion about economic matters, I just thought I would draw the Assembly's attention to a report released yesterday by the Australian Greens, which had a good look at the consumer price index and its usefulness at measuring the cost of living of ordinary Australians. Whilst the study, which was called "Let them eat cake—how low income earners are disadvantaged by the consumer price index", focuses on the consumer price index, I think that a lot of the criticisms in it could also be applied to the use of the wage index as a way of working out rates and charges and the relative wealth of people, because it was found that, as both indexes are based on averages, they can give a very false impression of how people are doing in the ACT.

That is certainly problematic for governments which make budgets on averages. We all know that the ACT looks very good in terms of gross household disposable income per capita, at \$43,084 per person in 2004-05, compared with Tasmanian residents at \$22,967. I think we all know that, where there is equity in a community and a narrower range of variation between wages and wealth, there is a potential for that community to be a more peaceful community. In fact, it is the high degrees of difference between wealth and poverty that can cause unrest and unhappiness in a community.

I guess the interesting thing about the Australian Greens study of the CPI is that it shows that the CPI's function has actually changed over the period of the Howard government. Whereas once it used to be seen as a way of measuring the cost of living, it is now more related to measuring the degree of inflation. So it has become much more a tool for assisting with monetary policy for the Reserve Bank of Australia. Among the reasons that the CPI does not do a good job of measuring the cost of living is that it ignores the cost of mortgage interest payments, which, of course, are a burden on many families; it

ignores the cost of the land that new houses are built on; and it ignores the cost of established houses. Also, because it uses capital cities, it ignores the fact that people away from capital cities might actually pay quite a lot more, as indeed they do, for goods and services.

What is really interesting is that some items in the CPI basket, such as fresh fruit and vegetables, petrol and public transport, have been rising much faster than average while other products, such as electrical appliances, new cars and junk food, have been rising more slowly. Between 1996 and 2006 the price of audiovisual and computer equipment fell by 68 per cent, while fruit prices increased by 112 per cent and vegetable prices increased by 70 per cent. We are finding therefore that, because it is an average, it does not actually measure the cost of living. We really need a proper cost of living index that includes the cost of mortgage repayments and land and focuses more on the cost of the essentials that low income earners rely so heavily upon.

That is something that I do believe the federal government could fund the ABS to do. We have had a number of proposals put to us as how best to work out the wellbeing of a community. In recent days there has been talk about a happiness index. The fact is that, unless people have a certain degree of amenity and the ability to afford the essentials of life, happiness is not really within their reach at all. That is something that I think that governments should put their minds to.

Death of the King of Tonga

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (5.07): On 10 September 2006 the ACT government was saddened to learn of the passing of the King of Tonga, His Majesty Taufu'ahau Tupou IV. Our thoughts are with the members of Canberra's Tongan community, as well as the Kingdom of Tonga, at this time.

A memorial service in which the king will be laid to rest is expected to be attended by thousands of mourners in Tonga today. Among them will be Australia's Governor-General, Michael Jefferey, and the Prime Minister of New Zealand, the Hon Helen Clark. Many other political and cultural leaders also wishing to pay their respects will join them.

Such a strong attendance shows the admiration and respect that King Tupou IV commanded during his life. The king achieved that admiration and respect through the compassionate and decisive way in which he led his beloved country. He left an indelible mark on Tonga after more than 40 years as its reigning monarch. His contribution to issues such as economic reform, living standards, national pride and education will not be forgotten.

Such was the king's devotion to the people of Tonga that not only did he strive for all members of the community to feel safe and economically better placed but also he gave them an education. What a powerful gift! It is well known that the king's commitment to education resulted in all Tongans who were capable of receiving and willing to receive an education being given the tools and support to extend them as far as their abilities could take them.

The Kingdom of Tonga now has a literacy rate of 98 per cent, an achievement that King Tupou IV was very proud of. As a former minister for education, he pushed for comprehensive reforms in the education system, and he succeeded. His dedication to improving the economy of Tonga was also highly admirable. Early in his reign, the king realised that there was a need for the Tongan economy to adapt to the times, that better planning was required and improved public utilities, services and infrastructure would lead his nation into the future. His vision led to a more stable economy, resulting in higher earnings and better housing coupled with the expansion of telecommunications, electricity, piped water, sealed roads and mostly free health services. That is his legacy.

The last few months have been a tumultuous time for Canberra's and Queanbeyan's Tongan community with the tragic loss of their community centre and now the passing of King Tupou IV. There are more than 300 individuals of Tongan heritage living in, and contributing to, our city. The loss of the king will be particularly hard for them as he was greatly loved and admired. That love and admiration were shown in the two well-attended memorial services held in his honour in Canberra since his passing.

In the years before his death at age 88, the king showed what a visionary individual he was in terms of implementing a more democratic structure in Tonga's political sphere. In February this year he replaced his son Prince Lavaka as Prime Minister with a commoner, Dr Feleti Sevele. Dr Sevele recently visited Canberra and attended a wonderful community meeting that was held in his honour. At the time, the ACT Chief Minister, Jon Stanhope MLA, reflected upon the health of the king. Mr Stanhope highlighted the fact that the thoughts of the Canberra community and the ACT government were with the Kingdom of Tonga on the health of the king. Now, in his passing, our thoughts are still with the nation and our local Tongan community. May King Tupou IV rest in peace.

Lifeline

MRS BURKE (Molonglo) (5.11): I rise tonight to promote a very well known and worthwhile organisation in our community; that is, Lifeline. I had the pleasure and honour of hosting a breakfast for them on Friday, 15 September and I thank you, Mr Speaker, for the use of your hospitality room then. We were very pleased, Lifeline and I, at the outcome of that breakfast. It was certainly a philanthropic event. About a dozen people came, some of whom have links with Lifeline. It was a very useful exercise and one that I hope to repeat on an annual basis, much like Ms MacDonald does with the Heart Foundation breakfast that she has.

I think that we have to look at the issues faced by organisations like Lifeline. During 2005-06 they answered some 18,500 calls. Sadly, though, around 20,000 calls were unable to be answered. That really is a dilemma for that organisation because, at the moment, they have some 220 counsellors and they need around 400 volunteers to be able to respond to and to meet that need.

What we are trying to do—I am honoured to be a part of helping there, if I can—is to look outside the square, certainly in regard to such a philanthropic approach. It has been seen in the past that it has been the major corporate entities and really big businesses that have linked with major charities and so forth, but I think there is a view in the

community now that there has been a passing down to the medium size and smaller businesses and they may also be a part of the solution for some of these organisations.

As we know, Lifeline provides a 24-hour a day, seven days a week service. It never closes down. Of course, it often takes the load of calls that other organisations cannot deal with as they just do not have the capacity. Obviously, it fills many gaps in services for the Canberra community. I think businesses went away from the breakfast intent on looking at ways in which they could support Lifeline, if not financially, in an in-kind way.

I think that that is what we all need to be looking to do. I think it would be fair to say that governments of the day simply cannot meet all the needs of the community, that they simply cannot and do not have the revenue always to hand to be able to keep dishing out to organisations. I think that this is a very positive way that we as a community can get behind organisations. Other members may be encouraged to do the same thing. If they have a particularly favoured charity or charitable organisation, perhaps they too could work in a philanthropic way with that organisation to help it think outside the square.

I just wanted to thank those businesses that were there, and there were too many to mention now, and to commend the invaluable work that Lifeline does for our community. They are certainly appreciative of any funding they get from the commonwealth government and the ACT government. We should never underestimate the valuable service that they give. They play such a prominent role in helping Canberrans in times of need.

ACTION bus service

MR GENTLEMAN (Brindabella) (5.14): Mr Speaker, today I have delivered 1,252 postcards from constituents calling on the Minister for Territory and Municipal Services, Mr Hargreaves, to improve services and conditions for ACTION buses in Canberra. I sympathise with the concerns raised in the petition cards and the Transport Workers Union's anxiety over possible reductions to services and any impact on working conditions for employees of ACTION buses.

I am pleased to announce that ACTION and the territory and municipal services management, together with the Community and Public Sector Union, the Australian Manufacturing Workers Union and the Transport Workers Union have an in-principle agreement about most aspects of their negotiations. Such positive negotiations are welcome in a climate of continuing federal attacks on the rights of workers. It is good to see that the minister is committed to supporting the right of workers to collectively bargain, and together we can resolve the issues that they have raised in this petition.

The central issue raised in the discussions with the TWU over the proposed bus network is in regard to split shifts. A split shift requires a full-time bus driver to work in the morning and afternoon peaks, with a break in the middle of the day. Amongst the 330 full-time drivers there are currently 82 split shifts and 171 regular shifts across the network. In this proposal, ACTION has advised that there may be 127 split shifts, an increase of 45, and 122 regular shifts. Proposed improvements to ACTION's bus network could include easier to remember timetables which would involve off-peak and weekend services departing at the same time each hour, improved connections at major

town centres, more frequency on intertown route 300s in the evenings and on weekends, and more Xpresso services.

With rising petrol prices and the ever pressing need to reduce CO₂ emissions, we must be committed to improving public transport. The federal government have shown their recalcitrance to reducing greenhouse gases by refusing to sign the Kyoto protocol. However, the ACT recognises the need to reduce greenhouse gases. One way to do that is to encourage more people to catch public transport and also ride their bikes instead of using cars. The need to explore more sustainable transport options in addressing climate change, as raised today in this chamber, is of utmost importance.

I welcome the more ecofriendly options developed by ACTION buses in recent years, including the bike and ride option whereby commuters can place their bikes on racks, very simply, on the front of a bus. ACTION is clearly committed to improving sustainable transport options for Canberra. Flexibus and Bustext are all welcome initiatives to make buses more accessible by Canberrans. I am happy to announce that government departments are now fitted with showers and other amenities to better accommodate commuters who choose to ride to work.

I would like to remind everyone of the national ride to work day coming up on 4 October. I hope that many people in the Assembly will take up the challenge issued by Dr Hanna Jaireth, the planning and environment committee's secretary, to ride to work and meet in the car park for a photo shoot afterwards.

In conclusion, we are also converting our bus fleet from diesel to natural gas. I am glad to report that management and the unions are working closely and quickly to provide solutions that meet our financial requirements and will minimise any disruption to transport services of ACTION.

Death of the King of Tonga Anglo-Indian association Sport

MR STEFANIAK (Ginninderra—Leader of the Opposition) (5.18): I rise to pay my respects to the Tongan community, especially the ACT Tongan community, on the death of King Tupou. I had the pleasure of meeting his son Prince Lavaka Ata, who was once the Prime Minister, as John Hargreaves mentioned, when jointly we opened the South Pacific Rugby Club, which was the brainchild of a great Canberra Tongan, Danny Manuatu, with whom I played rugby at the ANU about 25 years ago. That was a great event. Sadly, that club is no more. I think it is now owned by some other establishment.

The Tongan community have contributed a lot to Canberra's rich ethnic culture. A couple of tragedies for the community have occurred in recent times. Sadly, there has been the death of the king and, tragically, the Tongan community's hall on Copland Drive in Spence, near the small shops at Spence, burnt down only a few weeks ago and the community are using other accommodation now to continue their activities. It was a great community centre and it was a shame to see that tragedy strike the community.

I have known many Tongans. Tongans, of course, love their rugby and I have met so many Tongans in playing with them and coaching them. They are just a remarkable

people. One of the things I especially like about their culture is the singing, the Tongan choirs. When Prince Lavaka Ata and I opened the club some 10 years ago there was a magnificent Tongan female choir there with excellent voices. Indeed, at the Cook discovery function recently at the Canberra museum there was a magnificent performance by a Tongan dance troupe and choir. It is very sad to see the grief in that community as a result of the death of their king. He was a remarkable man, as John Hargreaves has said. The king reigned for over 40 years. He succeeded Queen Salote, who was also a quite famous Tongan monarch. I extend my condolences to our Tongan community on the death of their king.

Turning to another ethnic event of recent times, the Anglo-Indian association held an excellent dinner dance/ball at the convention centre on Saturday night and it was attended by a large number of people. It is a great association that not only is a focal point for people within that community but also donates money to various charities, including the soup kitchen run by Stasia Dabrowski, a former Canberran of the Year, to mention just one of the charities that the association supports. It was a particularly impressive evening. Mary Porter was there representing the Chief Minister. Mary, I look forward to playing bowls with you over the break. I think it would be excellent if we had an Assembly bowls team in the Commonwealth Parliamentary Association sports event, whatever it is called.

Finally, I congratulate my federal colleagues and all the other members of the team which beat the Kiwis 12-10 on Sunday. Old Canberran and almost parliamentarian Mal Meninga converted Barnaby Joyce's try from the sideline. There was none of the around-the-corner kicking style which everyone has these days; it was just straight-up-and-down vintage Mal Meninga.

That was a particularly good day. It is always good to beat the Kiwis at anything, but especially a rugby game, even if it was among a bunch of old men and a few ring-ins. But that was good to see. I must compliment Barnaby Joyce, who is actually quite a good player. I had never met him before, but I had met all the other players in that group. I would encourage members, if they can, to get to Adelaide to play bowls. Ours is only a small Assembly, but it would be good to get four or five people together for that because it will be a very good event and it is just good to meet with fellow parliamentarians in the social, convivial atmosphere which you have when you play sport.

Question resolved in the affirmative.

The Assembly adjourned at 5.23 pm.

Schedules of amendments

Schedule 1

Electoral Amendment Bill 2006

Amendment moved by Mr Stefaniak

1

Clause 4

Proposed new section 12A

Page 3, line 1—

omit proposed new section 12A, substitute

12A Eligibility for appointment as member

- (a) The Executive must not appoint a person as a member if the person is or has been a member of—
 - (i) the Legislative Assembly; or
 - (ii) the Parliament of the Commonwealth; or
 - (iii) the legislature of a State or another Territory.
- (b) The Executive must not appoint a person as a member if the person is or has, in the 5 years immediately before the day of the proposed appointment, been a member of—
 - (i) a registered party; or
 - (ii) a political party registered under a law of the Commonwealth, a State or another Territory; or
 - (iii) a political party.

Schedule 2

Electoral Amendment Bill 2006

Amendment moved by the Attorney-General

1

Clause 4

Proposed new section 12A

Page 3, line 1—

omit proposed new section 12A, substitute

12A Eligibility for appointment as member

The Executive must not appoint a person as a member if the person—

- (a) is or has, in the 10 years immediately before the day of the proposed appointment, been a member of—
 - (i) the Legislative Assembly; or
 - (ii) the Parliament of the Commonwealth; or

- (iii) the legislature of a State or another Territory; or
 - (b) is or has, in the 5 years immediately before the day of the proposed appointment, been a member of—
 - (i) a registered party; or
 - (ii) a political party registered under a law of the Commonwealth, a State or another Territory; or
 - (iii) a political party.
-

Schedule 3

Civil Law (Property) Bill 2005

Amendments moved by the Attorney-General

1

Schedule 1, amendments 1.4 and 1.5

Page 78, line 16—

omit amendments 1.4 and 1.5, substitute

[1.4] Sections 80A to 82

renumber as sections 81 to 83

2

Schedule 1, amendment 1.8

Page 79, line 10—

omit amendment 1.8, substitute

[1.8] Section 62

relocate to Court Procedures Act 2004 as section 80A
