



Debates

WEEKLY HANSARD

Legislative Assembly for the ACT

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Tuesday, 6 March 2007

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.

Distinguished visitor

MR SPEAKER: First, I acknowledge the presence in the chamber of Lou Westende, a former member. Welcome.

Petition

The following petition was lodged for presentation, by Mr Berry, from 8 residents:

Ngunnawal land

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

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

Ngunawal Protest Petition by descendants of the Ngunawal People: We firmly believe the name change of the Ngunawal people and land to the name Ngambri land is wrong. We firmly believe that there is no cultural basis both anthropologically, historically, orally to the name change suggested by the House-Williams family group.

Your petitioners therefore request the Assembly to: ensure the Ngunawal spirit and bones remain reflected in the name of the lands—Ngunawal.

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

Financial Management Amendment Bill 2007

Mr Stanhope, by leave, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (10.32): I move:

That this bill be agreed to in principle.

Mr Speaker, today I am tabling the Financial Management Amendment Bill 2007. This bill provides amendments to the Financial Management Act 1996 to allow the effective administration of the cash management framework as announced in the 2006-07 budget.

As part of the 2006-07 budget, the government announced that cash management across ACT government agencies would be reformed to strengthen transparency and accountability, and to ensure that cash balances are used more effectively. Features of the cash management reforms include:

- minimising agencies' cash balances, with appropriation provided on a "just-in-time" basis; and
- establishing an appropriate cash buffer for each department to suit operational circumstances and working capital needs.

The above reforms have already been reflected in the 2006-07 budget. It is, however, necessary to support the new arrangements with amendments to the Financial Management Act.

This bill inserts provisions into the Financial Management Act that will facilitate the efficient and effective cash management of departments by providing appropriation mechanisms to:

- preserve appropriations from one financial year to the next; and
- provide additional funding to agencies to pay unbudgeted, abnormally high levels of employee entitlements.

As part of the cash management reforms, cash holdings within departments have been reduced to a level sufficient to meet operational circumstances and working capital requirements. This is known as a "buffer". As a consequence of these reforms agencies will no longer be able to draw down all remaining appropriation at the end of the financial year. However, should a department not draw down its remaining appropriations by 30 June and not roll funding over through the budget process, then the appropriation lapses under current legislation. This can be a problem in particular for capital works and other significant projects, given the size or complexity of projects and the difficulties with forecasting yearly appropriation requirements. This bill inserts a provision to address the lapsing of appropriation at the end of a financial year where the appropriation is still required in a future year.

The bill amends the Financial Management Act by inserting a provision that allows for appropriations to be preserved from one financial year to the next based on an instrument signed by the Treasurer. Authorisation by instrument will allow rollovers of appropriation on an exception basis, with the merits of each rollover to be assessed individually. Obviously, agencies would need to demonstrate that undrawn appropriations exist in the previous year, and the nexus between the appropriation and a particular project or program.

Agency appropriations include an element of funding for employee entitlement payments. This level of funding may not be adequate, however, if significant numbers of retirements and/or resignations occur in a financial year, requiring the payment of often significant accumulated long service leave.

Now that agencies' cash holdings have been reduced to a "buffer", a mechanism is required for agencies to obtain cash to fund abnormally high levels of employee entitlement payments. When agencies anticipate a requirement for additional funding for abnormally high levels of employee entitlement liability payments in the coming financial year, it is expected that as part of the budget process chief executives will submit a budget proposal for a capital injection to facilitate these payments. Nevertheless, it is recognised that it is no easy task to plan for the payment of employee entitlements, as it can be difficult to determine when staff will leave or retire.

This bill inserts a provision to include an appropriation mechanism to provide funding to agencies which have not anticipated the need for additional funding to pay abnormally high levels of employee entitlements. This new section will allow the Treasurer to authorise, by way of instrument, additional appropriation to agencies if, in the financial year concerned, the following conditions exist:

- an employee entitlement exists in relation to an agency in a financial year; and
- the agency has paid, or is required to pay, the entitlement in the financial year; and
- the amount of the entitlement exceeds the amount appropriated for the agency in relation to employee entitlements for the financial year.

The Legislative Assembly will be informed when the Treasurer approves instruments under these new provisions. The bill requires the Treasurer to present a copy of the authorisation to the Legislative Assembly within three sitting days after the appropriation is authorised.

I trust that members will support the bill, which is aimed at promoting efficient cash management practices. I commend the bill to the Assembly.

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

Government Procurement Amendment Bill 2007

Mr Stanhope, by leave, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (10.37): I move:

That this bill be agreed to in principle.

I am pleased to introduce the Government Procurement Amendment Bill 2007 for consideration by the Assembly. The bill seeks to amend the Government Procurement Act 2001.

Members of the Assembly may recall that on 23 November 2006 I reported to the Assembly on the outcomes of a review of the operation of the Government Procurement Act 2001. At that time, I tabled the review report and noted that the report's recommendations had been developed in consultation with members of the Government Procurement Board, the Procurement Consultative Committee and the Auditor-General. I also advised the Assembly of the government's acceptance of the review report's recommendations and foreshadowed the introduction of amending legislation early in the new year to give effect to the government's decisions.

The Government Procurement Amendment Bill 2007 delivers on that commitment. The bill details the legislative changes necessary to update the provisions of the Government Procurement Act 2001 and ensure the act's continuing relevance. The proposed changes to the act and associated statutory instruments detailed in the Government Procurement Amendment Bill 2007 would:

- remove a range of unnecessary administrative obligations;
- improve the efficiency of relevant government operations;
- reduce the time frames for individual procurement activities; and
- maintain public accountability and the transparency of government procurement activities.

As members of the Assembly would be aware, the ACT has the most transparent and publicly accountable procurement framework in Australia, and this position will be maintained.

Key elements of the proposals in the bill include modifications to the role and functions of the Government Procurement Board. This includes giving the board a more strategic advisory role to government and removing its ability to make disallowable instruments and determine the regulatory framework faced by agencies. The government believes that this latter function is more appropriately discharged by the executive and the Legislative Assembly.

The bill provides that regulations or other disallowable instruments would be issued when required, including in relation to matters currently covered by procurement guidelines issued by the board. This change would include the responsible minister, the Treasurer, having the power to refer classes of procurement activities—for example, by type, risk profile or procurement proposals with an estimated value above a specified threshold level—to the board for review and a proposed power for ministers and chief executives to refer other individual proposals or procurement processes to the board for review and advice, where considered necessary. This latter

referral power would provide an additional, independent review process, separate from individual agencies, to further strengthen public and industry confidence in ACT government procurement activities.

Another important element of the bill is the proposed incorporation in the act itself, rather than in a subordinate instrument, of specified procurement principles with which agencies must comply in their procurement activities. As part of this change, it is proposed that there be a primary focus on the pursuit by agencies of value for money. The bill further proposes that, in pursuing value for money, agencies must have regard to:

- probity and ethical behaviour;
- management of risk;
- open and effective competition;
- optimising whole of life costs; and
- any other matter specified by regulation.

This approach would establish a hierarchy amongst the procurement principles and bring explicit consideration of whole of life costs into the statutory framework for the first time. This is an important element of broader actions by the government to increase the sustainability of government operations and thereby the sustainability of the broader ACT community.

A consequential change detailed in the bill is the repeal of the Government Procurement (Principles) Guideline 2002. The government will continue measures under the existing framework to enhance the ability of local suppliers to compete in government procurement opportunities and measures to ensure that the ACT government deals only with suppliers that comply with their employee and industrial relations obligations. To clarify the application of the act, a definition of “procurement” is proposed for inclusion in the framework.

In addition, the bill proposes that the scope of existing exemptions from the provisions of the act, a number of which have been put in place by the Government Procurement Board, be clearly specified in the act, with any future changes being made by regulation.

Following discussions with the Auditor-General’s Office, simplification of the contract reporting provisions detailed in the act is being pursued. Currently, the Government Procurement Act requires that agencies must report to the Auditor-General in relation to reportable contracts containing confidential text. This requirement has two separate aspects with different time frames and different elements. Subsequently, the Auditor-General is required to provide to the Legislative Assembly Standing Committee on Public Accounts copies of the information detailed in consolidated reports that she receives on a six-monthly basis from agencies. The current arrangement is highly inefficient. The bill proposes that in future the consolidated reports be provided directly to the Assembly committee.

I note that the Auditor-General's Office strongly supports the proposed modifications of its role in relation to reportable contracts. I also note that the proposed changes do not in any way diminish the Auditor-General's existing powers, under the Auditor-General Act 1996, to obtain documents, including contracts, from agencies or to provide reports to the Legislative Assembly.

Related changes to contract disclosure thresholds, including through lowering the value of contracts to be reported on the central contracts register to \$20,000, will increase the timeliness of the provision of information to the public and to the Assembly on a wide range of lower value contracts. This will further enhance the transparency and accountability of ACT government procurement activities.

As I have previously advised the Assembly, the existing statutory framework and the Government Procurement Board have made significant contributions to enhancing the professionalism of ACT government procurement activities and public confidence in those activities. However, as I have also advised this Assembly, there is scope to improve the operations of the Government Procurement Act 2001 and the associated statutory instruments. This is an important focus of the provisions of the Government Procurement Amendment Bill 2007. Given the importance of efficient, robust procurement activities in enabling the delivery of quality public services, I commend to the Assembly the proposals contained in the Government Procurement Amendment Bill 2007.

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

Rates Amendment Bill 2006 (No 2)

Debate resumed from 14 December 2006, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

MR MULCAHY (Molonglo) (10.45): The opposition will not be supporting the Rates Amendment Bill 2006 (No 2). The bill establishes a mechanism for the collection of the city heart levy. This levy will be an unfair imposition on city businesses, and any benefits that flow from the levy will apply only to a narrow section of the business community and will discriminate against others.

When introducing this bill back in December, the Chief Minister said:

The revenue collected from the levy will specifically fund the implementation of a marketing and improvements program for the city centre, as well as providing a cleaner, safer and more attractive location for Canberrans and visitors to Canberra to enjoy.

Obviously, we are keen to see a cleaner and safer Civic, but we do not believe that that approach should be achieved through this taxation measure. The opposition has a number of concerns with the Chief Minister's statement, not least the fact that the ACT government already collects an ever increasing amount in rates and other government charges from commercial properties in the city centre.

There is a genuine concern that part of the revenue raised via this levy will in effect be used to cross-subsidise municipal services for public areas for which there is already budgetary provision. Nothing in the briefings that I have had—and, somewhat unusually, I have now had two briefings on this bill—has given me the confidence to dissuade the opposition from this concern.

There is a reasonable expectation that the revenue collected through rates and other ACT government charges should be sufficient to create a clean, safe and attractive location in the centre of Canberra for residents—and, indeed, our visitors—to enjoy. Private capital works, in our view, are in fact the responsibility of private landowners. The Liberal Party opposes the concept that private landowners should be taxed for the provision of private services.

Planning officials informed me in a briefing that this program would empower people to spend their money. That is an extraordinary concept—empower people to spend their money. I know of few Canberrans who need government assistance to empower them to spend their own money. Surely, if it wants to empower people to spend their own money, the government need only refrain from taking it in the first place.

If passed, this legislation sets a dangerous precedent. How many other commercial centres will be subject to a levy to pay for services for public areas that can rightfully be expected to be delivered through the normal, standard property rates? Will private individuals be taxed for the maintenance of private buildings?

This is an extraordinary initiative, especially since it is coming from a Labor government. Will there be a Woden heart levy? Will we have a Gungahlin heart levy? One wonders where this new approach to taxation in our city will stop. There is very clear evidence of cost shifting here. One has to ask how much of the \$1.2 million that this levy is forecast to raise in each of the outyears will be spent on services that should be provided out of existing government charges or provided by individuals responsible for their own properties. For example, will it no longer be the responsibility of the Department of Territory and Municipal Services to ensure that the city centre is a clean and attractive location?

The Liberal Party is also opposed to the planned scope of the legislation. Put very simply, this legislation will introduce the mechanism to tax several hundred commercial property owners in Canberra who will in all likelihood pass it on to the many tenants in the impacted areas for the benefit of a certain select class of retailers. There is no doubt that a marketing campaign to promote the city will be of benefit to, in particular, city centre retailers, but we do not believe that everybody should have to pay for this benefit.

The Liberal Party would not have an issue with a voluntary levy; this would allow lessees of commercial property who feel that their businesses need this sort of investment to benefit from a pool of money for a marketing and improvement program. They could reap the rewards without placing an unwarranted and unjustified burden on others. If this concept is unsustainable, it would suggest that there is not the support or the need for a compulsory levy.

Further, it is my understanding, from a briefing last week with Treasury officials, that the outer collection zone for the levy will even encompass Turner. I question why lessees in Turner should be subjected to a levy for the improvement of Civic. There are almost no similarities between, for example, a dentist operating in Turner and a restaurant or cafe in Garema Place. They do not share a locality, they do not share a similar business plan and the dentist in Turner will not benefit from this unfair compulsory imposition.

As I believe I have mentioned publicly previously—and I put it on the record here today—it is my understanding that Darwin, which had a similar levy, has recently scrapped it because of intense opposition, for the very reason that my example highlights. I have raised this in briefings; there is a general vagueness about it by officials, but it is very good evidence from another territory where, in the capital of that territory, they experimented with this particular tax, found it wanting and found that eventually people howled down the initiative.

Having given the example of the dentist in Turner not benefiting from this levy, I must also point out at this stage that nobody is quite sure just who in fact will benefit. This is because the destination of the revenue that this bill provides the mechanism for collecting is still being negotiated. The exact parameters for the spending of this revenue are yet to be settled. I am surprised that we are proceeding to vote on legislation when such a key consideration is far from settled.

I understand the need for a mechanism to be in place well ahead of collection of the levy, but I am concerned that a forecast \$1.2 million is to be generated in the next financial year when we still do not know how it is going to be spent. We do not know exactly who is going to spend it, how they are going to be accountable or, indeed, what it is going to be spent on.

I understand from a briefing provided by the planning people that the proposal is for grants to be advertised every five years. Apparently their idea is that independent bodies will respond to the advertisement and the entity that can provide the best evidence for support from levy payers, an annual business plan and a five-year strategic plan will receive the whole amount raised by this levy. An extraordinarily complex structure is being contemplated, with the creation of a private company—an arrangement where levy holders are going to have to become shareholders in this new body. There is an extraordinary series of hoops to go through for a levy that is of questionable benefit.

This plan has to demonstrate a benefit for all of the levy payers. Apparently there is to be equal status for second-tier levy payers—those in the outer collection zone—in voting on this new entity that is yet to be created. After beginning with an interim board, within six months the successful applicant must appoint a board from all levy payers and then have an election. This is an extraordinary level of bureaucracy that has been dreamt up for this initiative.

While I appreciate the efforts of planning officials in giving the briefings that I received last week and yesterday, it must be noted that, because of the ongoing nature

of this series of negotiations, documents could not be provided and nothing is set in place.

I am troubled by the examples that were given to me. It was said to me, for instance, that people are not happy with the level and quality of paintwork on the Melbourne and Sydney buildings, and that therefore what we might do with this money is go out and paint them for the owners. This is outrageous. I find it extraordinary that I, as a Liberal representative here, am raising issues against a Labor government that is saying, "Let us go and tax people, and because some landlord does not want to outlay the money we will get the money off his competitors and paint the building." This is an extraordinary philosophical approach that I just find unacceptable.

I was told, "Well, you know, you people do not like graffiti." No, we do not like graffiti. In the Assembly here, Mr Hargreaves has frequently talked about the initiatives the government has taken in relation to removing graffiti from public places. None of us on this side of the house are under any illusion about the annoyance that graffiti causes and the difficulties that are created by vandals and people who continue to spray buildings after graffiti is removed.

I have also heard Mr Hargreaves say repeatedly that private buildings are not his responsibility. I do not have an issue with that. I do not have an issue with what Mr Hargreaves says.

Mr Hargreaves: Mr Pratt does.

MR MULCAHY: In terms of private buildings, I do not have an issue with what you say. But the fact of the matter is that we are being asked to say to a group of businessmen, many of whom look after their own premises—

Mr Corbell: And women.

MR MULCAHY: And women, indeed. Many of them look after their own buildings. We are saying to them, "Well, look, you do the right thing but we are going to tax you because so-and-so down the road does not want to spend the money on his place and this committee will dispense money to remove graffiti from those private buildings." These are examples I was given. I was also told in the briefings: "Well, it is \$1.2 million, but if the people want it to be \$10 million we would be happy with that."

We have a group of people who see this as enormously beneficial. I know many of those people. Some of them are good friends of mine. I say good luck to them. But we are basically saying that we are going to tax all of the commercial enterprises, right across the city, so that a handful of people can apply these funds for the benefit of businesses who are on the front line of Civic, as well as doing capital works for people who may not wish to outlay the cost of looking after buildings where they are generating profits for private investment. If you cannot maintain the properties you own, sell the building and let in someone who can. It is not the role of the Assembly to go out taxing people's competitors to do the job that private landowners should do.

The Darwin experience ought to be providing a salutary lesson in what happens when you go down this road. It has been identified as a disaster. It led to strong opposition,

and with good cause. Why should people in professional offices who have no interest in the bread and circuses that seem to be so regularly advocated by this government be paying for these things? They will not enhance their business. Many of those businesses are based not on location, but on all sorts of other considerations. The staging of events in the middle of Civic is not going to do any commercial good for them; it will simply result in an extra tax burden.

I do not think this has been thought through. This will go the way of the parking levy and other things. Down the track we are going to find that it will go. It will all get too hard; it will be put on the shelf after it has been brought in for a while. It is not an equitable measure. It raises real concerns in terms of precedent for other shopping districts around Canberra.

I am concerned to see that, when you look at the Chief Minister's comments as to the rationale, much of this emanates from a concept of cost transference. His plan is to say, basically, that this will make the city cleaner and safer. It is not the role of private citizens to start dealing with public safety issues. That is the task of the territory government; that is the task of the police forces, the responsibility of the police minister. It is not for private citizens to take these matters on themselves. They pay taxes for the government to do this job. For that reason, the opposition will oppose this bill.

DR FOSKEY (Molonglo) (10.58): The Greens are supportive of this project. The notion of a small extra levy on rates to be returned to a levy payers association to spend on projects in and around Civic to assist in developing a stronger sense of community among its business and retail operations is a good one. It is not a new idea for Canberra. It has been talked about by the retailers and property owners since at least the mid to late 1990s in forums such as the Civic precinct management group, set up under then Chief Minister Kate Carnell. Later, when City Heart Canberra was established, its members continued to explore the idea. I am aware that many of Civic's commercial property owners—the city's largest retail centre, the Canberra Centre, and many of the smaller businesses—have expressed support for this proposal. I am also aware that some have not.

This amendment to the rates legislation is fairly simple. The levy can be imposed only on rates applying to commercial and retail properties, not on residential or community use properties. I note that the minister may determine the areas where levies are to be collected and that there is nothing to prevent him from terminating the levy altogether if it becomes evident that the project is not working. The scheme, once implemented, will give levy payers both an incentive and a vehicle for collaboration and a base for effective and purposeful lobbying over issues such as parking, capital works and the provision of services and amenities. Of course, not all businesses are retail and not all retail businesses are ratepayers. However, the levy as proposed could add about \$300 to an annual \$60,000 rent bill if it were passed on. This is about a tenth of a typical advertising levy, which is, in effect, already a part of the rental costs for many of those businesses.

The benefits the community development function of the levy would deliver to ratepaying businesses in the city, including the opportunity to influence the uses to which the levy would be put, ought to well and truly outweigh the cost, although there

will be many small businesses which do not directly pay rates and which, therefore, probably will not have much opportunity for input into how the funds are spent.

ACTPLA, and PALM before that—and various projects in the department of urban services—have had an involvement in exploring business community development in and around Civic for a long time now. The fact that the scheme is to be put in place by ACTPLA is to be expected.

After several attempts to find out how the funds would be disbursed, my office finally earned a briefing from ACTPLA staff yesterday. I understand that the program will work via a block grant, that it will be awarded to a company or association that can demonstrate wide-ranging support from levy payers across the city and that it will require a detailed strategic plan, business plans and the appointment of a manager with responsibility for connecting with the range of businesses and retailers across Civic. That is why I am inclined to support this bill.

There is, however, nothing available in writing to demonstrate the government's commitment to that process. The only comments on record so far are from the Treasurer, who, when the bill was tabled, said:

Mr Speaker, this bill simply provides a mechanism to collect the levy. I understand that the ACT Planning and Land Authority is currently consulting with property owners in the collection area to finalise the policy parameters for the levy. The government expects to be able to present greater detail on these processes next year.

While I appreciate the last-minute briefing provided to my office and the assurances of the officers that a good scheme would be set up, the officers were not prepared to provide me with anything on paper. There is nothing on the public record to which this government can be held. At the moment, all we are approving is a mechanism for increasing the rates payable in certain parts of central Canberra.

Methinks that too much policy seems to be in the hands of government officers in the ACT. Increasingly, the government is prepared to use its numbers in the Assembly to dodge the expectations that it will be clear about its intent and that it can be held to account for its actions. Last year the government pushed through a surprise amendment to the education bill, for instance, claiming that it was simply technical when in fact it specifically blocked the Tharwa community's plans to establish a community school. Last week, the government ran through an amendment to the Land (Planning and Environment) Act in order to shift the goalposts so that it would avoid an AAT hearing over the EpiCentre conflict. Even though in my mind this project is a good one, the government is now proceeding with the change to the Rates Act without bothering to formally explain how the funds for which this amendment is being made will be handled.

“Trust us; we're the government” has become a mantra in the past two years. I think that the Chief Minister, who is the Treasurer, and his team would find that approach absolutely unacceptable if it were pursued by any other government—federal, state, territory or local.

I will vote against this bill unless the Treasurer or the planning minister puts on the record how this scheme will be managed, how the community will be assured that the levy will be directed to deliver the outcomes that are planned and how the levy payers and businesses of Canberra City can shape the fund's endeavours. As a responsible Assembly, we simply do not have enough before us to pass this right now. However, I have laid out the challenge. Tell us how it will work, let us see a good idea fleshed out and we will get behind it.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.05): Mr Speaker, we have had in recent times a history of increased taxes from this heavily taxing government, and they are a real impost on the people of Canberra, the ratepayers, and businesses. I am hearing from quite a few people in Civic, quite a few businesses, that they have to pay anything up to 60 per cent or 65 per cent more in charges and taxes as a result of the 2006-07 budget, that they are doing it tough and that they are causing them considerable concern. Clearly, this tax is a real problem.

I think that this government has a habit now or is getting into the habit of taxing anything that stands still for more than 10 minutes. As my colleague Mr Mulcahy said—indeed, Dr Foskey made some good comments too—this levy is an inappropriate tax. It imposes a taxation burden for providing supposedly “a cleaner, safer and more attractive location for Canberrans and visitors to Canberra to enjoy”. That came from the Chief Minister on 14 December 2006. It places that on the shoulders of private individuals.

Public spaces are very much a government responsibility. I am scratching my mind to think of anything similar to this levy that the previous Liberal government implemented. In relation to suburban shopping centres, it implemented a very good renewal program.

Mrs Dunne: Which was well and truly within the purview of the government, not of the leaseholders.

MR STEFANIAK: Absolutely. I recall one that the Chief Minister opened after we finished being in government: \$800,000 for rejuvenating the Higgins shops. There were a number of other shops in the pipeline there but this government, which has got itself into all sorts of trouble through its own economic incompetence, scrapped them. We now have this amazing levy which is meant to raise \$1.2 million in the next financial year.

Public spaces are a government responsibility and I do not think private individuals should have to assume responsibility for maintenance of the city area. Indeed, as my colleague Mr Mulcahy has said, in private spaces—that is, commercial buildings—it is the responsibility of private landowners. They do have responsibilities, too, in terms of their leases. Private individuals are being taxed to pay for services that should be provided either by government or by other private individuals, and that simply is not fair.

Why should good taxpayers, property owners who ensure their premises are presentable and well maintained, have to share the burden for other owners who do

not provide the necessary investment to maintain their own property to a desired standard? Why does the government have to impose this tax supposedly to clean up graffiti, something which it should be doing anyway and which previous governments have been doing? Previous governments had things such as a very effective anti-graffiti squad, which was introduced back in 1995, when they had a much bigger deficit to overcome as a result of a previous Labor government's incompetence than the people opposite have now. In fact, they inherited a surplus from the economic good management of the previous government, one which they are now squandering.

Mrs Burke: Priorities.

MR STEFANIAK: Indeed, priorities. Thank you, Mrs Burke. I think this is an instance of a government clearly having its priorities absolutely askew, absolutely wrong. I think it is the responsibility of an ACT government to ensure that public areas are clean, that they are safe and that they are attractive to users. This levy is not voluntary; it is compulsory. I am aware of the one in Darwin that was scrubbed. Can you point me to where any of these levies have actually worked? It was very interesting to hear the comments made by Dr Foskey in terms of the briefing she had—my colleague Mr Mulcahy also has had a briefing—about the complete lack of clarity on what you are going to use this levy to do.

The sum of \$1.2 million is not inconsiderable and it will be quite an impost on businesses. How is it going to affect these businesses? How is it going to affect the average punter out there as well? The owners of these buildings will pass it on to the tenants, who will pass it on to customers and pass it on to clients. It is a levy that does not extend outside the city limits. For example, at this stage, I think, the Turner business enterprises fall inside the outer zone and it does not extend beyond there, but what is going to happen in the future?

Let us look at parking. The previous government, of which I was a member, made sure that we did not have pay parking in Belconnen and Tuggeranong, and certainly never in the hospitals. We were in office for seven years and we were cash strapped when we got in. It did not take you very long to introduce pay parking in Belconnen and Tuggeranong and it did not take you very long to introduce pay parking around the hospitals. What confidence can the people of the ACT and the small businesses that form the basis of our prosperity and are the backbone of the ACT have in terms of your not imposing a similar levy outside the Civic area, on the group centres and on the suburban shopping centres, centres that actually benefited from considerable injections of money for the public good by the previous Liberal administration?

Watch this space. I think we will be seeing from an increasingly cash-strapped government, cash strapped because of its own economic incompetence, this levy being extended beyond the city limits. It seemed like a good idea at the time, another tax, another way it could slug business. In many instances you are going to slug some very small businesses which are already having some difficulty paying the huge increase in taxes that you lot levied in your current budget. This burden will be passed on to customers and clients.

Mr Stanhope: What does the property council think?

MR STEFANIAK: What do the businesses think, Chief Minister? Their views are mixed, but what about the chamber of commerce and what about the 400 or so businesses that have signed petitions and things in relation to this levy? Chief Minister, for what are you going to use this levy? It all seems very vague. Are you going to extend it to other areas of Canberra? Are you that cash strapped? This is not a good levy. It is not fair. It is not something that induces business confidence in Canberra and it is all very vague. Given the record of this government, I say again: watch this space. Where is it going to be extended to?

The Liberal Party, as my colleague Mr Mulcahy said, will be voting against this bill. I was pleased to see Dr Foskey indicate that she may do the same. I am not 100 per cent sure there, but I doubt very much that the government's explanation will be satisfactory.

Mr Smyth: It is an each-way bet.

MR STEFANIAK: I hope it is not just an each-way bet. I heard initially that she was thinking of actually supporting it, but I was heartened to hear that she may be voting against it. I certainly hope she will, because this is just another case of having an additional tax. The tax would be unnecessary if you knew how to run the place properly, especially in the very strong economic times that we have, thanks to the very competent federal government on whose coat-tails you are riding in terms of business in Canberra, with very little effort of your own. In fact, you are more likely to put in a whole lot of impediments to business rather than assist it. This is an unfair and unnecessary levy and I would urge other members to oppose it.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (11.12): Mr Speaker, it is very disappointing to hear today from those opposite their opposition to this proposal. It is disappointing because the government would not be proposing this new levy unless it had widespread support in the property sector and the business sector in the city centre. The answer to that, Mr Speaker, is that it does. It does have strong support from the very people who will be asked to pay it. It has the support of the Property Council of Australia, which has been on the record consistently, including as late as this morning, as urging the opposition to adopt a bipartisan approach and support this legislation. Mr Speaker, it is incredibly disappointing—

Mr Stefaniak: They could do it voluntarily. We wouldn't mind that.

Mr Mulcahy: It must rankle Mr Speaker—a Labor government. Unbelievable!

MR CORBELL: Mr Speaker, I know that they do not like it that a leading property entity in this city, the entity that represents the interests of large and small building owners, says, "We want to pay this levy and we want this levy put in place in this way." I welcome the support of the property council.

One of the key reasons that the government is prepared to push forward this levy is that it has the support of the people who, at the end of the day, will be paying it. We also have the support of other entities; in particular, the City Heart Business

Association, which has advanced this proposal for many years now. The association advanced it under the previous government and the previous government was not interested. It has advanced it under this government. I am delighted and thankful for the association's support also.

There have been a few misunderstandings in this debate that need to be addressed. The first is the suggestion that this is a tax. This is not a tax. We are in a situation where we have property owners in the city centre who are saying, "We want to have a mechanism that collects money that can be spent for our direct benefit in the area where we own our property." It is not something that will be collected and sucked into general revenue for spending on ovals, road maintenance, schools, hospitals or whatever. It is a very specific levy to be collected for the purpose of enhancing the public and private realm in the city centre. This levy will be collected to achieve those purposes.

What is really important is that the government's only role in this process will be to facilitate that collection. It will not be the government's money. It will not be kept in consolidated revenue. This money will be collected from the levy holders and then given back to the levy holders to spend. That is what this mechanism is about. The government will not make decisions in specific detail about how the money will be spent. To answer the questions put forward by Dr Foskey, these are the issues that members need to understand. This is not government expenditure. This is levy-holder expenditure. They, through a democratically elected body, will determine how the money is to be spent, consistent with the broad objectives that the government sets out through the grant program that will be used to administer it. That is why the government cannot tell you that \$10,000 will be spent on this and \$50,000 will be spent on that. It will be for the levy payers to determine that, not for anybody else.

Mr Stefaniak issued the challenge, "Show me where this has worked." He highlighted the example of Darwin. There are 300 cities across the United Kingdom, Europe and the United States that have these mechanisms and they work, and they work successfully. Just last year, we had Dr Paul Levy from Philadelphia come and visit the ACT. He spoke to the business community, he spoke to property owners and he spoke to government. He may have even spoken to members of the opposition; I am not quite sure. He runs the business levy scheme that Philadelphia put in place. Philadelphia was suffering the typical malaise of American cities: the hollowed-out city centre, everyone fleeing to the suburbs, no pride and no investment in the city centre and lack of business confidence in the city centre.

They put in place this levy scheme. Over time, it has grown and grown significantly in terms of the amount of money that it captures for public and private improvement and it has proven to be an overwhelming success. The experience that Dr Levy related was an overwhelmingly positive one of enhanced city pride, better public spaces, greater ownership of the city centre and a willingness from both the private sector and the public sector to invest in the city centre.

That leads me to my next point. City centres take time to build and create and city centres work best when there is a partnership between those who have a direct material interest in the return they get from their investment, the property owner in a city centre, and the public and the government, which have a direct interest in having

good public spaces and good amenity to enjoy, use and feel civic pride in and a sense of identity, with opportunities to have both private pursuits in terms of retail and shopping and public pursuits in terms of civic activities, civic functions and so on.

That is why the government has proposed this mechanism. This mechanism is not to eliminate or to reduce the obligation the public sector has in maintaining and improving public spaces in the city centre. Indeed, this levy would not work if it were simply going to replace public expenditure with private expenditure. But that is not what is being proposed and it is not the basis on which the levy would work. It is certainly not the basis on which the government would receive support from the property sector in the city centre. They would not be supporting this proposal if the government were saying, "We will collect the levy and then we will reduce the expenditure on our own functions in terms of cleaning and so on in the city centre." That would not work; the levy would fall apart and we would have majority opposition to it.

But we do not have that because the government has said that its commitment will be maintained and continue. We will continue to expend money on capital works improvements in public places and we will continue to spend money on cleaning and maintenance, on our gardens and on all of those sorts of things that are an essential part of the public's investment in its city centre. But there is a role for the private sector too. This is particularly the case when you highlight the enhanced level of maintenance which, increasingly, many businesses expect in the city centre and for which it is not reasonable to expect the public sector alone to pay for.

Mr Mulcahy: Such as?

MR CORBELL: Good examples of these are particular graffiti management issues. We have had repeated calls from building owners, retailers and the opposition for the government to do more about graffiti, as an example, in the city centre, even if that graffiti is on private property.

Mr Speaker, there should be a sense of civic pride in the city centre and there should be a corporate ownership or collective ownership approach adopted to how the city looks and presents. Property owners are not just individuals. They are part of the city community and they should collectively share a responsibility to look after their part of the city centre and make it look good for everyone and to everyone's benefit. That is why we have proposed this levy.

For example, through the levy, the body that ultimately will be receiving the grant could make the decision to say, "We want an enhanced level of maintenance that deals with graffiti in this particular spot and that particular spot, because they are really looking very ugly." We know it is not public land, but we need to do something about it because it just looks damn ugly. We all accept that. It just looks damn ugly. We want to fix it. This is the solution to fixing it. The levy can be used with the agreement of property owners.

Instead of each individual property owner having to engage someone to clean a building, with all the costs associated with one-off activity, they could pool their resources and get graffiti removers, whether it is the government's graffiti removers

or private graffiti removers, to come in and do it as a job lot. They can get it all done, get it all done more cheaply, get it all done in a coordinated way and—guess what—the city looks great, the city looks better. Isn't the outcome we want, Mr Speaker, and isn't the outcome the Liberal Party wants a better looking city centre, a better maintained city centre and more pride in the city centre? That is what this is about and I cannot believe that those opposite would suggest that that is not what they want, but that is exactly what they are doing when they voice opposition to this legislation.

Mr Speaker, the opposition have also raised the issue of Darwin. They neglect to mention that the Darwin scheme worked effectively for 10 years. That scheme was in place for 10 years and for 10 years it worked effectively. What ultimately happened in Darwin was that it fell foul of a loophole in the city council's procurement arrangements, which said that procurement could not be over \$50,000 in value and the city levy was \$800,000. That is what happened in Darwin. They point out the one negative to damn the whole concept. They refuse to acknowledge the Queen Street Mall in Brisbane and they refuse to acknowledge similar levies in place in Wollongong and in Adelaide, let alone international experience, which is overwhelmingly positive.

The opposition should stand condemned for their failure today to support an initiative that will be a win-win solution: a win for the community in enhanced levels of maintenance, cleaning and promotion of the city centre, a win for property owners in improved values and an improved capacity to attract tenants, and a win for retailers because of the improved attractiveness of their destination and improved marketing for the city as a destination to come and shop, to come and do your business, to come and have lunch or whatever it may be. Mr Speaker, this is win-win. In fact, it is win-win-win. Yet, even with that, the opposition oppose it. I am very disappointed by their approach.

There are a couple of other issues that I would like to briefly address to provide some further details. It is anticipated that an independent board will manage the business funded by the levy and the business must demonstrate that it represents the levy payers' interests. There will be criteria set in that regard. I will be providing to members a draft disallowable instrument that indicates the differential percentages for the levy in the two different zones that are proposed for the city centre. Members opposite and Dr Foskey will have been briefed on that. The disallowable instrument will also indicate what the collection area is for the levy in terms of the physical area. Grant recipients will need to prove that they are a business-focused entity that has the support of levy payers.

Mr Mulcahy: Who will be assessing them?

MR CORBELL: That will be determined by a government grant assessment process in the same way as we provide grants to a wide range of other entities. The levy will fund a business that will supply marketing and promotion activity, plus safety and maintenance activities, over and above the standard provided by the government. That is again a very important point to stress. This is supplementing the government's expenditure, the public's expenditure. It is not replacing it; it is supplementing it. It is supplementing it to bring it to a higher standard, a standard which everyone says they

are looking for and which the private sector is saying it is willing to make an investment in because it is for its direct benefit as well as the broader public benefit.

It will also encourage advocacy to assist the government to prioritise its activities—so we will have an advocacy role, representing businesses in the city centre—and it will help encourage higher standards of private sector presentation.

In closing, I would like to address the issue of the Melbourne and Sydney buildings. The Melbourne and Sydney buildings are not owned by one individual lessee. Those buildings are owned by up to 20 to 30 individual lessees. Each is responsible for their little part of the colonnade, their little part of the building. You cannot get them to coordinate their painting and cleaning, let alone anything else. This mechanism will give us the opportunity to coordinate that and lift the look of those buildings as well.

Mr Speaker, I commend the bill to the Assembly. The government will be supporting the bill.

MR SPEAKER: Order! The minister's time has expired. I call Mrs Dunne.

Mr Corbell: I take a point of order, Mr Speaker. I was closing the debate on behalf of the government.

MR SPEAKER: Point taken, but it is the Treasurer's bill.

Mr Corbell: The Treasurer asked me to take carriage of the debate.

MR SPEAKER: I regret to inform you that you cannot transfer the provisions of the standing orders.

Mr Corbell: I stand by your ruling, Mr Speaker.

MRS DUNNE (Ginninderra) (11.28): Welcome again to the socialist utopia of the Stanhope Labor government, supported by Simon Corbell and elements of the property council. Just because some elements of the property council think that this is a good idea, Mr Speaker, does not mean that the Liberal Party has to come on board. I think it has been quite fascinating to sit and listen to this debate. The words that kept popping into my mind were the words that Mr Barr used on a number of occasions last year when he talked about business welfare. If we are talking about business welfare, this is business welfare. It is going to be a levy that will benefit very few. It will be a tax levied on a whole range of people who will see no benefit from it.

What benefit will the lawyers, barristers and dentists in Hobart Place who will be levied in this regard see from this proposal? Restaurateurs and people who own bars and cafes possibly will benefit from it. If a group of restaurateurs and bar owners and operators in Civic got together and voluntarily decided that they would put a subvention into a trust and do this sort of thing, everyone would stand back and applaud, because that is what a real city heart levy would be about; the people who would benefit.

Mr Corbell talked about the capacity to limit the one-off costs of things. It would be fine if the people who own all of the restaurants around town said, "Our back alleys are a bit grotty and there is graffiti there. Why don't we all chip money into a sinking fund like you would if you had a body corporate and pay someone to go around once a month and paint things?" But for the dentist in Hobart Place or for the accountant in Turner to have to pay to remove the graffiti from the back alleys of Garema Place, which is what is being proposed here, is completely and utterly unjust. That is why the Liberal Party is opposing this piece of legislation. That is one of the reasons.

The other reason is the thing touched on by Dr Foskey. We do not have any real understanding of where this money will be going. It is a case of saying, "Trust us; we are from the government. Somewhere down the line we will come in with a disallowable instrument which will show us how much the levy will be, where it will be levied, at what rate it will be levied, whether it will be differentiated, and a range of other things about what sorts of projects might be covered by it." Everyone here has a list of projects and we always want to talk about graffiti, but, as Mr Mulcahy said, why should the dentists in Hobart Place or the accountant in Turner make a contribution for the repainting of the Melbourne Building because some of us do not like the job that was done?

Mr Corbell, as the Minister for Planning, has sufficient powers to impose penalties on people who do not maintain their leases appropriately. If Mr Corbell is concerned about the paint job on the Melbourne Building, he should exercise his powers as the Minister for Planning and have the lessee fix it up. If Mr Corbell and other people want to do something about graffiti on private walls, they can do that. They could send people from the Department of Territory and Municipal Services today to paint walls and they could levy the leaseholders to bring back the cost. There are mechanisms that they have.

This mechanism is unnecessary, it is cumbersome, and it fails the first test of an efficient tax. I suspect that Mr Barr, who is not here and who likes to lecture people about the importance of being an economic rationalist, will tell those other cabinet colleagues how this fails the test of an efficient tax. This is a \$1.2 million tax in a full year, Mr Speaker, and the mechanism described in the briefings and in this place today is cumbersome and unwarranted for such a small amount of money. By the time that we have the officials in the office of revenue collecting the money, we put together a company limited by guarantee and we have a board to oversee it some of the money will slough off.

I will lay bets now that the \$1.2 million will never be returned to the city heart. Some of the \$1.2 million every year, a large proportion of it, will be subsumed by the administration of the trust, by the administration of the whole grants process. If it is not, it will mean that ACT taxpayers are again subsidising. If these costs are absorbed by the Treasury and the revenue office, they will not be fully reflected in what is happening. This is bad policy. It is inefficient policy. It is inefficient taxation and it will not meet the needs that it will set out to do.

As all of us have said before, if this were a voluntary scheme, if all the people who are saying that they would love to pay a levy actually paid the levy themselves, put their

money together and worked cooperatively, worked as part of a community, to improve the centre of Civic, everyone would applaud. But the government cannot impose community spirit. The government cannot, by legislative fiat, create social capital. You create social capital, you create community spirit, by having the community coming together voluntarily. This bill, this piece of legislation, fails all those tests.

It is not virtuous for the people in Civic to pay their levy to the government to come up with this scheme. It would be virtuous, it would be good for the community, it would be good for the social capital of Civic and it would be good for the community of people who come and use Civic if people voluntarily contributed to it because they could see a benefit. Shop owners have talked to me about the state of the footpaths, the state of graffiti, the state of billposting, the state of the quality of the buildings and the finish of the buildings in Civic. Some of the paint jobs are pretty ordinary—Mr Corbell is right—but, if a paint job is ordinary, that is the responsibility of the person who owns the block of land on which that building stands. Yes, there might be more than one person owning that block of land, but we do have unit title legislation here, we do have bodies corporate, and that is the responsibility of the private land owner.

If the minister is offended by the quality of the finish on the Melbourne Building or on any other building, he has the capacity to do something about it, the same as the Minister for the Territory and Municipal Services has the power to do something about graffiti on private buildings. The government really needs to get off its hands and do some of the work called out for. You see it time and again. I was walking through Civic recently and a property owner in Civic was pointing out the filthy state of the footpaths in various places. We have a drought and we do not go around steam cleaning the footpaths as much as we might have once and we do not sweep them as much as we once did, but these are basic services that should be provided by municipal services.

That has been cutback year by year and we are now actually justifying this cutback in a way by saying that the services are not up to scratch and some of the people in Civic are unhappy about the level of municipal services, so we will address that, not by improving the municipal services for which we all pay taxes, but by imposing another tax, another tax which will come out to all of us. Okay, the property owners will pay it initially, but they will pass it on to their tenants—the dentists, the accountants, the lawyers, all of those people who do not rely on an active street frontage to build up their business—and those things that should be done by the public will be done by the private and those costs will be passed on to me when I go to see my dentist, my accountant or my lawyer. That will be the case for everybody else who happens to have an office in Civic. Those costs will be passed on to the average mum or dad who needs to see a dentist, to take their children to an orthodontist or to see a lawyer. Those costs will be passed on because Simon Corbell and John Hargreaves cannot get their act together and exercise the powers that they already have under existing legislation.

We had Mr Corbell talking about the interaction of the public and the private realms—nice planning terms that he likes to use—but he has not given us one concrete reason to justify this tax of \$1.2 million a year which will be inefficiently

collected and will be inefficiently distributed, to the detriment of the people of the ACT, most particularly to the detriment of people in Civic who should be expecting and receiving a higher level of service from their municipal suppliers than they are currently getting. That is why the opposition opposes this bill.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (11.38): Sometimes I sit here in wonderment. Those arch defenders of the private sector are actually taking what is a good idea, promoted by the private sector in the interests of the private sector, to be paid for and administered by the private sector, and saying that they think that it is a really dumb idea. I think we had better send them an application form to join the Democrats because they are clearly not advocating on behalf of their soul mates.

Mr Mulcahy: You sound like you have joined the Nationals.

MR HARGREAVES: I do not think the Nationals would have you. I think you are a bit too far right wing for them, quite frankly. I think your hang 'em high policies and approach to life are far too right wing for the National Party of Australia. I do not think they would have you.

Mrs Dunne talks about our responsibilities with regard to graffiti. She knows only too well that we have to receive permission from private property owners to remove graffiti. As I have said in this place before in terms of private property in the suburbs, we have been directed by a private property owner in either Rivett or Waramanga, one of those two suburbs, not to remove graffiti from the outside of a fence which faces onto a public park. We know that government policy is to remove graffiti if it is violent in nature, sexual in nature or extremely offensive in nature, and we do. It might take up to a week these days to do it. But the fact is that it is on private property.

Mr Mulcahy is saying that the Melbourne Building is looking pretty shoddy and somebody ought to do something about it. He said that perhaps the owners might think about it. I agree with him. I know that there is to be a blue moon tonight, but I do agree with him that these folk ought to accept their responsibility, their corporate citizenship, concerning that historic building. The colonnades are preserved for all time, we hope. But, quite frankly, they bring the city down. They are grubby. They are really horrible to look at as you drive down the so-called main street of Canberra. But the government of the day has no power to insist on that, as Mr Corbell has said. There is no one single owner, necessarily.

In fact, I had a conversation about that when I had lunch recently—not with your old mate from the west, Mr Mulcahy, and not with your namesake, Mrs Burke—with the property council. Guess what they said. They said, “Minister, this city heart levy is a great idea. Maybe we can put some pressure, using that levy and money, on getting those buildings whipped into shape.” One of the people advocating that position was an owner of a store in the Sydney Building. This group of people firmly support it.

What have we got? The people opposite are saying that the visions of Emmanuel Notaras are wrong. They are saying that about Emmanuel Notaras's commitment to the heart of Canberra, the city heart, to the very spirit of Canberra that

was present when I got here in 1968 and has been improved upon no end, a commitment to presenting, in an age of competition, an area of the city which is attractive to people wanting to come in and conduct business. He is fully switched on. People are moving their businesses to Woden, Tuggeranong and Belconnen and, soon, out to Gungahlin.

Mr Mulcahy: Because you can't park in Civic.

MR HARGREAVES: Mr Mulcahy would say, "No, Mr Notaras, that is a dumb idea. Don't bother. It is the government's job. Let the government do it." I would like to know—I must ask the Treasurer whether he is interested in seeking information from Mr Mulcahy—just how much extra money Mr Mulcahy, as shadow Treasurer, is going to put towards this particular project. Should we just tack on another \$1.5 million to your spendometer?

Mr Mulcahy: Zero.

MR HARGREAVES: Oh, you are not going to put in anything. In other words, Mr Mulcahy is going to do no further work at all in the Civic precinct. No, all the private businesses out there will have to do it themselves. That's good! Richard Mulcahy, the workers' friend! He is certainly not the private sector's friend.

Mr Speaker, in the last few years, thanks to the planning work that Mr Corbell has done and to the practical work that territory and municipal services have done, we have seen a revitalised City West. We have seen a connection between the City Walk area and the university.

Mr Mulcahy: How is that arts precinct down there?

MR HARGREAVES: Mr Mulcahy always tries. He says, "Give us a look at your custard so I can chuck a fly in it." Good on you, Mr Mulcahy! Bring on the next election, because you are not going to get a brass razoo out of the city heart people towards your election campaign. Do you know why you are going to get from them what you are going to give them—zero? You are going to get zero because you are preventing them from putting their money into a bank where that particular set of funds can be hypothecated directly for things that they want to do.

Mr Smyth: Come on, John, you are putting the cameraman to sleep.

MR HARGREAVES: Tickle away, Brendan. It is nice to see you at—what is the time?—a quarter to 12. Good morning, Brendan. I hope you had a nice breakfast and a good lie-in.

Mr Smyth: I have been here all morning but for five minutes.

MR HARGREAVES: You can raise your voice another couple of octaves, Brendan, if you like. It would not bother me one zot.

Mr Smyth: If you have not got anything positive to say, John, sit down.

MR HARGREAVES: There you go, up again another octave. Come on, go up another octave.

Mr Smyth: No, that's fine. I was here at 10.30.

MR HARGREAVES: That's good, another four octaves. You are doing well.

What Mr Mulcahy is doing is trying to stop this collective of businesspeople from putting their money—their money—into a special place where it can be hypothecated to projects that they want. Mr Mulcahy is supposed to be the opposition's Treasury spokesman. He does not recognise that the more money you put into the bucket the greater the bang that you can get for it. He does not realise that you can get greater than the sum of the parts out of that. Of course, we can all spend five bucks each, but if 100 of us get together you can get a collective 500 bucks worth of goods. He does not appreciate that. What he says is that a couple of people in Civic have said to him, "I don't want to pay this. No, get that other bloke to pay it, or get the government to do it."

What is happening is that there is a collective of very responsible businesspeople out there saying, "If we put all of our money into one bucket, we can do some really good things around improving the look of our businesses." They are saying to Mr Corbell, "Can you come up with a process whereby we can collectively put our money in and collectively get it out?" Mr Corbell has said, "Yes, I can I can do that. Understand, though, that it is not my money. We are not going to take it. We are not going to take the money." Mr Corbell is saying, "It is not our money. Understand that all we are doing is giving you an open and transparent process whereby you can spend your own money on projects of your own choosing."

The graffiti one is a very good example of that. We do a certain amount of work on it. People have to walk past this dirty stuff all the time. But if the businesses in that area choose to do so, they can. If they choose not to, they do not have to. When Mr Pratt was waxing eloquent about all of this graffiti stuff in the city, he arranged for John Hanna to give us all a tickle-up because of loathsome graffiti in a laneway. When I went and had a look at it I found that on one side of the laneway there was a very nice mural. Did the graffiti experts have a crack at that? No, they did not. Why? They do not touch each other's artwork. He pointed to the dirty bit, being a bit inconsistent, as I said at the time. I went back only about a week ago and had a look. Guess what: on the other wall there is now a mural and no graffiti on it. But what is Mr Hanna's view on that? He does not like the mural. He would like to put it back; he would like to have it back. Heaven only knows.

The people in the adjacent buildings are happy because there is no graffiti on that wall any more. If they wished to apply their money collectively to paying for that mural, good on them. The original one on the other side of the wall was, in fact, paid for by the property owner in the same way that Mr Mulcahy advocates, but the property owner on the other side of the laneway was far less responsible, was far more irresponsible, in terms of the projection of the quality of that particular building. If the people collectively want to do something about that, fine, but they are going to be in

exactly the same position as I am in. If I want to go and try to remove some graffiti from a private lessee's or business's wall, I have to get their permission to do it.

The guys over there missed that. They say that the government has to scream around there with a can of black paint and paint over it the instant it appears. It is not that easy. Even if we had plenty of money to do it, we would have to get permission to do it, and exactly the same thing will apply with this one. This scheme will be administered in a transparent and audited fashion, but at the end of the day it will not be the government's money and it will not be government programs that the money will be applied to. The priorities for its allocation will be determined by the people who contribute to it when they actually create the selection criteria themselves.

What we are seeing here is a facilitation mechanism. Mr Corbell has provided a section of the private sector, the city heart people, with a mechanism whereby they can collectively put money into a bucket and spend it on whatever they like to beautify and maintain their particular part of the world over and above that which the government provides as core service, and the people opposite are belting the government for actually assisting the private sector. I have to say that I am really surprised about that, really disappointed about that. I would have thought that the private sector champions sitting over on the other side of the chamber would have thought, "This is a reasonably good one; we will just let this one go through."

I accept the view taken by Dr Foskey when she said, "Tell us how it is going to work. Give us the absolute detail." She wants to see the dots on the i's and the crosses on the t's and all that sort of stuff, and I understand that. But if in fact this is a process which is going to be driven largely by the private sector itself, perhaps a little patience might apply here. Dr Foskey might like to have a talk to Mr Emmanuel Notaras. I will bet you that she has not approached Mr Notaras to say, "Manny, how do you think this is going to work? You have been advocating this for a goodly number of years now, Manny. How exactly is it going to work?" I will bet you that she has not done that. She has popped up in this chamber and said to Mr Corbell, "Show us how it is going to work and I will support it. If you cannot do that, I am not going to do it." Minimum effort—absolutely minimum effort! All she has to do is to cart herself down there and talk to Emmanuel Notaras. At the same time, she ought to have a good look at the place. It is not as bad as people portray it.

Madam Temporary Deputy Speaker, in your dissertation on this fabulous subject you referred to the quality of the footpaths. No doubt, your foot has stuck to the pavement from some rather hot chewing gum from time to time. You will, of course, realise that that is a perennial and international problem. You are quite right: steam cleaning is one of the ways of getting rid of it. It also involves the use of chemicals, which is not a crash-hot idea. It is a problem which challenges us all, but I have to say that if you take a walk from Marcus Clarke Street—even beyond now—through to Akuna Street you will walk through a beautiful bit of Canberra. It looks great. It looks terrific and most of the time it is full of people enjoying themselves. Mr Mulcahy would say, "No, Manny Notaras, you cannot have a process to make it even better." Shame on him.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (11.53): The Rates Amendment Bill amends the Rates Act to provide the

mechanism by which the city centre marketing and improvements levy will be collected. As its name suggests, the levy will provide funds for a marketing and improvements program for the centre of Canberra.

The levy will be used to position the Canberra city centre as the premier retail, commercial and residential precinct in the ACT, something which I believe we all aspire to and which has been the subject of a long, detailed and very inclusive debate through promotion, marketing and events programs. It will coordinate and harness private and public sector skills. It will achieve an attractive, dynamic, vital, liveable place where businesses and community prosper. It will achieve a clean, safe and attractive city centre by complementing existing government services, and it will encourage the private sector to maintain a high standard of public-private interface. And the Liberal Party wishes to oppose all these hopes and aspirations.

The ACT Planning and Land Authority has been responsible for the development of the policy surrounding the administration and distribution of the funds collected. The levy was previously announced as the city heart levy in the 2005-06 budget and was then estimated on the basis of the proposal that it would achieve a collection of around \$2.5 million. However, after quite significant and close consultation with property owners within the collection area, the revenue target and the start date for the levy have been revised. The levy will be collected from 1 July and is expected to raise \$1.4 million.

The money will be appropriated to ACTPLA who, as the Minister for Planning has indicated, will then distribute it directly through a grant program to a not-for-profit business entity. The business entity must comply with certain eligibility and selection criteria, some of which will require obvious and demonstrable representation of all the levy payers. Those bidding for the grant are required to submit a number of documents, including a draft five-year strategic plan and a financial plan. The successful business entity will be required to finalise its draft strategic plan and thereafter submit annual business plans and progress reports.

The performance of the successful business entity will be measured against these documents throughout the five-year grant period. The grant program will be administered by a grant management committee. There will be one open round for the city marketing and improvements grant. The round which will last for five years will provide the successful business entity with the certainty required to realise its five-year strategic plan. The grant will be paid to the successful business entity on an annual basis.

My department's sole responsibility is for the collection of the levy. As the Assembly is already aware this bill provides a mechanism to allow that to occur. Schedule 1 of the Rates Act already contains a mechanism to impose levies under the act and it was a logical step to add this levy to that schedule. In addition, it will make the levy a law administered under the existing legal framework of such matters within the ACT. The levy is an annual charge on commercial property owners raised as a percentage of the average unimproved value of commercial land within the division of city, and certain commercial areas in Braddon and Turner.

Differential rates will apply to properties in the retail core and non-retail areas. Residential properties will not be liable to the levy, as the levy applies only to rateable commercial land. Certain non-residential properties such as the sites of churches or schools located within the area will also not be liable. The levy will be billed and collected separately from rates and, as such, payment by instalments and discounts for early payment are not provided. It should be noted that under the Taxation Administration Act the Commissioner for ACT Revenue may enter into an arrangement with a taxpayer to extend the time for payment or accept payment by instalment, subject to any conditions that may be determined by the commissioner.

However, the enforcement provisions of the Rates Act do apply, allowing the imposition of interest on a monthly basis and ensuring that the levy is included as a charge on the land in order to secure outstanding debts attaching to a parcel of land. The bill's passage will provide property owners in the collection area with some certainty. The legislation requires a commencement notice to activate it, which is a notifiable instrument.

During the debate I think the position of the parties in relation to this issue has been made clear. The government is determined to ensure that the heart of the city of Canberra—Civic, our civic and cultural centre—achieves a status that I think every Canberran wants for it. For 38 years, my entire time now as a Canberra citizen, I think there has been a debate around the nature, the status, the feel and the look of the heart of our city, namely, Civic. We have debated this issue round and round for years. In recent years very much of our focus has been on the Griffin legacy, the extent to which it can extend the city, and the extent to which we can ensure that Civic, the city area and heart of this city, creates a mass that is attractive, that is vital and that is vitalised rather than revitalised.

As a city centre, the city heart has always fallen short of our expectations and our aspirations as Canberrans. It is through the advocacy of the City Heart Association, Emmanuel Notaras and his constituents, that we have responded. We have responded to explicit representations, not just from those with businesses and property within the city or in the city heart but from all Canberrans, for a city heart of which they can be proud. It has not been easy. The government has expended significantly on seeking to upgrade and enhance Civic as a destination and as a place. We are making real progress but it can only be achieved finally as a partnership.

The Liberal Party opposition comes in here and denounces and criticises the aspirations of the two significant organisations that represent businesses and property owners within the city, namely, the Property Council of Australia, ACT division, and the City Heart Association. The Liberal Party despises and condemns the representations of those that most forcefully and centrally represent the interests of Civic businesses. It has put itself at odds with business representatives, the Property Council of Australia and the City Heart Association, and it does not understand the aspirations and hopes of all Canberra citizens.

This is not just about what businesses that operate within the city or property owners that have property in the city want and have expressed to us as their desire; this is also about what the rest of Canberra wants. It is about what I want as a citizen and as a

resident. It is about what every Canberran wants for the heart of their city. It is about government and, in this instance, property owners and the business community within this part of our city working together in genuine partnership to overcome some of the obstacles that have held the city back as a place that has found its way into the heart of us all.

This is an excellent proposal which should have been automatically supported. The cheap political capital that you think you can maintain or bleed from this proposal is really at odds with what all Canberrans want. It is at odds with what the Property Council of Australia has asked us to deliver. It is at odds with what Emmanuel Notaras and the City Heart Association has asked of us and continually represents to us. It is at odds with what the people of Canberra want.

The people of Canberra want this investment in their city heart. They want this investment in the city and they want the government to work in partnership. Governments cannot achieve everything. We see that in relation to the difficult issue of graffiti. As a rule the government cannot simply roll up to a graffiti-ridden building that is in private ownership, or a private sector building that is badly maintained and say, "You are letting down the team a bit. You are letting down the city. You are letting down the heart of the city. You are not holding up your end." They would just give us the finger as is their entitlement.

You think that is fair, that is the status quo, that is acceptable and that is okay. It is all too hard. They are the owners or the leaseholders and they can maintain this building in a shoddy state. They can bring down the look and the feel of the entire city but that is their right. You would be the first to complain about the look and the feel of the city with shoddy buildings not maintained if property owners take the decision, "This is a building I might redevelop in 10 years time; so I will not expend any resources on it now. I will bring the whole city down." You think this is fair and reasonable. It is too hard for you.

What you are saying is, "This is too hard. This is a difficult issue. It is all too hard for the Liberal Party so we will just roll over. We will let people with rundown, ugly, non-maintained buildings maintain them in that status because it is all too hard for us. Let the market determine this." It is the classic *laissez faire* attitude of, "Somebody owns it, let them do what they want. Let them maintain it in the state of disrepair that suits them." What nonsense!

Governments must lead, governments must facilitate and governments must work in partnership. Governments must respond to legitimate representations from leading organisations such as the Property Council of Australia and the City Heart Association. I think most importantly—you have ignored them in this equation—the people of Canberra want this. They demand it of their city and their city heart. They want it maintained. They want to feel comfortable about coming here. They want it to look nice, they want it to be safe and they want it to be vital. Today opposition members are arguing that they do not care, that it is too hard and that they do not want it. I will finish on a point that has to be made. We again have another Liberal Party promise about another set of moneys, another piece of revenue legislation of a sort—

Mrs Dunne: You admit that it is revenue.

MR SPEAKER: Order!

MR STANHOPE: It is rates legislation. It is raising money to be expended for the public good. Let us add it to the list. In the context of the debate today this is not an expenditure for governments to facilitate. Just as the fire levy will be abolished, this issue needs to be put on the record. At some stage the Liberal Party must begin to answer the question. Here is another \$1.4 million of annual expenditure mooted for the city that the Liberal Party will not collect or spend.

This comes on top of the fire levy which the Liberal Party has promised to abolish, the utilities levy which the Liberal Party has promised to abolish, the wage price index calculation as a means of calculating a certain range of charges, and the water abstraction charge which the Liberal Party has promised to abolish. The Liberal Party cannot escape the necessity to respond to this \$100 million of annual expenditure or revenue which, on election to government, it will abolish. We are now up to \$100 million with the water abstraction charge, the utilities levy and the wage price index.

Mrs Dunne: Point of order. Mr Stanhope continues to misrepresent the position of the opposition on the water abstraction charge. It has never said that it would take that away.

MR SPEAKER: Order! There is no point of order.

MR STANHOPE: The most significant part of the debate that we have had today, over and above the extent to which this opposition turns its back on legitimate representations from the property council and from the City Heart Association, is this acknowledgment once again, this addition to the list, of charges which the Liberal Party will not collect in government. Opposition members have stated unequivocally that they will not collect the fire levy.

Mrs Dunne: You said it was not a tax. You just contradicted yourself.

MR SPEAKER: Order, Mrs Dunne!

MR STANHOPE: They will not collect the utilities charge, they will not collect the water abstraction charge and they will not apply the wage price index to their calculations of charges. Today we heard that they will not collect the city heart levy. These are almost \$100 million worth of recurrent charges which the Liberal Party in government will not collect. When will the leader of the opposition tell us which \$100 million of recurrent expenditure his government will abolish?

What \$100 million of recurrent expenditure will the leader of the opposition cut on coming to government? You have promised in this place to cut the fire levy, to cut the utilities levy, to cut the water abstraction charge and not to use the wage price index. You will now not collect this \$1.4 million worth.

Mr Mulcahy: You have got that one right.

MR STANHOPE: Do not resile from it now. The shadow treasurer said, “You have got that one right.” We heard it from the shadow treasurer today. The Liberal Party, despite its bluster, will not abolish the fire levy. If you are not going to abolish it you should stop whingeing about it. If you are not going to abolish the utilities charge you should stop running your lines condemning it. If you are not going to abolish the water abstraction charge you should stop claiming that you are. If you are going to use the wage price index you should be honest and say it.

You cannot have it both ways. Either you are abolishing this \$100 million of recurrent expenditure or you are not. What is it? Own up, fess up and be honest. So there it is today from the interjections of the shadow treasurer. The Liberal Party will collect the fire levy. The Liberal Party will collect the water abstraction charge. The Liberal Party will collect the utilities levy. The Liberal Party will apply the wage price index. It will, will it?

Mr Stefaniak: Still verballing.

MR STANHOPE: The shadow treasurer has gone silent. (*Time expired.*)

Question put:

That this bill be agreed to in principle.

The Assembly voted—

Ayes 10

Noes 7

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

Question so resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Statute Law Amendment Bill 2006 (No 2)

Debate resumed from 19 October 2006, on motion by **Mr Corbell**:

That this bill be agreed to in principle.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (12.13): The opposition supports this bill which makes the usual number of minor amendments. I keep wondering whether we will have only one statute law amendment bill each year as

this is the second of the 2006 bills. One thing in this bill that is worthy of note, because it is topical and will continue to be topical, is that schedule 2 part 2.1, amendment [2.2] omits the definition of “emergency services authority” from the Legislation Act 2001 following the abolition of the authority by the Administrative (Miscellaneous Amendments) Act 2006.

It is worth pointing out that this is another example of where the Stanhope Labor government is getting its priorities wrong. Did the serious and devastating bushfires of 2001 and even more so of 2003 not give the government a message that emergency services need to be able to be delivered without being buried in bureaucracy as they now are? It seems as though it will only get worse. Did the serious and devastating storms in the last month not give the government the same message?

When will the government learn from these lessons? How many more serious and devastating natural disasters will Canberra have to endure before the Stanhope government sees some sense? It seems as though the government is more interested in creating bureaucracies than it is about ensuring the safety and security of the citizens of Canberra. This is yet another example of this government’s arrogance and it is another example of this government refusing to listen to respected expert advice.

Did Coroner Doogan, in her coronial inquest into the four deaths and four fires of January 2003, not recommend that the Emergency Services Authority be removed from the Department of Justice and Community Safety and transformed into an independent statutory authority reporting directly to the responsible minister? Did the McLeod inquiry into the operational responses to the 2003 bushfires not make a similar recommendation?

Did the Chief Minister in tabling the McLeod inquiry report in this place on 19 August 2003 not state, “The government agrees that a new independent and better integrated and coordinated emergency services organisation should be created to provide the opportunity for greater and more effective operational capacity and capability”? This is another example of the Stanhope government’s wrong priorities.

The Stanhope Labor government is happy enough squandering money on unnecessary and unwanted projects such as the jail we have to have, the arboretum we have to have and an Al Grassby statue that it seems we have to have, but it does not seem interested in properly funding services that ensure the safety and security of the people of Canberra.

We have to ask ourselves, “Where are the Stanhope government’s priorities?” I will tell members where they are. They are in the too-hard basket. It is worthy making these points in relation to this bill and in relation to the old Emergency Services Authority as they highlight the government’s lack of priorities and its unwillingness to listen to expert advice.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (12.16), in reply: This bill carries on the technical amendments program that continues to develop a simpler, more coherent and accessible statute book for the territory through minor legislation changes. It is an efficient mechanism to take care of non-controversial minor or technical amendments

to arrange the territory legislation while minimising the resources needed if the amendments were dealt with individually.

Each individual amendment is minor, but when viewed collectively they are a significant contribution to improving the operation of the effective legislation. Particular focus of schedule 3 to this bill is the transfer of definitions to new dictionaries and the updating of provisions about appointments and the performance of functions to bring the legislation being amended into line with the Legislation Act and current ACT drafting practice.

I would like to express my ongoing appreciation for members' willingness to support the technical amendments program in this way. It allows the territory to continue to lead the way and strive for the best and, in this case, a modern, high-quality, up-to-date, easily accessible statute book. An easily accessible statute book is fundamental to the good administration of law in the territory, and in this regard I think that the passage of this legislation allows us to continue to do this.

Let me recap on what the bill deals with. The bill deals with three kinds of matters. The first is schedule 1 which provides for a minor non-controversial amendment proposed by a government agency. Schedule 2 contains amendments to the Legislation Act 2001 proposed by parliamentary counsel to ensure that the overall structure of the statute book is cohesive and consistent and is developed to reflect best practice.

Schedule 3 contains technical amendments proposed by the parliamentary counsel to correct minor typographical or clerical areas, improve language, omit redundant provisions, include explanatory notes or otherwise update or improve the form of legislation. I think these changes have served us in good stead to date. They allow the territory to maintain a modern and up-to-date statute book. I commend the legislation to the Assembly.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Sitting suspended from 12.19 to 2.30 pm.

Questions without notice

Bushfires

MR STEFANIAK: My question is to the Chief Minister. Chief Minister, where were you on the night of 17 January 2003 when the head of the Emergency Services Bureau was trying to get in touch with you, and what were you doing?

MR STANHOPE: I have to say that I was interested in the contribution that the member for Tuggeranong, Mr Smyth, made to the no-confidence motion last week, in

which he dwelt very much on this subject, comfortable as Mr Smyth is with the selling of innuendo, of scuttlebutt and of slime.

Mr Stefaniak: Answer the question.

MR STANHOPE: Well, it is not that simple, actually. It is a question in relation to which one really should provide some context around the degree of comfort that Mr Smyth has in getting into the gutter, the slime—Mr Slimeball from Tuggeranong. He loves it down there in the gutter.

MR SPEAKER: Order! Refer to the member by his name, please. Withdraw that and refer to the member by his name.

MR STANHOPE: I refer to Mr Smyth as Mr Smyth and—

Mrs Dunne: Mr Speaker, he still hasn't withdrawn.

MR SPEAKER: Withdraw it.

MR STANHOPE: I withdraw it; I was withdrawing it. But it of course does not change my opinion of the member at all, and he knows it.

Mrs Dunne: Mr Speaker, this is entirely disorderly. When a member is asked to withdraw, they have to withdraw, and that's it—simpliciter, without embellishment.

MR SPEAKER: He has withdrawn.

MR STANHOPE: Mr Smyth is comfortable down there in the gutter. He likes it there, down with the cigarette butts and the dog turds and the wasted life. That is where he is comfortable, and of course it is one of the reasons that his colleagues tipped him out a few months ago—because he really does not have the maturity or the standing or the quality that befits a leader.

MR SPEAKER: Come to the subject of the question, Chief Minister.

MR STANHOPE: I spent that evening with my wife, Robyn, in company with two other people, the reputations of whom or the professions of whom some of course might have a particular issue with. I think it was to these particular points that Mr Smyth was going, of course—the quality, the calibre and the nature of the people and who it was that I might have spent that particular evening with. I spent it with my wife and with a magistrate of the ACT Magistrates Court, and his wife, and—forgive me my sins—with a Catholic priest, the parish priest of St Matthew's, Page.

Mr Smyth, of course, was not looking for an answer that bowled me as actually spending an evening with a magistrate of the Magistrates Court of the ACT or with the parish priest of St Matthew's, Page. Mr Smyth had other ideas. Mr Smyth has been out there spreading innuendo and slime and slurs and outrageous suggestions—as he did when he put in an FOI request for all of my wife's travel documents on the one and only occasion when my wife has accompanied me on a spouse-accompanied trip. This is the man who thinks it is appropriate behaviour for a Leader of the

Opposition to requisition all of my wife's travel documents. This is the man that the other Liberals are comfortable with on their back bench.

Mr Stefaniak: I raise a point of order, Mr Speaker, under standing order 118A.

MR STANHOPE: Who among you thinks that is appropriate behaviour—

Mr Stefaniak: Pull him in, would you?

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

MR STANHOPE: of a member of your particular party? This is the scuttlebutt. This is the innuendo. This is the slime—

MR SPEAKER: Come back to the subject matter, Chief Minister.

MR STANHOPE: that your colleagues engage in. Which one of you has suffered your spouse or partner having all of their private documents FOIed in relation to any travel involving you in your official capacity—who of you? It is the most shameful behaviour by a despicable little man!

MR STEFANIAK: Mr Speaker, I have a supplementary question. Chief Minister, thank you for that explanation—in the 30 seconds that you gave it; I will disregard the rest. Why until now have you been so reluctant to advise the people of Canberra what you were doing when you should have been following the fires closely? Why did you not advise us before now?

MR STANHOPE: Because it was none of your business.

Mr Stefaniak: It has taken you four years.

MR STANHOPE: Because it was none of your business, and it is still none of your business. I only answer today because of the slime that is being perpetrated and spread around Canberra by this colleague of yours—the innuendoes, the doublespeak, the slime, the attacks on my wife and the requisitioning of her travel documents: freedom of information requests in relation to every document associated with her private life and her behaviour. This is what the Liberal Party in this place has reduced itself to.

He kept it up last week in the no-confidence motion. You all sat around, all relaxed: “Funny; chuff, chuff; let's be part of this innuendo”—this slur, this campaign against my wife and my marriage, this suggestion that there was something untoward about my behaviour, which you have gone on and on with.

Mr Smyth: You refused to answer the question.

Mr SPEAKER: Order! Mr Smyth!

MR STANHOPE: Because I have a private life that is absolutely none of your business. You have run a four-year campaign about my private life. The questions that you have pursued in relation to my whereabouts on that particular night, on that

evening, and the persons in whose company I spent the evening have had a single purpose. It is absolutely and utterly despicable—utterly despicable. Of course, then it was followed up by Mr Smyth and his freedom of information requests—that he has requisitioned: his demand for tabled documents—in relation to my wife’s private life and business.

Mr Stefaniak: Mr Speaker, I raise a point of order, again under standing order 118A.

MR SPEAKER: I think the question was “why haven’t you told us up until now?” I think the Chief Minister is trying to tell you.

MR STANHOPE: To the point where I have to say this. I am loath to involve my wife in this; she will be appalled, and perhaps disappointed, that I have breached her privacy in relation to this. But since Mr Smyth conducted his campaign against my wife and her travel, my wife refuses to travel with me. She is not prepared to have her private life and her private affairs submitted to the political point scoring and nastiness of Brendan Smyth. My wife will no longer travel with me because of Mr Smyth’s requisitioning of her personal travel documents, her personal affairs and her expenditures when she travels on official business with me. That is what Mr Smyth has done. I apologise to my wife for breaching her privacy in this way. It is appalling. I am absolutely appalled that this paragon of virtue—this citizen of Tuggeranong, this pillar of society—thinks that that is appropriate behaviour. It is not.

On the night before the fire, I was with my wife, with a magistrate of the ACT Magistrates Court and with a Catholic priest.

Mr Stefaniak: Why didn’t you tell us before now?

MR STANHOPE: Because it is none of your business—because it is none of your business. It is none of your business what I was doing.

Mr Stefaniak: No-one is going to blame you for being with your wife, for goodness sake.

MR STANHOPE: I explained at the time. I said, “I was in my electorate at dinner.”

Mrs Burke: You did not.

MR STANHOPE: Yes, I did.

Ms Gallagher: Yes, on the north side of Canberra.

MR STANHOPE: My colleagues remember. I was in my electorate on the north side of Canberra at dinner. But that was not sufficient! That was not sufficient! It just excited the dirty mind of Mr Smyth. That just excited the dirty mind, because I would not say I was at dinner with my wife—because it was none of your business. It was not relevant that I involve my wife in this place. Oh, no—a four-year campaign of innuendo, scuttlebutt, doublespeak and plain gossip. Of course it all gets repeated back to me. It is a small town. It is a small place, this. It all gets reported back to me—everything that Mr Smyth says as he goes around town: the destruction of my

reputation and that of my marriage and my wife. It is all out there. He is out there talking about it. He is talking it up. I can go and get statutory declarations and affidavits from those to whom Mr Smyth has told this story. That is what we have come to. It was a matter of principle. It is none of your business. My wife is not part of this job.

Mrs Burke: It's the community's business.

MR STANHOPE: It is not. Mrs Burke, tell us more about the sexual harassment matter. Come on.

Mr Stefaniak: Oh, here we go. Let's get grubby, Jon.

MR STANHOPE: Let's get grubby? Let's get grubby!

Mr Stefaniak: You are accusing him of it and now you are doing it.

Mr SPEAKER: Order!

MR STANHOPE: I am respecting Mrs Burke's privacy. Give us the lurid details, Mrs Burke. *(Time expired.)*

ACTION bus service—patronage

MR GENTLEMAN: My question is directed to the Minister for Territory and Municipal Services. I understand that recent criticism of ACTION is misguided, as patronage levels are through the roof. Can you inform the Assembly how many passengers have voted in favour of ACTION by using the new network?

Mr Smyth interjecting—

MR HARGREAVES: Mr Smyth, I challenge you to tell in public what you told your Liberal Party branch about me. I challenge you in public because I would like you to give me a photocopy of your house because I will have it for you.

MR SPEAKER: Order! Mr Hargreaves, come back to the subject matter.

MR HARGREAVES: I certainly will. You just do it and I will take you on.

I thank Mr Gentleman for his question because he has gone to the heart of the matter. A lot of the criticism has been misguided, particularly as the ACTION bus network is designed as a mass transport system. It is not a system designed to cater for each individual in the community. It attempts to provide a service that reaches into most, not all, corners of the city and moves people efficiently between the—

Mr Smyth interjecting—

MR HARGREAVES: I will continue when you stop.

Mr Smyth: We thought you were waiting for the Chief Minister.

MR HARGREAVES: I don't care who you were talking to; I will continue when you stop.

It is a service that reaches into most, but not all, corners of the city and it moves people efficiently between suburbs and town centres. ACTION does that task very well, as shown in the following patronage figures. In February 2005, 399,000 passengers used ACTION. In February 2006, the month when the services were under attack by the Liberal Party and the media, 463,000 passengers used the service. That is a 16 per cent increase in usage in the same month two years apart. That is not an indicator of an inefficient service; that is the mark of a very successful service. Sixteen per cent more people used it.

If we take the eight-month period from July 2004 to February 2005 we find that ACTION carried 3,047,000 passengers. In the eight-month period from July 2004 to February 2005 ACTION carried 3,647,000 passengers. That is a 19.7 per cent increase in patronage at a time when ACTION was installing a new timetable and making \$2 million in savings in administrative overheads and \$2.3 million savings in services provided.

The target for the sustainable transport plan for 2006-07 is an eight per cent increase in passengers, which represents 4,972,965 boardings. The year-to-date outcome is up 328,000 against target. All these figures are not a sign of a failing service or an inefficient service. A 20 per cent increase in patronage on the new network shows that we have achieved what we set out to do; that is, to better match supply with demand. The buses now run full, not empty, meeting the sustainable transport plan.

I am not saying that we are satisfying everybody. There have been complaints from people affected by the new timetables, and I have taken note of those complaints. In relation to stories about schoolchildren left by the side of the road, I am advised that of the complaints made to my office those stories were unfounded in all except one case. In that one case the bus had broken down and the child was left waiting at her stop, and I am sorry about that.

Mrs Dunne said on radio that she had received hundreds and hundreds of complaints. Guess what. She has not referred hundreds and hundreds of complaints to me or to ACTION because they do not exist. She referred some complaints, including one that we do not run the same service as we did six years ago, to ACTION which is investigating those complaints.

Mrs Dunne, like Mr Stefaniak and their federal leader, the Prime Minister, has taken to distorting the truth and exaggerating to make political points. They cannot stand the fact that this government is reining in expenditure and providing targeted services so that it lives within its means. They have to have a beat-up to make themselves relevant. Passengers are paying cash to support ACTION. The opposition cannot even find a word of praise to support our mass transport system.

MR GENTLEMAN: I have a supplementary question. Is the management of ACTION simply accepting that increased patronage level as enough or is the management taking further measures in response to customer demand?

MR HARGREAVES: I said a few minutes ago that we are not satisfying everybody and I am paying heed to the feedback received. Some of the things we can change and some we cannot.

Mr Pratt: Does that include about 78 per cent of the population?

MR HARGREAVES: Are you finished? I will deal with you later. Among those we cannot change are the delays caused by traffic congestion. Twenty thousand vehicles a day are avoiding Glenloch interchange, where roadworks are taking place. Those vehicles are taking alternative routes, but sooner or later they must end up on the limited number of roads into the town centres. That congestion is being felt even on minor suburban roads, not just Adelaide Avenue and Northbourne Avenue. There is nothing that can be done about that until the roadworks are finished. In addition, in the last three years an additional 15,000 vehicles have been registered in the ACT. An additional 5,000 vehicles a year enter our road network.

Mr Pratt: On an average of two hours each in the queue for registration.

MR SPEAKER: Order, Mr Pratt! Mr Hargreaves has the floor.

MR HARGREAVES: That is not, as the *Canberra Times* says, through people buying second cars because the bus service does not meet their needs. That is through people using the extra money generated by the boom economic times that we are having to buy a second family car or cars for teenagers in the family.

There are some simple things that ACTION can do at no or little cost. For example, small cumulative delays are caused by passengers paying in cash. ACTION will encourage all passengers to purchase prepaid tickets and validate them before joining a bus. The timing of the green lights on Northbourne Avenue can be, and will be, adjusted to allow for a freer flow into and from the city.

I have been advised that there have been minimal complaints from public schools. ACTION management is to meet ACT P&C representatives next week. One complaint received by my office about connections from Narrabundah college to the Manuka-Deakin area is still being investigated.

In relation to Daramalan, Merici, St Clare's, St Edmund's and the grammar schools, there were complaints that the students were arriving late. Investigations showed that the only cure for that was for the services to depart earlier. I apologise to the parents and the students who read that solution in the paper. The solution was meant to be conveyed by ACTION so that parents would not be taken by surprise, but the *Canberra Times* published it.

ACTION cannot go back to what it was last year. It has been asked to make savings in administration and services to contribute to the overall budget for the city, and all staff have worked hard to achieve those savings. I believe that further savings can be made if some of the archaic work practices still in place among drivers are changed. Those issues will be addressed during the coming enterprise bargaining negotiations. At this point I would like to acknowledge the contribution to this problem and to finding a

solution by the Transport Workers Union and the drivers themselves. They have been very forthcoming.

Since 4 December, ACTION has been assessing customer feedback and consulting peak bodies such as the Council of the Ageing and resident groups, as well as drivers and transport officers who deliver the services. On 5 February a range of changes to specified ACTION services occurred, including up to 14 additional services on intertown buses—the 300 series—in the shoulder period between 9.00 am and 10.00 am, and up to 23 augments to intertown interpeak services. Amended travel directions on routes 939 and 97 have been implemented to cater for elderly passengers in this area.

ACTION is currently working on a number of measures to alleviate the issues. ACTION proposes to extend selected peak services on routes 12 to 17, west Belconnen and Tuggeranong; to adjust routes 116 and 117; to replace some northside routes with previous and extra services; to implement on-platform ticket validation; to advertise preticket sales and improve signage and timetable information for customers; and to adjust traffic lights on peak direction routes to the city. These measures will be introduced over the next three to four months. Other changes will cost money and take more time. I am awaiting a brief from my department in relation to those matters and can say nothing more until I have received that brief.

Bushfires—declaration of state of emergency

MR SMYTH: My question is to the Chief Minister. Chief Minister, Coroner Doogan, in her report into the bushfires, was critical of the slow timing of the declaration of the state of emergency. Under the then arrangements for a state of emergency, the Chief Police Officer would act as the territory controller in the event of a declaration of a state of emergency.

In his evidence to the coroner in relation to the declaration of the state of emergency, Chief Police Officer Murray stated that he was not invited to the meeting held at 2 pm on 18 January 2003 that ultimately decided to declare a state of emergency. He stated, “I wasn’t expected, as I understood it. I wasn’t invited and I wasn’t expected.”

Chief Minister, what was this meeting called to discuss? Was there any consideration of a declaration of a state of emergency before the Chief Police Officer arrived uninvited to the meeting?

MR STANHOPE: Commissioner Murray was invited to the meeting. In fact, the meeting was delayed because Commissioner Murray was in Sydney. The meeting was delayed while he travelled back from Sydney to Canberra on the morning of the 18th. The meeting was convened later than it might otherwise have been while we waited for the Chief Police Officer to arrive. I do not quite know the context in which the statement that the member just referred to was made or what evidence was provided to the coroner in relation to that.

An issue that perhaps was not aired or flushed out to the extent or degree that it might have been and which is the basis of some of the assumptions that many are making around the level of understanding of certain people, including, of course, the police, is

the fact that the Chief Police Officer had, in fact, travelled to Sydney on the day of the fire. Mr Quinlan and Mr Wood, in statutory declarations, and I, in evidence that I gave, commented on the advice given to cabinet. On the basis of that advice, two of the cabinet ministers present, in other words 50 per cent of the cabinet, felt such a lack of alarm or concern at the nature of the briefings that two of them went on holiday, one to Melbourne and one to his home in Canberra. On the basis of that same advice, the Chief Police Officer went to Sydney on the day of the fire.

It is not true to suggest that the commissioner was not invited. He was explicitly invited. In fact, the meeting was delayed while we awaited his arrival.

MR SMYTH: I ask a supplementary question. Chief Minister, how long was the meeting delayed for? What was the original time that it should have started?

MR STANHOPE: I do not recall that at this juncture, four years after the event.

Bushfires—coronial inquest

MR SESELJA: My question is to the Attorney-General. Minister, on Tuesday, 27 February you criticised the coroner as having gone too far. The *Canberra Times* quotes you as follows:

“They were political comments and it was the coroner, in the Government’s view, venturing into the political realm,” he said.

“I think the coroner crossed the line ... particularly when she made no recommendations about [those points]—she simply made a number of comments.”

Mr Stanhope continued to attack the coroner during last Wednesday’s debate. Why, as Attorney-General, have you not only failed to defend the coroner from attacks upon her—

Mr Stanhope: I raise a point of order, Mr Speaker. That is a reflection on a vote taken before the Assembly.

Mrs Dunne: No, it isn’t; it’s a comment about something that happened in the debate. It’s not a reflection on the outcome.

Mr Stanhope: It was; it was a reflection, and I dispute the allegation in any event, so it is a reflection. It doesn’t reflect what I said. I did not attack the coroner. I disputed findings but I did not attack the coroner at all.

Mrs Dunne: On the point of order, Mr Speaker: the standing orders require that you can’t reflect upon the outcome of debate, on the actual vote, not about that which was discussed in it. Mr Seselja wasn’t reflecting on it; he was referring to its existence.

MR SPEAKER: I think a member is entitled to refer to these things but not reflect on the vote. Mr Stanhope, I think the point you raise is a debating issue, which you may wish to deal with by way of some other form of statement.

MR SESELJA: Thank you, Mr Speaker. I will just finish the last sentence. Mr Stanhope continued to attack the coroner during last Wednesday's debate. Why, as Attorney-General, have you not only failed to defend the coroner from attacks upon her but also launched attacks on the coroner yourself?

MR CORBELL: I have not attacked the coroner, nor has the Chief Minister, but the government, and I amongst the government, have disputed the coroner's finding. That is an entirely legitimate course of action. There is nothing in the office of Attorney-General that requires me to agree with every decision made by a judicial officer. I am not obliged, nor has any attorney-general ever been obliged, to defend every decision made by a judicial officer. I have not attacked the coroner. I have not reflected on the coroner's capacity or the coroner's ability to undertake her inquiry.

I have disagreed with one of her conclusions, with one of the findings she made, and it is entirely appropriate for me to do so, not only as a member of the government and as Attorney-General but also as the responsible portfolio minister for police and emergency services. The coroner has not behaved in a partisan manner. I have never attempted to suggest that she has. But what I have said very clearly is that the conclusions she reached about what she considered were the political responsibilities of the Chief Minister and the cabinet, which she referred to when she referred to the comments made by Sir Peter Lawler, were quite clearly the coroner entering into a political debate.

Notions of political responsibility are dealt with in the political forum, not in the judicial forum, not in the coronial forum. They are not legal constructs. They are not matters known to the law. They are political concepts that are dealt with and debated in a political environment. That is why I said that the coroner ventured into the political realm—and I stand by those comments.

Public service—superannuation

MR MULCAHY: My question without notice is to the Treasurer. In relation to the underpayment and/or overpayment of superannuation as a result of systematic faults in the Chris21 human resources system you told the Assembly on 13 December that you “at this stage have no real feel for the exact extent of this mistaken calculation”. Treasurer, how far have you progressed into the testing process? Can you now tell the Assembly the size, scope and extent of the problem?

MR STANHOPE: I am sorry, Mr Mulcahy, I cannot answer that question directly. I might have the details here somewhere but I will have to take that question on notice and respond to you when I have details of that information.

MR MULCAHY: I ask the Treasurer a supplementary question. Could he also advise me when we can expect that all former ACT public servants might expect to know their correct superannuation entitlements, an estimate of additional costs or recoveries, and what the decision will be in relation to overpayments for former public servants?

MR STANHOPE: Similarly, I do not have that detail with me. I think I indicated earlier in response to a question from the shadow Treasurer that at this stage there was an expectation that the variations would not be particularly large but we do not know that, though on a first test run the variations were incredibly small. Indeed, the variations went both ways to the extent that some of our public servants had been underpaid and others had been overpaid. So at this stage we do not know the detail of the variations.

I indicated that on that first test run the first of the discrepancies that had been tested were somewhere of the order of a dollar; nevertheless a dollar was a dollar. Similarly, there were amounts of a similar order in which an assessment of \$1 over that which was payable could also be made. I am sorry, Mr Mulcahy; I do not have the detail with me today. I will provide a full response to each of the questions that you have raised.

Public health services

MS PORTER: My question is to the Minister for Health. Can the minister advise the Assembly of the impact of the new sub and non-acute facility on the type and level of public health services provided in the ACT community?

MS GALLAGHER: I thank Ms Porter for the question. As many members would know, on 15 February 2007, the new sub and non-acute facility was officially opened on the Calvary campus on the north side of Canberra. This facility will provide a major enhancement to the types of public services available for the people of the ACT. It is an area which, over many years, has been identified as a gap in the provision of health care. Anyone who has been in this job has realised that there is a need to provide some step-down from acute hospital bed care to more transitional support while people prepare to go home or into other types of care.

This new sub and non-acute service was actually established early last year by extending the nine-bed convalescent service at Calvary Public Hospital into a 19-bed aged care and rehabilitation service. So in February last year we added 10 beds to Calvary Public Hospital.

The completion of the new, purpose-built facility, also known as the Keaney building, will provide another extension to this service by adding 41 beds, to be shared across the Aged Care and Rehabilitation Service and the older persons' mental health unit. That is in addition to the 19 beds. The new facility will provide a range of services to assist older people to make the best possible recovery before heading home or moving into other types of care.

The service will provide important treatment for many older patients. It will provide time to recover. In addition, the service will provide treatment, care and rehabilitation services in a more appropriate environment than a hospital ward. All those who attended the opening or have had the opportunity to visit the facility since will have seen that it is a homelier environment than, perhaps, a hospital ward is able to provide.

Importantly, 20 of the beds will provide care for older persons with acute mental illness or challenging behaviour. This will bring together under one roof the special expertise required to care for these patients. The care provided in this service will be fully integrated with the community-based older persons' mental health team and other community stakeholders. The Aged Care and Rehabilitation Service will manage the remaining beds.

The services in the new unit will help patients to get back the essential living skills that they may have lost through their illness or period of stay in hospital to prepare them better for when they go home or, as I said, into other types of supported accommodation.

The new unit will also have the first two designated beds in the ACT to manage the rehabilitation needs of the morbidly obese. These patients generally take longer to recover from hospital episodes and also generally have special needs to consider in the management of their rehabilitation,

The new facility has a range of services. It is different from a hospital environment and I am sure that it will provide the care and treatment that older Canberrans have been after for many years. It is not just adding 51 beds to the hospital system. It is looking at the type of care we provide and the types of beds because demand by the aging population is changing. The demand is for different types of beds, not just acute type beds.

The facility began taking patients in the week commencing 26 February 2007. I look forward to the success of the service. I know that there will be demand for services. The facility will operate at a cost of around \$10 million a year recurrent and will provide care and support for the special needs of the types of patients that will be referred there.

These new beds, 60 in total, will very much add to our public hospital system and help us meet the increasing needs of our community for access to a diverse range of health services and accommodation types.

MS PORTER: I ask a supplementary question. Minister, you mentioned the many additional beds that the government has added to the system over the last three budgets. Can you please explain the location and impact of these beds?

MS GALLAGHER: As I said, in every budget since coming to government, the government has been looking strategically at where new beds should be provided. These include 40 acute medical beds provided in the last two budgets, three ICU beds to enhance the ICU service across the ACT, short stay beds for patients in emergency departments and an additional 15 transitional care beds, jointly funded by the commonwealth and ACT governments, for elderly patients managed by Baptist Community Services. They include the subacute facility beds about which I have just spoken.

In April we will have an additional 14 MAPU—that is, management and planning unit—beds which, again, will target elderly patients coming in through emergency

who have a complex range of needs. It has been demonstrated that, if they have somewhere to go to have all of their needs looked at, mapped and planned for, then their experience in hospital is a lot better. Those beds will be opening in around April.

We have looked strategically at the requirements. We have provided 126 extra beds in the last three years, and it will not stop there. I think that any Minister for Health will see the need for more beds in every budget from now and into the future. Certainly the growth money that has been provided to health through the budget will enable us to continue to deliver beds. But we are not just going to say, "We need 100 acute care beds," and not have any way of delivering them. We are going to look at where the beds are needed: are they ICU beds, critical care beds or coronary care beds, beds that will provide more support for elderly patients or more step-down beds? We will look at our mental health needs, in conjunction with the PSU, and at community beds in terms of community providers being able to provide supported accommodation, particularly in the mental health area.

That planning work is under way. The preparation to meet the demand is under way and ongoing to make sure that we have the facilities, the services and the infrastructure to meet the needs of our growing aging community.

ACTION bus service—timetable

MRS DUNNE: My question is to Mr Hargreaves as Minister for the Territory and Municipal Services and relates to Network 06, the ACTION bus timetable. Minister, on 20 February, at the Belconnen Community Council, you told those assembled a variety of things, including that you were not going to take advice from bus drivers about how to fix up the bus system, that they were paid fair enough to do their job and that one of the reasons that the buses were running late was that drivers were deliberately doing so because the enterprise bargaining agreement was coming up. You also told the community that the service was fine, that people just needed to be educated and change their behaviour. Since then it has been reported that you are going to reapply some of the services that existed before the introduction of Network 06 in December last year. Minister, why don't you just fess up to the community that Network 06 was a huge mistake and scrap it immediately, at least in the first instance in favour of the old network?

MR HARGREAVES: The first thing I would observe is that Mrs Dunne was not at that meeting. So Mrs Dunne is doing what the Liberal Party do particularly well; they perpetrate Chinese whispers. They come into this place with hearsay and portray it as gospel—the gospel according to St Vicki. I am sorry about that, Mr Speaker. Usually you have to take it with a grain of salt, understanding that the context will be different from the first time and also that they will not tell the story in its entirety, if they get any of it right.

I am just wondering whether this question is appropriate, given Mrs Dunne's motion for tomorrow. I guess it is okay because it is not on the notice paper as yet. In effect, Mrs Dunne is inviting me to give the speech that I will give tomorrow when she brings forward her motion, trying to get the government to revert to the previous network.

I am a little surprised that Mrs Dunne would even suggest such a thing, because she would know, I would hope, because I have a lot of faith in her research capabilities, that to change a network is not something you can do overnight. You cannot just flick a switch, turn a light on and instantly be back to the way we did it before.

Mrs Dunne: Gee, that is what the TWU told me at lunchtime.

MR HARGREAVES: Mrs Dunne can natter away like a little old lady at a christening if she want to, but it will not make the slightest bit of difference to me. The fact is that it takes a lot of work to change a network. She does not listen, because I have said publicly and I have said in here—I will go through part of it again—that we have reverted to some of the old routes. Some of them have gone back—14 of them, if my memory serves me correctly; I have only just said it.

Mrs Dunne would have us revert to the old network. Do you know what that would mean, Mr Speaker? It would mean no service to the eye hospital, no service to Harrison. We would then reduce the number of services on the peak routes and upset all of the people commuting. That would mean, of course, that we would end up with more cars on the road. Of course, the environmental champion over there would be personally responsible for all those extra cars on the roads. We would not have extra services to the cemeteries or to the hospitals. That is what would happen if we reverted directly to the old system.

Furthermore, we have discovered in the course of things that on quite a number of bus routes that had a very low patronage the change has not made a lot of difference. The people on those buses have actually adapted to the change and are quite happy about it. Some people are not.

Mr Pratt: An old lady taking seven hours to get to the hospital—that is adapting.

MR SPEAKER: Order, Mr Pratt!

Mr Pratt: That is the sort of feedback we are getting, John.

MR SPEAKER: Order! This is not a conversation.

Mr Pratt: That is the feedback we are getting.

MR HARGREAVES: Mr Pratt natters away under his beard, but he does not listen. Mr Speaker, I have said that there are some routes which will require amendment, and we are addressing those. We are also going to have a conversation with those people who are not taking the buses, because they are just as important—probably more important in a way—as we would like to provide those services to them to get them out of their cars.

As I said publicly last night, one thing that we have not done particularly well and we have never done well since we took over ACTION, I have to say—and that goes for a former minister for bus services, Mr Smyth, the man who would spend most of his time attacking other people, instead of getting his facts right—is that we have not

talked enough to the drivers themselves to work out which people are actually adversely affected and which people are not. They know. They know everything about their passengers on those feeder routes. We will be having dialogue with the bus drivers, and we would hope, as I said on the weekend, that an amended network will be available in October or thereabouts.

MR SPEAKER: I ask members to refer to other members by their proper title. Mr Hargreaves, you referred to Mrs Dunne as St Vicki. You may wish to withdraw that.

MR HARGREAVES: I absolutely withdraw any notion of sainthood conferred upon Mrs Dunne. Nothing could be further from the truth than to have sainthood conferred upon Mrs Dunne.

MRS DUNNE: It is a modest aspiration, Mr Speaker. I am not dead yet, thankfully. I have a supplementary question. How much did it cost to implement Network 06 and how much will it cost to implement the changes that you have announced so far?

MR HARGREAVES: I do not carry in my head the figure as to how much the change to Network 06 cost. I will have to go back and find out. I will get back to the member as soon as I can. However, it may take a little while. In terms of how much it will cost to implement change to Network 06, I am sorry, I had coffee this morning, not tea, and there were no tea leaves in the bottom of my coffee cup, so I had nothing to read.

Government investment policy

DR FOSKEY: Can the Chief Minister assure the Assembly that the advice of ethical investment experts will be incorporated into the review of government investment policy and that the review will consider investment in renewable energies and social housing?

MR STANHOPE: I acknowledge that Dr Foskey has a keen interest in this issue of ethical investments and I acknowledge the extent to which she has championed debate on this subject. I am sure all members are aware that, traditionally, the government has set the form of investment strategy for the management of the territory's investments. Whilst we set that broad strategy the attitude we have taken and that all previous governments have taken is that the management of those investments is something that should best be left to the Treasury. I maintain that position and I will continue to maintain it. This is an area where political involvement, or direct political involvement, should be avoided.

However, I think the government has an obligation—I do not resile from that, but perhaps within some parameter—to seek to get the best financial outcomes for ACT taxpayers by deriving optimal returns on funds invested, which involves seeking to maximise the return on funds and seeking to ensure that individual investment decisions are taken at arm's length by contracted expert investment managers. I think that is a broad picture of the position or the history of investments within the territory.

In relation to the review that I have arranged, there are terms of reference. I do not know whether Dr Foskey has had those made available to her and I regret that I do not have them here with me but I am happy to table them and to have them provided to members. At this stage I cannot quite recall the exact details of those terms of reference, but they are certainly quite broad.

I expect that there will be a rigorous assessment of the extent to which decisions around social, environmental and governance arrangements or issues can be pursued through an investment strategy that essentially maintains the framework that I spoke of just now as being fundamentally important. In a more detailed response to Dr Foskey's question it would be more appropriate for me to provide her with the terms of reference. I think she will see from those that they will satisfy the questions she has raised.

DR FOSKEY: I ask a supplementary question. How can I and other interested people have an input into the terms of reference—or has the horse already bolted—and, more substantially, into the review itself?

MR STANHOPE: In the context of the terms of reference, they have been set. I will provide those to Dr Foskey today. In the context of contributions, I am sure there will be no difficulty in Dr Foskey contributing fully through a submission to the review. Her views would be welcome.

ACTION bus service—schools

MRS BURKE: My question is to the Minister for the Territory and Municipal Services, Mr Hargreaves. Minister, school buses at the moment are incredibly overcrowded and provide an unsafe environment for students travelling to and from school. I, as well as Mrs Dunne and others, have received complaints of students having to ride in areas like the luggage rack area; other students being told they cannot board and having to find their own way home; and, worse still, children being left stranded because the bus left before the school bell rang. Minister, what is being done to stop the overcrowding and deal with many of these other issues in order to create a safer environment for students on buses and to provide a reliable service?

MR HARGREAVES: I think it is fair to say that this issue has been in the public arena for quite some number of weeks now—some across the chamber would say some months now. I have yet to receive a representation on the issue that I can recall from Mrs Burke. If I have missed one, I apologise for it. That, of course, contrasts with the claim that Mrs Dunne makes, of hundreds and hundreds. If it was so important and they received so many of those representations in Mrs Burke's office, surely you would think that she would have either contacted my office or contacted ACTION. Nobody has told me that Mrs Burke has been jumping up and down being upset about it. I suggest that this is a figment of Mrs Burke's imagination.

When we looked into the matter, we found not that long ago—I mentioned it in an answer earlier on—that there were problems with some of the private schools: Merici, St Clare's, Daramalan and probably Grammar. Those problems are being addressed, as I indicated earlier and in an answer—

Mrs Dunne: What about Alfred Deakin High, where the kids were told to find their own way home?

Mrs Burke: What about public schools?

MR HARGREAVES: As I indicated in the answer earlier on, those routes will commence 15 minutes earlier to make sure the kids get there on time. When we looked into all of the so-called complaints about kids being left behind that popped up in the *Canberra Times*, we found that there were a number of issues. One certainly was an issue. That was because a bus broke down. We apologise for that one. All of the other ones I have found not to be issues. In fact, we had certain areas where there was what people would describe as overcrowding, but we made sure that some of the supervisors with cars were there, and they made sure that kids were not left behind or left standing at the bus stop.

What intrigues me a little on this is that we are now saying that the buses are overcrowded, yet we actually have the same number of kids as last year. We also should note—and Mrs Dunne should know this—that at this time of the year the buses are always overcrowded. They have been since I first got involved in the issue when I was on the Erindale P&C. I will not tell a lie: it was the Erindale board. For about four to six weeks at the beginning of a term there is all sorts of mayhem on the school buses while the students determine their before and after school programs—for example, sporting commitments, music and other sorts of activities. They disperse and they use different bus routes altogether. They settle down. This has been known for a long time.

We have had changes to the distribution of the kids because of the closure of schools and the filling up of other ones. So far, my feedback has been that this has been quite a successful exercise. For this, I congratulate not only the ACTION schedulers but also the drivers.

Some years ago there was a committee that determined, or at least looked at, the school bus routes in about October of each year, in order to introduce changes to reflect the demography of the school kids. That had on it ACTION people, P&C reps and department of education reps. I do not know why that ceased to exist, but I have asked ACTION to advise me on reinstating that committee. I think it provided quite a useful piece of input into the system. I do not think that the issue of the provision of bus services to schools in the ACT is anywhere near as dramatic as those opposite would make it.

I have had something like half-a-dozen letters from Mrs Dunne. One letter mentioned about a dozen bus routes. The response to that is in the mail. I cannot recall ever signing one to Mrs Burke. I do not recall signing anything to Mr Pratt about it. I do not remember signing anything to Mr Smyth about it. I think these guys are chasing rabbits and just trying to find fault with a system that is actually quite responsive. I have agreed that the commuter feeder routes need to be looked at. We will do that for sure. But the school bus routes are a very responsive service. These folks are just trying to beat something up yet again.

MRS BURKE: I have a supplementary question, Mr Speaker. Why has Network 06 failed to meet the needs of our students?

MR HARGREAVES: Firstly, I think I have already answered that question.

Mrs Burke: So it hasn't been—

MR HARGREAVES: Secondly, it is a very responsive service.

Mrs Burke: Ah—

MR HARGREAVES: I cannot answer the mumbblings unless they are addressed through you, Mr Speaker. I cannot respond to mumbblings.

Mrs Burke: I just said, "Ah."

MR HARGREAVES: I reject the notion that the school bus service is not being responsive to the students. I think that Mrs Burke ought to come back into the real world.

Emergency services—management

MR PRATT: My question is to the Minister for Emergency Services, Mr Corbell. Minister, in August 2003 your government accepted the most important recommendation from the McLeod inquiry—to establish an independent emergency services authority, with the commissioner reporting directly to the minister. In mid-2006 your government repudiated that decision and reduced the authority to an agency that has been subsumed into the bureaucracy.

Today you have announced more changes to the management of emergency services that have inserted yet a further link in the bureaucratic chain of command: service heads will now report to a deputy chief commissioner. There will now be five reporting layers in emergency services—not the two layers recommended by McLeod. Minister, why have you lengthened the chain of command for emergency services between you and your emergency service chiefs?

MR CORBELL: Mr Speaker, Mr Pratt's question shows his fundamental lack of understanding of this issue. I am not in command of the emergency services when it comes to operational matters, and this is the issue that Mr Pratt seems to continually draw on. On the one hand, he says, "We don't want people telling the experts what to do," but then he asks me in his question, "Why are you putting so many links between your command of the emergency services and the people on the ground?"

I am not in command of the emergency services. The emergency services do not ring me up and say, "Minister, is it all right if we send three vehicles to this fire over here at East O'Malley?" That might be the way that Mr Pratt would run the emergency services if he, God help us, were ever the minister. I can imagine him getting out there with the maps and the radio—he would want to have a radio on his desk, I reckon, so that he could listen in and hear what was going on. That is the sort of approach we get

from Mr Pratt. He would be out there in the command vehicle, directing people on the ground: "I'm the minister; I know what I'm doing."

That is not the way it works. The way it works is this: what I have announced today removes levels of bureaucracy within the ESA and allows us to focus more resources within the organisation on the sharp end—on response, on training, on capability, on community education, on risk management. That is what I have announced today. Instead of having four chief officers, one for each service, we will have those positions combined into two positions, two deputy commissioners—one responsible for ambulance and associated matters and the other in relation to fire and rescue services, so that would be the fire brigade, the rural fire service, the SES in particular, and a range of other support functions.

This eliminates bureaucracy within the organisation and it allows the commissioner and his staff to focus more resources on the front end. It means we can invest more in training, it means we can invest more in capability, it means we can invest more in risk management—and we can do so in a coordinated way. It makes no sense to me that we have four services, each with their own risk management and risk development, risk assessment areas. Why can't these skills be shared within and across the four emergency services? And this is one way of achieving that.

But perhaps the most important reform and the most important outcome we want to achieve in relation to fire services is to make sure that we have the most appropriate unit and the closest available unit respond to an incident. That is achieved through the unified command arrangements that I and Commissioner Manson have announced today. So, instead of saying that something is the fire brigade's job because it is in X area, or it is the rural fire service's job because it is in Y area, we are saying, "This is the nature of the incident. Which is the closest available unit? Send that unit." The fact that you have unified command means that the person in charge can take that across-service look at what is available and respond the units accordingly.

I know that one of the things that annoy volunteers the most is when they are stood up at a shed, ready to go, and they hear the fire call, the white message, coming over the radio; they know they are the closest unit—and what do they see? They see some other unit being dispatched down the road in front of them, going to the fire instead. That occurs because we take a service-specific approach to how we allocate resources to incidents.

What we are doing through a unified command is allowing an across-service approach to how we manage incidents. So it is the best and most appropriate unit and the closest available unit that gets responded. That is one of the issues we are trying to address through this new unified command arrangement. We are not combining the fire services; we are not saying there will be a single fire service. We continue to have two different fire services, because they have different cultures and different approaches—and those are acknowledged and respected. But we are seeking to ensure that when it comes to the distribution of those resources they are done in the most efficient way and the most sensible way, and I think that is something volunteers and full-time firefighters will support.

MR PRATT: I ask a supplementary question. Thank you, minister, for your interesting answer. I refer to your ministerial oversight and ask: how does the commissioner of the ESA now report to you?

MR CORBELL: The commissioner of the ESA reports to me in a number of ways. First, I meet with the commissioner regularly in conjunction with senior executives from the justice and community safety portfolio. I have also established the ESA governance committee, which allows me to meet directly with the commissioner and with the chief officers of the four services on a regular basis so that they can put issues to me about resourcing and capability within the organisation.

For example, before the start of the coming budget round, which is now under way, I established the ESA governance committee. I called the commissioner and the four chief officers to my office and I said to each of them directly, "Tell me what it is you need. Tell me what your bids are. Tell me what your priorities are." They sat around the table in my office and were able to tell me directly and to my face what they needed. The governance committee that I convened will meet quarterly. In addition, I meet with the commissioner on a more frequent basis to discuss ongoing matters about the administration of the ESA.

Mr Pratt: Yes, sure.

MR CORBELL: If Mr Pratt does not believe me I am quite happy to provide him with figures to show how many times I met with the commissioner for emergency services in the past six months. I would be very happy to provide him with that. I will go and do that for Mr Pratt and I will show him how many times I have spoken to and met with the commissioner of the ESA.

Mr Pratt is very interested in continuing the myth that the commissioner is not able to talk to the minister and that the chief officers are not able to talk to the minister because of this change. I would have to say that it is entirely to the contrary. Anyone who has any understanding of the way good public administration should work and does work would know that these officers meet with me on a regular basis.

I am happy to provide Mr Pratt with that information. I look forward to him then issuing a public statement and confirming that the commissioner and the chief officers have unfettered access to the minister. Mr Pratt should then retract all previous comments in that regard.

Economy

Ms MacDONALD: My question is directed to the Chief Minister and Treasurer. Would the Treasurer advise the house on the current state of the ACT economy?

MR STANHOPE: It is a great pleasure for me to respond on the strength of the ACT economy. At the moment it is in an extremely good state. In fact, it has never been stronger than it is now. Indeed, of all the Australian economies we are something of a beacon. Over the 2005-06 financial year the ACT's gross state product, a measure of

real growth adjusted for inflation, rose by 3.4 per cent, quite significantly outstripping the national rate of growth of GDP in Australia.

We are doing better than the rest of Australia. Our rate of growth is surpassed only by Western Australia and Queensland, the only two jurisdictions in Australia that have a higher rate of GDP growth than the ACT. Of course, that growth is driven exclusively by commodity sales. Similarly, in the last year, retail spending in the ACT grew by \$281 million year on year to January 2007, reaching an annual total of \$4.1 billion, according to the Australian Bureau of Statistics. Once again that was a growth rate of 7.3 per cent, significantly outstripping the national rate of growth of retail sales of six per cent.

The strength of retail trade in the ACT certainly shows how confident people in the ACT are in the future of the ACT economy and how satisfied they are with the economic management of this government. Not only are members of the broad community confident; according to the Sensis business index small businesses remain extremely confident in the ACT economy. The Sensis report revealed that compared to small businesses in the rest of Australia, a higher percentage of ACT small businesses employed extra workers over the past quarter. That report also shows that our strong economic conditions have led to an increased willingness for business operators to invest in the ACT with capital expenditure growing markedly in that quarter.

Similarly, growth in employment and investment, combined with the fact that business confidence rose six percentage points to 61 per cent shows the level of confidence by small business in the ACT economy. There has been additional data from the Australian Bureau of Statistics over the past week that shows that both private sector employers and employees are also benefiting. According to the ABS, the total value of goods and services sold by the private sector in the ACT rose 8.3 per cent to reach \$4.55 billion in the December quarter of 2006—the fastest growth rate of any state or territory in Australia.

The report also shows that the total value of private sector sales in the ACT reached \$16 billion in 2006, a growth rate of 17.6 per cent, which again is the highest in Australia. Similarly, employees are also benefiting from the strength of the ACT's private sector. The total value of wages and salaries paid by the private sector rose by 9.1 per cent, well above the national growth rate of six per cent. The ABS also shows that during 2006 total wages and salaries paid by the private sector grew by 12.3 per cent, once again almost twice the national rate of growth.

The economy really is incredibly strong. That is evident wherever we go around the ACT. Figures released in the recent past by the Australian Bureau of Statistics show that the value of construction work done in the ACT achieved a new record in real terms in 2006, at \$2.17 billion. The fact that the value of construction work done in the ACT has reached a new record and has grown by 56 per cent over the same time last year is indisputable evidence of the strength of the economy and the confidence of the local business community and the national community in the Australian Capital Territory.

The real value of construction work in the last year is greater than the record that was set during the construction of the new Parliament House. The year 2006 now stands as the strongest ever year of construction activity in the history of the ACT. The willingness of builders and investors to invest in the ACT is proof of their confidence in the strength of the economy and of this government.

The figures released only today show that in January this year the level of building approvals in trend terms was 35 per cent higher than at the same time last year. Whilst those opposite continue to talk down this economy and this business community, the strength of the ACT economy puts the lie to their continued slurs on Canberra and on the business community within the territory.

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

Personal explanations

MR PRATT (Brindabella): Mr Speaker, under standing order 46, I wish to make a clarification.

MR SPEAKER: Have you been misrepresented, Mr Pratt?

MR PRATT: No.

MR SPEAKER: If you have not been misrepresented—

MR PRATT: I just want to make a point of clarification.

Mr Corbell: You cannot make a statement unless you have been misrepresented.

MR PRATT: I suppose I am indeed stating that Mr Corbell has made a misleading statement in response to my question without notice.

MR SPEAKER: Let us clarify this. To get my leave to speak under standing order 46 it has got to be a matter of a personal nature, which usually means that you have been misrepresented in some way.

MR PRATT: You are absolutely correct, Mr Speaker. That was a minor lapse on my part. Mr Speaker, in the debate that Mr Corbell and I had over the question without notice, the minister said that I had stated that he commanded the emergency service units. I did no such thing, nor think such a thing, and I wish to explain.

The term “chain of command” is regularly used in the emergency services portfolio to describe the line of reporting between subordinates, directors and the minister. In terms of the minister’s oversight responsibility, we are simply describing the line of the reporting between him and those subordinates. That is the clarification. Thank you, Mr Speaker.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the

Arts): Mr Speaker, I also wish to make a personal explanation. I want to take the opportunity to make a personal explanation in relation to a misrepresentation by Mr Seselja in his question to the Minister for Police and Emergency Services. It is quite clear—and any reading of the *Hansard* of the debate last Wednesday will show this—that at no stage did I, or have I, attacked the coroner. I certainly—

MR SPEAKER: This is not a standing order under which a full statement can be made.

MR STANHOPE: I was misrepresented in the question, Mr Speaker.

MR SPEAKER: You will either need leave or you will have to find some other device to speak.

MR STANHOPE: I will let it go for now. I am sure I will find another opportunity, but Mr Seselja was wrong.

MR SPEAKER: Order!

MR STANHOPE: I certainly dispute her findings and the facts that she allegedly relies on.

MR SPEAKER: Order!

MR STANHOPE: Thank you, Mr Speaker.

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): Mr Speaker, for the information of members, I present the following papers:

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

Contract variations:

- Brett Phillips (2), dated 1 and 4 December 2006.
- Conrad Barr, dated 29 January 2007.
- Danielle Krajina, dated 4 and 6 December 2006.
- David Dutton, dated 11 January 2007.
- Derek Jory, dated 4 December 2006.
- Helen Strauch, dated 8 December 2006.
- Hugh Jorgensen, dated 23 November and 4 December 2006.
- Ian Cox, dated 1 February 2007.
- Ian Waters, dated 18 December 2006.
- Jacqui Lavis, dated 2 January 2007.
- John Stanwell, dated 21 November 2006.
- Kuan Yian Sim, dated 4 and 5 December 2006.
- Phillip Joyce, dated 1 December 2006.
- Sue Hall, dated 15 December 2006.
- Tony Brown, dated 4 December 2006.

Long-term contracts:

Alan Neil Harwood, dated 12 December 2006.
Anne Thomas.
Benjamin John Gareth Ponton, dated 17 January 2007.
Bronwen Overton-Clarke, dated 12 December 2006.
Chris Maguire, dated 14 June 2006.
Christopher Tully, dated 29 September 2006.
David Collett, dated 12 December 2006.
David Foot, dated 14 June 2006.
Frank Duggan, dated 12 December 2006.
Jenny Kitchin, dated 12 December 2006.
John Denholm Hare, dated 10 January 2007.
Louise Denley, dated 12 December 2006.
Matthew Joseph Hardy, dated 10 January 2007.
Michael Bateman.
Patricia Ann Wilks, dated 31 January 2007.
Short-term contracts:
Anne Glover, dated 29 and 31 January 2007.
Brett Phillips, dated 1 December 2006.
Conrad Barr, dated 29 January 2007.
David Dutton, dated 9 and 18 December 2006.
David Prince, dated 29 January 2007.
Floyd Kennedy, dated 12 January 2007.
Frank Duggan, dated 25 January 2007.
Ian Cox, dated 4 December 2006.
Jenny Kitchin, dated 25 January 2007.
Jill Circosta, dated 4 December 2006.
Julie Field, dated 27 November 2006.
Kate Scandrett, dated 10 January 2007.
Liesl Centenera, dated 9 January 2007.
Moirra Crowhurst (2), dated 9 and 11 December 2006.
Pauline Brown, dated 11 December 2006.
Peter Walsh, dated 22 December 2006 and 8 January 2007.
Phillip Joyce, dated 1 December 2006.
Phillip Tardif, dated 18 December 2006.
Rick Vivian, dated 25 January 2007.
Sarah Hitchcock, dated 15 September 2006.
Tom Elliott, dated 6 and 11 December 2006.
Tracy Hicks, dated 18 December 2006 and 2 January 2007—

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

Leave granted.

MR STANHOPE: These documents are tabled in accordance with sections 31A and 79 of the Public Sector Management Act, which require the tabling of all executive contracts and contract variations. Contracts were previously tabled on 12 December 2006. Today I have presented 15 long-term contracts, 24 short-term contracts and 16 contract variations. The details of the contracts will be circulated to members.

Papers

Mr Stanhope presented the following papers:

Remuneration Tribunal Act, pursuant to subsection 12 (2)—Determinations, together with statements for:

Chief Justice of the Supreme Court—Determination No. 200, dated 30 November 2006.

Chief Magistrate, Magistrates and Special Magistrates—Determination No. 203, dated 30 November 2006.

Master of the Supreme Court—Determination No. 202, dated 30 November 2006.

Part-time Holders of Public Office—

Determination No. 205, dated 30 November 2006.

Legal Profession Disciplinary Tribunal—Determination No. 206, dated 30 November 2006.

Tree Advisory Panel—Determination No. 199, dated 13 July 2006.

President of the Administrative Appeals Tribunal—Determination No. 204, dated 30 November 2006.

President of the Court of Appeal—Determination No. 201, dated 30 November 2006.

Legislation program—autumn 2007

Paper 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): Mr Speaker, for the information of members, I present the following paper:

Legislation program—autumn 2007, dated March 2007.

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

Leave granted.

MR STANHOPE: I am pleased to present the government's legislation program for the autumn 2007 sittings. Now that we are in the second half of the Sixth Assembly, the government will continue to step up activity and heighten its achievements to meet the challenging times ahead. The government will do this by building on the structures and policies already put into place and consolidating further all of the important reforms set in train while also focusing our priorities for the future. In the time available I intend to comment only briefly on some of the legislation the government will introduce in the autumn 2007 sitting period.

To follow up key decisions taken in this year's budget, the government will keep working to maintain good and sustainable budget policies and measures and to also facilitate transparency and less volatility in territory finances. The 2007-08 Appropriation Bill is central to the government's legislative and financial agenda, and will provide appropriation to administrative units for the 2007-08 financial year. The bill will be tabled in June 2007, together with the supporting budget papers.

Amendments will be introduced to the Financial Management Act to allow more effective administration of cash across government departments. As well as complementing the cash management reforms made in the 2006-07 budget, it will also

address the rollover of appropriations and the payment of accrued employee entitlements. The Revenue Legislation Amendment Bill 2007 will ensure administrative efficiencies, clarify current practices and protect revenue. It will amend the Duties Act, the Land Tax Act, the Payroll Tax Act and the Rates Act. On the whole, these amendments will have no significant revenue impact but are required to clarify the operation of the current provisions and to correct minor errors and omissions in the legislation.

The government will also introduce additional measures in the Duties Amendment Bill to prevent opportunities for avoidance of the “land rich” duty provisions. “Land rich” duty is imposed where control of land is acquired through the transfer of units or shares in certain landholding entities, rather than the transfer of the title of the land. Under the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, many state taxes have been removed or are scheduled for removal. After these taxes are ceased, a large percentage of the ACT’s own source revenue will be derived from land-based taxes, including “land rich” duty. Amendments to the “land rich” duty provisions contained in chapter 3 of the Duties Act 1999 will ensure the protection of the ACT’s remaining revenue base.

Priority will also be given to modernising the legislative platform that regulates the ACT compulsory third party insurance scheme. The core components of the existing legislation date from 1948. It is necessary to bring the legislation into the 21st century and to provide ACT citizens with a more robust piece of legislation that takes account of a number of changes in the regulatory frameworks in the other open market states. The amendments will involve changes to the basic statutory definitions—for instance, vehicle, motor accident and third party policy, alignment of vehicle classification with New South Wales, and the introduction of early intervention and rehabilitation strategies by insurers similar to those in the ACT workers compensation scheme. Legislation will also be brought forward to amend the Government Procurement Act to give effect to government decisions on the review of the act.

To remove duplication and reduce overheads, an Office of Regulatory Services was created in the 2006-07 budget within the Department of Justice and Community Safety. The functions and powers of a number of ACT regulatory offices will therefore be merged, including the Office of Fair Trading, the Registrar-General’s Office and ACT WorkCover. The government has also decided that the Office of Regulatory Services will assume responsibility for tobacco licensing and smoke-free regulation, approvals and administration of a range of business activities involving the use of public land, the licensing and regulatory responsibilities of the Independent Competition and Regulatory Commission, and regulatory activities relating to parking operations. Flowing on from a consolidation of these regulatory agencies and their functions and powers into one central regulatory services office, the introduction of the Office of Regulatory Services Legislation Bill 2007 will provide the legislative framework for the new office. It will administer and enforce the respective legislation of the merged regulatory agencies.

Other legal reform legislation includes a review of tribunal structures, with a view to increasing the efficiency and cost-effectiveness of ACT tribunals. The tribunals amendment bill will improve the structure of ACT tribunals, ensuring that Canberrans have access to a tribunal system that is modern, accessible and cost effective.

A bill will also be introduced to make minor and technical amendments to the Domestic Violence and Protection Orders Act. The amendments will restructure the form of the legislation to make it simpler and accessible to affected persons and their advocates. Changes to the substance of the legislation are primarily in response to procedural deficits highlighted in recent court litigation.

The government is committed to sustainability to ensure that future generations have a quality of life that equals or surpasses our own. Legislation will be introduced to extend the greenhouse gas abatement scheme to 2020 and beyond, unless and until a national emissions trading scheme is established. In regard to energy use, the government intends to apply the new national gas law, being model national legislation enacted in South Australia, in the ACT.

Safety is an ever-important government priority and it is proposed to provide a nationally consistent and best-practice legislative scheme to improve compliance with and enforcement of the road transport laws for heavy vehicles. The control of firearms is also a major public safety issue that needs both a national and local approach. A new Firearms Amendment Bill will address the illegal trade of firearms, increase penalties for firearms offences, and require applicants for firearms licences to satisfy more stringent criteria before a firearms licence is issued.

Fire safety is also to be given attention. There has been an increasing trend in the occurrence of house fires in the ACT over recent years. Given the overwhelming evidence that smoke alarms significantly reduce damage to property, serious injuries and deaths from fire, a smoke alarm legislation amendment bill will be introduced to require installation of such alarms in residential premises.

It is also proposed to revise the legal framework for the care and protection of children and young people who are experiencing, or are at risk of, abuse and neglect. The rewrite of the Children and Young People Act will also provide for sentencing and sentence administration for children and young people.

A high government priority is reform of the territory's planning and lease administration system. The first significant step has already been taken with the introduction of the Planning and Development Bill in December. Ongoing from this project will be amendments to introduce a new codified system for the assessment and levying of change of use charge. It is expected that these amendments will be progressed for introduction this year.

To overcome difficulties concerning bodies corporate and the management of bodies corporate, amendments are also planned to the Unit Titles Act 2001. These reforms will introduce provisions to assist in the settlement of disputes within bodies corporate and consumer protection provisions with respect to the management of bodies corporate.

Other government legislation to be introduced includes a bill for a more effective and better integrated framework for the regulation of surveying in the ACT. This will provide for the continuing professional development of surveyors, standards for the

submission of high quality digital data and ongoing relationships with other jurisdictions.

A Training and Tertiary Education Legislation Amendment Bill will also repeal the Vocational Education and Training Act and amend the Tertiary Accreditation and Registration Act. This is in line with the government's announcement on the establishment of the new Skills Commission and will implement a 2006-07 budget recommendation.

I have outlined just a few of the initiatives proposed in the autumn 2007 legislation program. The program maintains the government's work in ensuring good governance and protecting the future interests of Canberrans. I seek the cooperation of all members in the timely consideration of these bills. I commend the program to the Assembly.

Paper

Mr Stanhope presented the following paper:

Financial Management Act, pursuant to section 15—Instrument directing a transfer of funds between output classes within the Shared Services Centre, including a statement of reasons—revised version.

Cultural Facilities Corporation Paper 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 paper:

Cultural Facilities Corporation Act, pursuant to subsection 15 (2)—Cultural Facilities Corporation—Quarterly report 2006-2007 (1 July to 30 September 2006).

I ask leave to make a brief statement in relation to the paper.

Leave granted.

MR STANHOPE: As members are aware, the Cultural Facilities Corporation delivers a range of arts and cultural programs and services for access by the ACT community, at a number of key cultural venues. Under the Cultural Facilities Corporation Act, the Cultural Facilities Corporation is required to provide quarterly reports on its activities. I am pleased to say that the corporation has completed its report for the first quarter, being the period 1 July to 30 September, and I present this report for information.

From the first quarter report, members can see that the corporation delivered a diverse range of programs and activities for the benefit of the ACT community. Overall, over 120,000 attended the corporation's facilities during the quarter, which provides an

indication of the level of community engagement with its facilities. I draw attention to some of those highlights.

The *Studio One Print Collection* exhibition, featuring 50 prints from the Canberra Museum and Gallery, was on display in Nara for 12 days in September. The exhibition was a great success, attracting just over 2,000 visitors over the 12-day period. Canberra Museum and Gallery's popular education programs continue to attract large numbers of children with programs including: *Collage*; *Hot Off the Press*; *Bread and Butter*; *Old McDonald's Farm*; *CMAG on Sunday*; and *What do Artists Make?* I opened the exhibition *Illuminations* on 12 August, a collection of paintings based on Rimbaud's poetry. The Nolan Gallery's education officer has undertaken preliminary research into a worthwhile youth offender program with the intention of developing a flagship program for the Nolan Gallery.

More than 450 people attended Lanyon's annual event *Woolfest* on 24 September. *Woolfest* celebrates the Australian wool industry and activities including sheepdog trials, sheep shearing, wool classing et cetera. Over 800 students participated in *Lanyon by Starlight*, a program targeted to interstate and international visitors, including large audiences from the people to people program. In August 2006, Calthorpes' House presented an education program, *Dawn's Surprise*, in collaboration with Blundell's Cottage and St John's schoolhouse. The collaborative program, *City and Country*, conducted at Calthorpes' House and Mugga Mugga continued to attract large numbers of children.

During the quarter, the Canberra Theatre Centre attracted 80,000 patrons to its three venues. The final five 2006 subscription season productions were presented during the quarter—Sydney Dance Company's *Underland*, Andrew McKinnon's *Porgy and Bess*, Bell Shakespeare's *The Tempest*, Expressions Dance Company's *The 5th Door*, and Queensland Theatre Company's *Away*. A Playtime Theatre Treats production for children and families, *Who Sank the Boat?*, was presented during the quarter and attracted 2,900 patrons, 1,700 of whom were children.

While the first quarter of 2006-07 highlighted that the construction of the new Civic Library and Canberra Theatre Centre link was approaching completion, it was a great pleasure to open the complex in December 2006. Though I regret that it has just been quite severely damaged by the storm, the new complex will significantly enhance the amenities for patrons attending the Canberra Theatre and provide an excellent long-awaited permanent place for the Civic Library.

Also in December 2006 I had the added pleasure of opening the new public artwork for the complex, known as *Fractal Weave*, by local artist David Jenz. As members can see, the corporation provides many arts and cultural activities for all Canberrans and I am pleased to table the report today.

ACT Health—annual report 2005-06

Paper and statement by minister

MS GALLAGHER (Molonglo—Minister for Health, Minister for Disability and Community Services and Minister for Women): For the information of members, I present the following paper:

Annual Reports (Government Agencies) Act, pursuant to section 13—ACT Health—Annual Report 2005-06—Updates, dated March 2007.

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

Leave granted.

MS GALLAGHER: For the information of members I table changes to the ACT Health annual report 2005-06 to include updated information that was not available at the time the report went to print. In part C, Management of the organisation, under C.1.6, Learning and development, the tables on pages 81 and 82 omitted some data that was not available. The information is now available and should be made public. The updated tables have been included in the internet version of the 2005-06 annual report.

Land (Planning and Environment) Act Paper and statement by minister

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning): For the information of members, I present the following paper:

Land (Planning and Environment) Act, pursuant to section 216A—schedules—leases granted, together with lease variations and change of use charges for the period 1 October to 31 December 2006.

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

Leave granted.

MR CORBELL: Section 216A of the Land (Planning and Environment) Act 1991 specifies that a statement be tabled in the Assembly outlining details of leases granted by direct grant, leases granted to community organisations, leases granted for less than market value, and leases granted over public land.

The schedule I have just tabled covers leases granted for the period 1 October 2006 to 31 December 2006. During the quarter, 11 leases were issued by direct grant. Of these, one was granted using disallowable instrument 220 of 2003. The lease was granted over block 24 section 46 Mawson to Argos Pty Ltd on 21 December last year. The lease was granted to enable the expansion of the existing Woolworths supermarket at Mawson and provide for further goods and services and improving the shopping facilities in the area.

For the information of members, I have also tabled two other schedules relating to approved lease variations and change of use charge payments received for the same period.

Territory plan—variation No 262 Paper and statement by minister

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning): For the information of members, I present the following paper:

Land (Planning and Environment) Act, pursuant to subsection 29 (1)—approval of variation No 262 to the territory plan—changes to A10 residential core area for Narrabundah, dated 29 November 2006, together with background papers, a copy of the summaries and reports, and a copy of any direction or report required.

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

Leave granted.

MR CORBELL: Draft variation No 262 of the territory plan proposes to amend the boundaries of the Narrabundah A10 residential core area in accordance with the recommendations contained in the Narrabundah neighbourhood plan. The draft variation was released for public comment in July 2005 and attracted one public submission. The proposed changes to the written statement relating to supportive housing, adaptable housing and related terminology have been removed from the final version of the variation.

New provisions relating to supportive housing were included in draft variation No 263 that was released in July last year. Provisions relating to adaptable housing have been dealt with through variation No 229. Changes to terminology will be further reviewed and may be the subject of a future draft variation or modified in conjunction with the new territory plan proposed through the planning system reform process.

The Standing Committee on Planning and Environment, in its report released in October, made no recommendations in relation to the draft variation. The committee noted that the proposed territory plan variation implements the Narrabundah neighbourhood plan in relation to the adjustment of the residential core area.

Planning and Environment—Standing Committee Report 23—government response

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning): For the information of members, I present the following paper:

Planning and Environment—Standing Committee—report 23—draft variation to the territory plan No 259—Woden Town Centre, town centre planning reforms—government response.

Papers

Mr Barr presented the following paper:

Occupational Health and Safety Act, pursuant to section 228—Operation of the Occupational Health and Safety Act 1989 and its associated law—Second quarterly report for the period 1 October to 31 December 2006.

Mr Corbell presented the following papers:

Petitions—Out-of-order

ACTION buses—Timetable changes—Difficulty to bus users—Dr Foskey (1111 signatures).

Ngunawal Protest—Petitioned name change of Ngunawal Lands to Ngambri Lands—Mr Berry (23 signatures).

ACTION bus service—timetable changes

Statement by member

DR FOSKEY (Molonglo): I seek leave to make a brief statement in relation to the out-of-order petition concerning timetable changes to ACTION bus services.

Leave granted.

DR FOSKEY: The petition just tabled was coordinated by one woman alone, Ms Carmel Kinsella, who is a constituent in Ainslie. Ms Kinsella is not normally a politically active constituent but was so concerned about the ACT government's changes to the ACTION bus timetables that she went out, time and time again, during the summer heat and collected the 1,111 signatures to this petition, which requests the ACT government to return the ACTION bus timetable to its pre-December state. Ms Kinsella chose to hand her petition to the ACT Greens because she knew that we had already spoken about the impact of the changes.

I congratulate Ms Kinsella on her hard work. I note that she is sitting in the chamber today. I thank her for following up and seeing the completion of the work that she has done. It all goes to show that people in the community will not just sit and suffer when changes are made which affect their ability to get to work or to go to medical appointments, especially when those services were already only just good enough, which was the state of the public transport system prior to the budget cuts.

My office has received numerous constituent complaints over the last three months. I have tried to pass these on to the Minister for the Territory and Municipal Services. These constituents, Ms Kinsella and the signatories to this petition, feel concerned that Canberra residents who do not work from 9.00 to 5.00 nor catch peak-time buses are being treated like second-class citizens because they are not being adequately catered for by the ACT government's public transport services.

A number of these constituents are elderly and rely on the buses to get to medical and specialist appointments. As specialist appointments can take several months to get and

have little flexibility, neither consumers nor service providers are able to change their appointments to suit the changes in the bus timetables. The decrease in services during off-peak times from half hourly to one hourly means that many are left to wait for up to 55 minutes to catch a bus. In Canberra's summer, this meant waiting in the hot sun, often without even a bench to sit on. In the coming winter, it will mean sitting out in the chilling wind, with the risk of catching a cold or the flu. We are talking about elderly people here.

Our office has also been notified that buses are no longer servicing certain stops. One elderly constituent, in particular, who has cancer, must now walk for up to 15 minutes to reach her closest bus stop. This woman has had to give up her daily outing to the regional shopping centre. Another constituent used to catch the bus to the cemetery once a week to tend her family's graves. It seems that this is virtually impossible for her now.

For those elderly constituents who rely on the buses to do their shopping, take out their grandchildren and attend appointments, the decrease in bus services destroys their quality of life as their ability to leave their home is diminished. This makes them more vulnerable to social isolation. It also leads to less scope for exercise and the ability to shop for a variety of food. The result is a decline in health and more difficulty in staying in their own home. This leads to a greater burden on our health system. In the long run, we will be paying for these cuts, although they may, perhaps, have delivered the short-term financial gain that the government wanted.

The matter of school children has already been talked about a little in question time. We know that the cuts to bus services have had an impact on school children. Some have been crammed on buses to a perhaps unsafe level. We know that there are many parents who are now driving their children to school because the bus service is not adequate any more. This is adding to our peak hour traffic; it is also reducing our children's health and making a nonsense of the walking school bus.

We also know that children whose schools have closed and were promised adequate bus services often cannot get onto them or they are not convenient. Again, parents have to fill in the gap. Not all parents are able to do this. Not every family has a car and not every family has a car that is available for a parent to drive children to school—often several children to different schools.

It seems that anybody who relied on public transport for services beyond peak hour services is disadvantaged. These are the people who need public transport the most. Many commuters are also disadvantaged even though they were the ones who are meant to benefit from the changes. We have heard comments that the buses are too full and that routes have been lengthened as several routes have been collapsed into one.

The people most affected are those who catch two buses from the city or from their home to other town centres. There is a ridiculous lack of coordination between bus routes. Their bus arrives three minutes after the bus they should have caught has already left. Then they have to wait another half hour, and sometimes an hour.

Let us reflect on the stressful conditions that bus drivers work under, having to deal with a barrage of complaints, to meet impossible timetables, with full buses. Some face a decrease in their shifts and their conditions. All the while they are being told they are not allowed to speak out. There do not appear to be any winners from the December cuts.

I am greatly concerned that the changes to ACTION bus timetables, which were a result of the 2006-07 budget slashes, were made without any consultation with the community or experts. Prior to ACTION being absorbed into TAMS, it was run by people who knew about buses and had an independent board with community expertise. But what expertise advised them on the December cuts in services? Perhaps it was just the money-crunchers at treasury. It appears from the minister's statement during question time that even the Council on the Ageing was not consulted until after the cuts were made. This government has failed to take a whole-of-government approach to the policy decisions which impact so closely on people's lives.

A decrease in city parking spaces is a sensible part of a sustainable transport strategy, but only if it is accompanied by investment in alternatives to driving your car, and that is public transport. The erosion of our public transport system comes at exactly the wrong time for a community that is trying to do something, its little bit, about climate change. Canberra needs to provide more reasons for people to catch a bus, not fewer, as part of its long-term climate change strategy. I wonder whether all the momentum of last year's growth in ACTION passenger numbers has been lost.

While the community is not downright depressed about these changes, it is cynical. I am pleased to note from the weekend's *Canberra Times* that the ACT government is looking to reinstate some services in the inner north, although I note that this is to be achieved without an increase in budget. So I wonder which services will suffer so that others can be reinstated. I would appreciate the minister's insight on this matter. Perhaps I will hear it tomorrow.

I also note from the article that the ACT government will overhaul the network in October. Many members in the community would be interested to know how the ACT government is going to determine which bus routes will change and whom they will talk to. There used to be an ACTION board that advised the government, but this was also abandoned in the 2006-07 budget. The current debacle shows that the board did its job and, until it was disbanded, probably saved the government's bacon.

Housing—affordability

Discussion of matter of public importance

MR SPEAKER: I have received letters from Mrs Burke, Dr Foskey, Mr Gentleman, Ms MacDonald, Mr Mulcahy, Ms Porter, Mr Pratt, Mr Seselja and Mr Smyth 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 Mrs Burke be submitted to the Assembly, namely:

Housing affordability in the ACT.

MRS BURKE (Molonglo) (4.12): Housing affordability is decreasing for significant sections of the ACT community. If nothing is done to address this issue, the number of future households in housing stress will have increased by nearly 50 per cent by the time the population reaches 400,000. One may be forgiven for thinking these are reasonable comments. In fact, those comments come from the executive summary on *Affordable housing in the Australian Capital Territory: strategies for action*, a report of the ministerial taskforce on affordable housing. When? December 2002.

The taskforce brought together then a cross-section of business, community and government representatives to develop strategies to address housing stress in our community. The taskforce has considered many options from other jurisdictions, both nationally and overseas, that could either encourage private investment or achieve effective use of our existing resources and develop strategies appropriate to the ACT situation.

I find it incomprehensible, therefore, that we now, in 2007—the Chief Minister having established in August 2006 an affordable housing taskforce—are once more discussing this particular issue. No-one would deny that Canberra has become one of the most expensive cities in which to find affordable accommodation that matches the range of housing needs. Although they enjoy a relatively affluent lifestyle in the nation's capital, there are still a significant number of Canberrans who cannot access affordable, appropriate, secure or adaptable forms of accommodation.

Interlaced in the current ACT budget 2006-07 were statements that pointed to the Stanhope government conceding that its policies, particularly in housing, have been neglecting the needs of people who access public housing particularly, especially for the duration of their perceived need. Governments, I believe, are tasked primarily with providing essential services. It is time for real leadership and a true duty of care in tackling the problem of the lack of affordable housing in the ACT. Five years, in anybody's book, with 46 recommendations coming out of that 2002 report, is more than enough for any government to have acted on by now. So it is high time for the Stanhope government to set its priorities to cater for all Canberrans.

In the first instance, the Minister for Housing, John Hargreaves MLA, could have made more significant inroads by tackling the inequities in the allocation of public housing properties to Canberra's most needy. Yet he has continued to focus far too much on the private rental market and a continued upward trend in rental rates. Quite clearly, significant increases in rates and land taxes have forced landlords, many of whom are perhaps now rethinking the long-term value of investing in property, to pass costs on to tenants.

The Stanhope government has proclaimed to have spent tens of millions of dollars to improve housing assistance programs and inject more funds into capital works since entering government in 2001. Varying forms of housing stress, be it acute homelessness or the impact of rents on the household budget, continue to be ignored or dismissed. These are the real issues the ACT Liberal opposition has identified over the past three or four years and the Stanhope government has yet to address.

The question of striking a balance within the ACT on government offering or facilitating the development of all forms of affordable housing is a complex matter. It is well known that there is not one, single, silver-bullet solution. The community is eagerly awaiting advice from the Stanhope government's affordable housing taskforce. Indeed, the community is awaiting further advice from Mr Hargreaves's housing forum from—guess when?—February 2006. The question is: will this be yet another set of recommendations collated and compiled into another set of reports for the government to consider, digest and then perhaps implement.

Is it possible that there will be some form of action this time, after all the forums, taskforces and reports offering apparent recommendations over the past five years or more? Mr Stanhope, the Chief Minister, must be grappling with the merits of injecting further funds into facilitating affordable housing options in the ACT. Better management of the public housing asset base and ensuring the funds allocated to the housing portfolio are adequately and responsibly expended might be a good place to begin.

This housing option of public housing or social community housing may only service around 10 per cent of the population but it still remains a vital service for families who simply cannot enter into home ownership or cannot compete for private rental options. However, most importantly, it is the areas of land taxes, fees and charges, land release and the planning issues that surround this whole debate, which my colleagues may acknowledge later, which need to be considered.

A genuine shift in thinking is needed on what exactly constitutes affordable housing options in Canberra, to encourage housing industry organisations and developers to consider this on their own merits. After receiving \$47 million in tax revenue windfall during the first half of the 2006-07 financial year, on top of the delivery of the most recent grim budget, the ACT Treasurer is still faced with recovering from overexpending in previous budgets during the boom times.

This government cannot overspend \$680 million in three years and then expect to continue to fund the provision of all forms of affordable housing over the entire electoral cycle. That is possibly why it has never been able to implement any of those 46 recommendations back in 2002. Facing such fiscal difficulties, the Stanhope government still has no choice, and certainly there is no scope, but to pour any further energy or resources into any more comprehensive reporting processes. This government has no choice but to act now.

The Liberal opposition acknowledges that there are many and varied challenges faced in the remaining budgetary outyears of finding the necessary funds to continue to implement programs aimed at assisting people in securing affordable forms of housing in the ACT. The Chief Minister has been very busy pursuing fanatical hobbyhorse projects, the latest to glorify the life of a former federal member of parliament, Al Grassby. It is difficult to comprehend how this takes priority over what all Canberrans would know is a greater concern.

The Stanhope government should be focusing on relieving Canberra's deepening housing crisis, exacerbated by its lack of policies and high property taxes, convoluted

land releases and continuing delays in redeveloping multi-unit public housing sites that have long been decommissioned. The Stanhope government has seen this problem escalate slowly. That is right: this has not happened overnight; it has been happening, yes, all over Australia but it did not happen overnight. Over the past five years or more, it seems he could have acted but has left it until midnight to do so.

On 25 February this year, I again floated the idea of mixed housing options or mixed use, as it is known in Europe, to approach Canberra's housing crisis in a very unique and lateral-thinking way. The housing industry sector has offered terrific solutions over the years to the Stanhope government which, I believe, is simply not listening or, because of his fiscal mismanagement, is unable to implement many of the great ideas.

There are examples of innovative mixed housing options in Australia on which the government could draw, perhaps, a few now. Kelvin Grove in Brisbane and Christie Walk in Adelaide are two examples that come to mind. I take the example of the future use of multi-unit public housing complex sites which no longer meet current housing needs. These sites could be used as a springboard to provide more affordable housing in Canberra.

The Liberal opposition considers the concept of utilising several tracts of government-owned sites to provide several forms of housing options within a 10-kilometre radius of the city, which are close to good transport links, as a good starting point. Revitalised communities can emerge, blending all forms of social housing with private housing. The Stanhope government already knows many of the solutions. What is needed is decisive action and leadership. Land use in Canberra should not only be considered from an economic perspective; it is also about ensuring that the right number and mix of dwelling types will be constructed at any given site.

The fundamental right of any human being, after all, is a roof over their head. High-value locations in close proximity to town centres or along possible public transport corridors are where the real opportunities exist to build viable and sustainable communities. Any new, mixed housing options could go a long way to providing liveable and affordable housing and engage new environmental urban design, which should attract community-minded investors committed to developing alternative housing forms in the ACT.

The opposition supports the distinct need for a longer term affordable housing strategy in the ACT. It will be enlightening to see the outcomes of the Chief Minister's affordable housing taskforce set up in August 2006. I understand that is due to report shortly. It will remain to be seen just how capable, both fiscally and politically, the Stanhope government is of delivering on this vital policy issue.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (4.23): I am pleased to have the opportunity to speak on this matter today, which certainly is of great importance to the community. We agree that there is nothing more fundamental to the wellbeing of anybody than access to safe, appropriate, affordable accommodation. The government has recognised this and has reflected it in our actions and in our key planning documents such as the Canberra plan, the social plan, the spatial plan and the homelessness strategy.

It is critical that, before we delve deeply into the many issues on housing affordability and suggest solutions, we get a clear understanding of the context in which we are currently operating in the ACT. For example, in acknowledging the issues relating to housing affordability, we must not lose sight of the fact that the ACT has an exceptionally strong economy. Construction activity in the territory is at an all-time high. We have amongst the lowest unemployment rates—indeed the lowest—and the highest participation rate of all the states and territories. Territory residents have, on average, \$200 per week higher incomes than the national average.

We also need to acknowledge that the ACT consistently performs well on housing affordability indicators. For example, the real estate institute's home loan affordability indicator for the September quarter 2006 showed that housing is more affordable in the ACT than anywhere else in Australia and that ACT home loans were almost twice as affordable as those in New South Wales. In fact, the Real Estate Institute of Australia gave the ACT a rating of 52.5, compared with New South Wales's rating of 27.5.

In the September quarter, our home loan affordability indicator was up one per cent, in spite of a 3.8 per cent increase in the monthly loan repayments due mainly to another interest rate rise and a 1.5 per cent rise in average loan size. At the same time, the national affordability indicator fell by 1.7 per cent. We need to remember the demand for housing is very strong.

Data from the Australian Bureau of Statistics showed that during November 2006 the ACT was the only place in Australia to record a rise in the number of housing and finance commitments for owner-occupiers in trend terms. In the ACT, the number of housing finance commitments increased by 1.5 per cent in trend terms during November, while it fell nationally by 0.7 of a per cent. The ACT also recorded the largest increase in housing finance commitments for the year ending November, rising by 17.5 per cent in trend terms. The number of first home buyers also increased in the ACT, with commitments in original terms rising from 163 in October to 176 in November.

These results show quite bluntly the strength of the ACT economy and our capacity to ride out factors such as an interest rate rise. But the government recognises that not everyone benefits from the many strengths in our economy. We recognise that housing stress is an issue for people on lower incomes who risk being left behind. At the moment I do not dispute there are many who are despairing at their capacity to access affordable housing.

It is for this reason that we implemented the homelessness strategy, with \$13 million in funding to reduce the level of homelessness in the community. It is for this reason that we have implemented new measures such as transitional housing and boarding houses for people in need of supported accommodation. It is for this reason we implemented the building for our aging community strategy, to guarantee an adequate supply of land for high-quality aged care accommodation now and into the future.

It is for this reason that we have allocated an additional \$10 million a year over three years to increase public housing stock and are working hard to ensure that our public

housing stock better matches the needs of our clients. It is for this reason that we embarked upon large-scale planning reforms. It is for this reason that we announced last year that we were releasing more land, including an additional 500-block en globo release at west Macgregor.

Importantly, my government recognises the need to embrace and support those in need and those who are genuinely struggling to achieve the great Australian dream, and that is why I appointed and established the affordable housing steering group. Let me be clear that this group is no theoretically-driven think tank. I have charged it with developing innovative and practical initiatives to increase the supply of affordable housing within Canberra. Those working on and contributing to the steering group, and all members of the Assembly, know full well that housing affordability is a major and complex issue.

The ACT is not alone in facing problems. They are being experienced across Australia and internationally. In fact, the third annual demographia international housing affordability survey 2007 states that the least affordable markets are generally in California, Hawaii, the US east coast, Australia, United Kingdom, New Zealand and Vancouver. Of the markets within Australia, Sydney, not surprisingly, rated the worst, followed by Perth, Hobart and Melbourne. In fact, all four had the unfortunate distinction of rating in the top 25 most unaffordable housing markets of all markets measured.

The ACT, in fact, in that major international study of affordability, was the most affordable of all Australian markets, achieving a median multiple—the median house price to median household income multiple—of 4.9. While this is still classified in the survey as unaffordable, it stands in stark contrast to the rating of 8.5 for Sydney and 8.0 for Perth, both of which were classified as severely unaffordable.

We also need to acknowledge that there are many factors that contribute to the housing affordability equation. Land supply is one factor, but construction costs have increased considerably over the past five years, whilst chronic skill shortages, increases in material prices and escalating cost of fuel have all contributed to higher housing costs. These issues are all outside the control of state and territory governments.

There is another aspect of the equation that is beyond the control of the ACT government, and that is the recent and significant expansion of the commonwealth public service, which we welcome but which has put extra pressure on housing availability while, if anything, worsening the skill shortages confronting the private sector in the city and in the ACT public service. I welcome any signals of commonwealth commitment to Canberra as the national capital, but members must concede that an influx of the size announced by the commonwealth, unsignalled and not flagged in advance, creates potential difficulties for a housing market that is being asked to suddenly absorb a few thousand extra families.

The housing equation, as I said, is a very complex one. Wage policies determine employment, affordability and the cost of housing. Retirement income policies affect ownership as a preferred tenure. Education policies impact on the capacity to save, and broader macroeconomic policies influence interest rates which, in turn, impact on

demand and affordability of mortgages. The affordability of mortgages is heavily dependent upon interest rates, which are now at their highest levels in five years, with further increases mooted. Despite all this, unfortunately, we do not have a national housing policy. The absence of a national housing policy integrated with the broader economic and social policy agenda is a major impediment to dealing with issues of housing affordability.

In recognition of these and other factors, I asked the housing affordability steering group to make recommendations to the government on initiatives to increase the supply of affordable housing in the ACT; to identify and assess the factors that promote housing affordability that can be influenced by the ACT government; to examine the effectiveness of initiatives to address housing affordability currently being undertaken in other jurisdictions and their appropriateness in the ACT context; and to liaise with relevant organisations and agencies examining housing affordability, including, but not limited to, federal and state housing and planning ministers, industry groups and community organisations.

The steering group has provided me with preliminary advice and, as I have said, is due to report shortly. It has met with many stakeholders and conducted extensive research. The group is examining initiatives to improve access to affordable housing at all levels, covering home ownership, private rental, aged accommodation, community and not-for-profit housing, public housing and supported accommodation. The group is particularly focusing on allowing the housing market to operate as efficiently as possible through ensuring a sufficient supply of land; maintaining a planning and land release system that supports the delivery of an adequate supply of land and is responsive to change in demand, substantial growth in the community and not-for-profit housing sector; making efficient and effective use of public housing assets; and supporting the delivery of adequate supplies of private rental properties.

In relation to home ownership, the objective is healthy operation of the private market to allow it to deliver a range of products in locations across the ACT to facilitate the goal that people on moderate incomes should not have to spend a high proportion of their gross income to purchase housing services. The group is considering initiatives such as land supply, to ensure adequate land is available to meet the demand for residential blocks; the land supply pipeline; improvements in the measurement, monitoring and management of the land development house building pipeline as a means of enhancing the land supply process; using the land development pipeline to develop a supply strategy that is capable of responding reasonably quickly to changes in demand; and affordable house and land packages to increase diversity in the market by incorporating new, affordable products.

The group is examining a range of initiatives, including the introduction of over-the-counter sales of land at a set price; house and land packages meeting affordability criteria as soon as an adequate supply of land is available; and conducting regular, en globo land sales through the LDA following the hopeful success of the west Macgregor release. The group is also examining a number of other measures that would not unduly affect the market, such as a shared equity scheme through a not-for-profit provider and a land rental scheme. Targeted adjustments to the existing stamp duty concession scheme are also being considered.

In relation to private rental, the aim is to support the effective operation of the private rental market to ensure a balance between supply and demand, with the availability of a range of accommodation options to suit varying income levels and individual needs. Key initiatives the steering group is examining include testing the market for institutional investors and developing and renting, say, 200 or maybe up to 400 private rental dwellings.

In relation to community and not-for-profit housing, the aim is to support the community housing sector to enable it to grow and to meet the accommodation needs of Canberrans, particularly those who do not meet the income criteria for public housing. The primary objective is to enhance the capacity of the community sector to deliver innovative affordable housing solutions and ensure the supply of land to enable community providers to meet future client needs.

In relation to aged accommodation, the government will continue to identify development sites throughout Canberra for a mix of housing developments that enhance the provision of affordable aged housing. The steering group is also examining measures to support the transition of older people to accommodation more suited to their needs.

In relation to both public housing and supported accommodation, the steering group is seeking to continue the reforms announced or initiated in the 2006-07 budget, most particularly those aimed at increasing stock numbers in public housing; better matching stock and tenant need; and improving the efficiency of the supported accommodation sector whilst maintaining service levels. This will include housing top-priority Housing ACT applicants within three months; restructuring the stock to ensure a better mix of properties, such as two-bedroom dwellings; and providing incentives to encourage tenancy-to-home ownership.

The supported accommodation reforms will also continue, with the expansion of the transitional housing program, expanding the stairwell models of support and expanding eviction prevention programs. The government will appoint a cross-government team for implementation and detailed monitoring, particularly in relation to land release targets, the status of the pipeline and compliance with the pipeline with the pipeline strategy and the diversity of the product on the market.

Earlier I mentioned the government's land supply strategy. The importance of this measure cannot be underestimated. The strategy is guided by the key principle that land supply should promote economical and social development to achieve optimal benefits for the community from the government's landholdings; provide an appropriate choice of land and housing options; and assist in the provision of affordable housing.

Importantly, the strategy provides for the release of sufficient sites to meet a demand for around 2,800 sites in 2006-07 and between 11,000 and 14,000 sites over the next five years. The government will retain flexibility in adjusting supply in any given year, while ensuring the level of supply is sufficient to contribute positively to the provision of affordable housing. The release of this additional land will play a key role in addressing any unmet demand in the ACT housing market and will help ease the

pressure on both house prices and rents. The work of the steering group will build on the land supply strategy as well as examining broad measures.

The government, unlike others, is prepared to take radical but sensible steps to address this problem. We are not prepared to make a knee-jerk response—to go for a quick, apparent fix—that may make the situation worse or deliver relief into the wrong hands.

There is a lot of commentary on the impact of taxes on housing affordability. Unfortunately and unhelpfully, for this commentary to warrant reporting in the media, to warrant a headline, it needs to be sensational. For example, the Property Council of Australia reports that so-called government costs account for \$108,000, or 25 per cent, of the cost of a four-bedroom home and land package in the ACT. However, buried in the property council report, not reported to the general public, is the fact that ACT government taxes account for five per cent of the purchase price. This includes both the stamp duty on the land paid by the developer and the duty paid by the final purchaser of the home.

To get to the sensational figure of \$108,000, the 25 per cent often quoted by the property council, you need to add in not only the Australian government's goods and services tax but also the Australian government's company tax. You need to add in the Australian government's tax on the profits of the developer. But even adding these is not enough to get to the sensational \$108,000 or 25 per cent. You then need to contrive an estimate of other government costs, which are described as including compliance-related building costs; consulting costs required to interpret planning legislation; and development costs associated with local regulatory requirements. They also include the impact of amendments to the building code of Australia.

So to get to this sensational \$108,000, which the property council continues to use, you need to include the cost of ensuring that residential buildings are built to a standard acceptable to the community and then to call this a government cost. It is, at best, disingenuous to estimate associated costs in that way.

Let me assure you that the government takes the issue of housing affordability very, very seriously. It is our No 1 issue. We have already done a lot and are leaving no stone unturned in our efforts to identify and implement measures to assist Canberrans to own their own home.

DR FOSKEY (Molonglo) (4.38): I welcome this topic and appreciate the contributions of Mrs Burke and Mr Stanhope, as well as the opportunity, of course, to make a contribution myself. The affordable housing crisis in Canberra is not simply a consequence of insufficient land supply and it will not be solved by suddenly releasing more land, although land supply certainly plays a part. The key point to make is that the housing market is not a single market.

When the development application for the Metropolitan that just opened here in Civic was first approved, it was required to assist the government in ensuring a supply of affordable housing. It became clear, however, that all the units in the Metropolitan would be expensive. When the Greens asked how this assisted in supplying affordable housing, the developers argued that more top-end accommodation would free up the bottom end of the market.

The proliferation of similar units may have marginally reduced costs at the top end of the market, but it has made little difference to the supply of affordable housing for those on low incomes. In fact, as Canberra's older suburbs are redeveloped for townhouses and apartment blocks, more affordable, older, smaller houses are being demolished for the new and expensive units.

Increasing land supply will not solve this problem unless there are real incentives and regulations to ensure that affordable housing is structured into developments. It is also important to ensure that a percentage of this housing remains permanently affordable, either through government or community housing ownership. We are seeing an increasingly divided society. There are those who buy huge and expensive houses as a luxury good, as a statement of social status or as an investment and there are those who cannot even rent adequate housing, let alone purchase it.

From a public policy view, governments must give particular attention to people on low incomes or on income support that are left behind in the housing boom, and this group is increasing in the current market. Government interventions should occur at both local and federal levels. Essential to addressing the shortage of affordable housing is a preparedness by government to mandate affordability objectives, to have a definition of what represents affordable housing using after-housing income levels and to collect evidence to determine need, both current and projected.

Government must be prepared to ensure that affordable housing is structured into all levels of planning, to require private developments to include a percentage of permanently affordable housing, supported by appropriate tax concessions, and to reform the tax system to stimulate investment in affordable housing. All affordable housing initiatives should have an evaluation process structured in from the beginning so that effectiveness can be tested by the government and the community,

The federal government strongly influences the housing market through spending and through taxes. Currently most of this public money goes to the high end of the market. The federal government did not accept the Productivity Commission's recommendations in 2004 that there be a review into the effect of the current tax system on the housing market and that the first home buyers grant be means tested.

Federal funding of public housing in states and territories has declined significantly in real terms over the last 10 years, leaving housing authorities struggling to survive as they lose revenue-raising capacity through the targeting of public housing to those in highest need. Rent assistance is not keeping up with the reality for renters in Canberra. In 2006, data showed that nearly half of the people in Canberra receiving rent assistance were still in housing stress. Of course, others on medium incomes, not eligible at all, are also experiencing some housing stress.

While it is certainly useful to talk about how people can be assisted to purchase their own home, the contemporary reality is that for many home ownership is not in the realm of the possible. There is a worrying division between those families who are benefiting financially and socially through owning their own home, especially if they have completed their mortgage repayments, and the increasingly disadvantaged families and individuals who do not.

It is nonsense for proponents of the free market to say that they cannot intervene. The market is already influenced by taxes and spending regimes, including negative gearing, the halving of the capital gains tax in 1999, first home buyers grants and other subsidies and revenue forgone. The federal government has to take some responsibility for the failure of that market to provide adequate housing for a significant and growing number of people. The question for that government to address is how to ensure economic signals can stimulate investment in affordable housing.

In 2005, at the National Summit on Housing Affordability, a national joint meeting of housing, local government and planning ministers, it was agreed to develop a national housing plan and to negotiate a five-year national affordable housing agreement. Once again, this was a process to think about a process. I have not heard how it is progressing. What we need now are real policy initiatives.

Australia is party to the International Covenant on Economic, Social and Cultural Rights, which obliges all governments, local and federal, to implement and protect the rights contained in that covenant. The right to adequate housing was defined in 1991 by the UN Committee on Economic, Social and Cultural Rights. There are seven aspects of the right considered to be protected under the covenant. Affordability is included in this list. It states:

Personal or household financial costs associated with housing should be at such a level that the attainment and satisfaction of other basic needs are not threatened or compromised. Steps should be taken by state parties to ensure that the percentage of housing related costs is, in general, commensurate with income levels.

It is in that context that we should look at what has and has not been done in Australia in general and in the ACT in particular.

In 2002, an affordable housing task force set up by the Labor government of the time reported on the issues, recommending a number of measures, including inclusionary zoning. No implementation strategy was ever put in place. Last year the ACT housing minister held a housing summit which was supposed to look at the problem, but any positive outcome seemed to be overrun by the Costello review.

More recently, the Chief Minister set up a task group to recommend action on the issue, and we are eagerly awaiting a report from that group. In the meantime we have seen the release of some blocks of land at so-called affordable prices in west Macgregor. But this is more or less an extension of the government's previous moderate income land balance scheme which has not been shown to be particularly successful. In this case I imagine the outcome will be only a few houses being built on small blocks and later perhaps sold off for a windfall profit. There is nothing in place to ensure that the affordability benefits will be passed on to or returned to the community. It would make more sense for the government to give land free to Housing ACT in order to support its plans to increase the supply of social housing across Canberra.

Since then we have also learnt that the Chief Minister's task force is looking closely at shared equity schemes. That is encouraging. It is one of the strategies that the Greens, the community sector and the government's own 2002 task force called for the government to look closely at. However, the equity needs to be shared with government or the not-for-profit sector. Overseas experience has shown that such schemes can be poverty traps if not set up with due care.

I note that Chief Minister Jon Stanhope is also on the record as ruling out affordable housing in the 12,000 residences of the NCA's proposed Griffin Legacy project. Large scale developments such as the Griffin Legacy project come along only every now and again. The problem is that, unless permanently affordable housing is built into all major developments, we will miss the chance to change the balance of housing in our community and divisions between the poor and the comfortable will grow wider. It is a failure of nerve to dodge the issue here, as it was on the Kingston Foreshore project.

Finally, I note that the Victorian minister for housing is looking at the investment of some of the Victorian government's superannuation funds into public and affordable housing. I have asked the Chief Minister to include this option in his review of our super investments. In addition to looking at how we plan and build our cities to meet the needs of all our citizens, we should look at how we fund that building too.

MR SESELJA (Molonglo) (4.48): Home ownership is one of the biggest factors in the relative wealth of Australians. It remains the great Australian dream because it gives security and stability to families and individuals and has been a key part of the growth in people's wealth over the past generation.

We know, of course, that when house prices go up quickly, those of us in the community who own our own home and those who have investment properties do very well. It is a tax free or low tax form of capital gain. On the one hand we have people who do very well. Many in the community will do very well out of the housing boom and the growth in land and house prices. But, of course, when prices go up at an extraordinary rate, as we have seen in the past few years, and stay there and then go up again quickly, which is what we are seeing at the moment in Canberra, those who suffer most are those trying to break into the market.

This is the inherent dilemma in the issue of housing affordability. It is an area that is close to my heart. I have friends and family who are trying to break into the market at the moment and may have overcommitted themselves or taken on very large mortgages in recent years simply to break into the market. Then, of course, there are other friends and family who have done very, very well out of the housing boom and are feeling very comfortable because of it.

That is the inherent dilemma for government, and I understand it. It is in that context that we need to approach this debate: that there is not a quick fix to this issue. There are ways of addressing it, but they will need to be developed over time. I think one of the unfortunate things in this area in the ACT has been that this government unfortunately has been slow to come to the table. It will take years to catch up, to try and find that balance between, obviously, good, solid growth for people who invest in

housing, people who buy their own home, but, on the other hand, not putting housing out of the reach of ordinary Canberrans. Unfortunately, that is what we are starting to see at the moment for many people.

The Chief Minister spoke about housing stress for those on low incomes. That is certainly the case, although I suggest that, for many on low incomes now, housing is out of reach. Housing stress often applies to many on middle incomes these days that have just enough income to scrape up the deposit and to make the monthly mortgage repayments through working extra hours or working an extra job. We see that all over the place. As I said, there is no easy fix. But this government have been very slow to come to it, so it is going to take some time, and I urge them to speed up their efforts.

What are the causes of a lack of housing affordability? The causes are many and we have had some of them laid out by Dr Foskey and others: capital gains tax being halved; negative gearing; property taxes at a state and territory level; ever increasing regulation at a local level and, of course, the squeeze on land releases. In the ACT it is clear that this squeeze has been deliberate. The land squeeze part of the equation could have been avoided. That would not have solved everything, but it certainly would have changed things if we had seen somewhat quicker land releases over the past few years.

According to the Demographia International Housing Affordability Survey, nearly 90 per cent of the increase in housing costs is attributable to land price inflation, which has risen at double the rate of the most escalating component of the consumer price index. It is clear that in the ACT, where the government controls the vast majority of the land, the government has a fair say in this massive increase in the cost of houses.

For a long time, certainly since I came into this place and before, I have been arguing that the government needs to have land ready to go to meet spikes in demand. It needs to be bringing it online. You cannot flood the market. You cannot then suddenly try and play catch-up and throw lots of land out there. That is not the way to do it. You will affect those people who have just bought into the market, those who then go into negative equity. No one wants to see that. I certainly would not advocate policies like that and that is why it takes some time.

That is why the land release policy has to be sensible. That is why you cannot go on the best-case scenario or the lowest estimates of what growth is going to be like and what demand is going to be like. You have to be ready for the upper limit of what demand might be. We here in the ACT certainly have not been ready. That was clear last year when we saw the hurried announcement of the west Macgregor release.

Clearly the Chief Minister there bypassed the planning minister and the LDA. It was an acknowledgment that the LDA and the planning minister have been too slow to react. We certainly knew. We should have been planning for high-end scenarios, rapid growth and high demand, but we seemed to be planning for moderate and slow growth and moderate and slow demand. We have been caught short.

We have known for some time there was going to be a spike in demand. The economy has remained solid. For some time the ACT has been benefiting economically from

the massive increase in revenue received from the federal government. We have seen massive increases in GST revenue. We have seen the resources booms in other states flowing through into federal government coffers, and all of that was predictable.

Certainly it has all been predictable for the last couple of years, and we have seen a very slow response to this situation. We knew definitely from the time of the last federal budget in May that, as a result of federal government expansion, we were going to see thousands of extra workers in the ACT. But the response once again has been slow—so slow that the Chief Minister had to make a hurried announcement in December that 500 blocks would be released in west Macgregor.

I welcome the 500 blocks—I certainly do—but they, of themselves, are certainly not going to be enough. We are reading, it seems almost every day, about the mini boom we are experiencing in the ACT. The 2001-02 boom all around the place was almost unprecedented. Now, while other markets are stagnating, Canberra is experiencing a massive boom. Just yesterday Bernard Salt said that the cheapest house and land packages sell for just under \$300,000. Mr Salt said that comparable blocks in Melbourne were priced at about \$270,000 and there was no reason why Canberra could not offer cheaper options. The question does need to be asked: why, in a place like Melbourne, are comparable packages going for \$30,000 less?

The planning minister has put it out there that in west Macgregor the \$160,000 blocks are going to make housing more affordable because it will result in packages under \$300,000. I think that is optimistic. I think it is ambitious to expect to build a reasonable family home for under \$140,000 on a \$160,000 block. The current going rate is \$1,200-plus per square metre. For \$140,000, you would get a home of about 115 square metres. That is a pretty tight family home, a pretty basic old-style three-bedroom govvie house. Some people might be able to squeeze in under \$300,000, but we are talking about much more on those blocks. For a block less than 400 square metres, which is what these blocks will be, is \$160,000 cheap? On a square metre basis, it certainly does not seem to be cheap to me.

The LDA has been slow to respond. In terms of land release, in west Macgregor we see another northern front, but we see nothing in the south, other than a very small parcel in Bonython. Where is the southern front? We are told that in 18 months we will see land releases in the Molonglo Valley. I certainly hope that will be the case, but the question is: why has it not been brought on sooner? Why has some of this work that is now going on with the NCA been slow? We have not seen a southern front for some time. They have been slow to respond.

The planning minister is now seeing his Chief Minister come in and trump him. The Chief Minister has gone direct to the market, which is welcome. That is going to have to happen much more if we are going to play catch-up. But the real issue here is that this government has taken so long to respond to this issue they cannot now fix it quickly because of the reasons I have outlined. They cannot simply flood the market. They would not be in a position to even if they wanted to, and I would not advocate that. But they are going to have to be ready.

They are going to have to respond to this boom and be ready for the next one so that we do not see house prices spiralling out of control, out of the reach of average Canberrans. That would be a real tragedy for many people in Canberra.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (4.58): This is a matter of significant public policy importance and one which is challenging policy makers, governments, and communities right around the country. We in the ACT are not immune to pressure on the housing market when it comes to affordability, and we are seeing the same challenges here that we are seeing in other jurisdictions.

The government is committed to tackling and addressing these issues, and we have been now for a number of years. Members would recall that about 2½ years ago, under the previous housing minister, Mr Wood, an affordable housing strategy was released that encompassed a whole range of measures. From the planning side of things, one of the key measures that were put in place was the provision of the moderate income land ballot.

The moderate income land ballot process provided for people who met certain income thresholds to purchase blocks valued at under \$150,000. That program has continued and over the last three years we have sold over 100 blocks to moderate income purchasers.

Dr Foskey has talked about social and community housing, and this is something which is equally important to the government. I am pleased to advise members that the LDA is continuing to develop a proposal with Community Housing Canberra for the provision of a set number of blocks to help improve the level of social and community housing available in the ACT community. It will do that through a direct grant process. That is another mechanism that is being used to put in place measures to address the affordability issue for people who perhaps cannot purchase a property, but nevertheless need that long-term tenure associated with social or community housing.

Equally, in Franklin and Dunlop the LDA has already announced its intention to undertake a smart housing-style project similar to Landcom's Forest Glade project at Parklea. Forest Glade at Parklea, a joint venture of Landcom, the New South Wales public sector land developer, and Cosmopolitan Homes, is a 63-home development on three hectares. It provides a density of 21 dwellings per hectare and affordable housing products within the range of mid \$200,000 to mid \$300,000 for house and land packages. It is the type of project and innovation that we need to see to tackle what is a very complex and diverse issue.

I want, though, to address very directly the issues raised by Mr Seselja about the overall level of land supply. When Labor came to government in 2001, there simply was not any land pre-planned on the shelf to meet the boom. The planning authority had been run down under the previous administration to such a degree that there were no pre-planned estates available on the shelf. Just go and talk to the planners. Go and ask them how much pre-planned, estate ready, concept planned ready land was there

so that the government could actually proceed to a lease. The answer was virtually none.

I am very proud to say that since that time, as a result of direct funding by this government, the planning and land authority has 10,000 pre-planned, on the shelf, ready for provision to the developer sites for dwellings. Whether that is to the LDA or the private sector, that concept planning stage has been completed.

Mr Seselja also criticised the government for not having a southern development front. I think Mr Seselja needs to go and talk to Mrs Dunne. Mrs Dunne is on the record as opposing the Molonglo Valley development. I do not know whether Mr Seselja has noticed, but there is no other development front in the southern side of Canberra, with the exception of west Bonython. The reason for that is that Tuggeranong is full. Either Mr Seselja is proposing that we go over the river, over the Murrumbidgee on the other side of the Tuggeranong Town Centre, or develop further down into the Lanyon Valley. From the government's perspective, those clearly are not options.

The government took a strategic perspective, something which the previous government failed to do. We were lampooned by those opposite for having a spatial plan. They said, "You do not need a long term strategic plan. What a waste of money! Just get on with it." As a result of the work on the spatial plan, we now have a new long-term development front for this city, and that is the Molonglo Valley.

More importantly, because of the planning work that we have done and because of the investment we have made in long-term strategic planning, we have the agreement of the National Capital Authority to proceed with an amendment to the National Capital Plan to provide for urban development in the Molonglo Valley. We have completed that work. We have got to a stage in the Molonglo Valley that took 15 years in Gungahlin. We have done it since 2002. We are at a stage now that, from concept to realisation, is probably going to be in the order of six years—six years for a whole new development area in the city that will accommodate 20,000 to 40,000 dwellings.

That is a significant planning achievement and it is recognised as such. The contradictory and carping criticism of those opposite simply shows their failure to understand that a long-term planning strategy delivers the options you need as a community to respond to the sorts of issues that we are now responding to.

The other issue I want to address is the land supply program generally. Since the federal budget, which came down after the ACT budget, we have seen a significant pick-up in demand for housing and for land associated with housing. That was not anticipated ahead of the federal budget. The government convenes regular industry consultation forums to get feedback on what they believe should be the appropriate levels of supply for both commercial and residential land.

Before the federal budget they were saying to us, "Ease off on your supply. You have got enough supply. You do not need any more supply at this point. Just hold on." So we did. After the budget everyone said, "We need more supply." We acknowledged that, and we have increased supply. Since the budget, in fact, between September and December last year, we released an additional 545 blocks to the market, and in the

first couple of months of this year we will have released another additional 500 blocks. So we are putting our foot on the pedal when it comes to land release and we will continue to do so. Further releases are proposed in areas of Gungahlin this calendar year, as well as the redevelopment opportunities that continue to exist around the city.

Ultimately, the causes of the housing affordability crisis are many, and I think all speakers in the debate have reflected on the complexity of this matter. Land supply is a factor, but it is not the only factor. I would argue that one of the more significant factors over and above land supply is taxation policy. In particular, the provisions for negative gearing and capital gains encourage speculative activity in the housing market so that people can get a windfall return in a short time from buying and selling property.

I think we should have a look at all of those policies because they are not serving us well. They have led to massive escalation in house prices because of a very high level of speculative activity. These are matters that we should consider. (*Time expired.*)

MR STEFANIAK (Ginninderra—Leader of the Opposition) (5.08): I do not know how long I have to speak; it is probably about three minutes.

I beg to differ with Mr Corbell. For a start, given that the housing shortage is not unique to the ACT, there may be some reason for a revised capital gains tax to encourage people to invest in property. Sydney, Melbourne, Perth and other cities have a similar problem at present and we should acknowledge that.

Any change to negative gearing would affect a lot of mum and dad investors. About 78 per cent of people who own property apart from their own home own only one extra property. Then there are about 10 per cent or more who own two to five. You are talking about a lot of mum and dad investors there that I would have thought you would want to encourage to invest. It is not an easy question and there are no absolute quick-fix solutions.

To give a little history, Mr Corbell, when we came to government back in 1995, we inherited a glut of properties on the market. The previous cash-strapped Labor government had been trying to get a bit of revenue in, and it took about three or four years to get the market back into sync. One thing I could say about your government is that you have been very slow to do a lot of things, and I do welcome at least some land releases now, but quite clearly, as Mr Seselja has quite eloquently pointed out, you have not done that particularly well.

In the short time I have, I will offer just a few ideas for you to look at. For starters, as Mrs Burke has indicated, there were a lot of recommendations made back in 2002 by the housing affordability task force. I just wonder how many of those have actually been actioned. There are some things you can do. You can provide better stamp duty concessions to first home buyers. Why decrease the threshold when average house prices are increasing? I can recall—I think it was in 2004, under Mr Quinlan—a threshold of \$374,000. Someone sent me an email a couple of days ago saying that has now decreased to \$331,000.

Mr Seselja: Prices must have gone down in that time. They must have gone down.

MR STEFANIAK: Thank you, Mr Seselja. They certainly have not gone down. That does not help first home buyers. Another thing the government can look at, too, is fostering and facilitating housing construction and design innovation. As Mr Seselja quite correctly points out, it costs about \$1,200 per square metre these days, and rising. Certainly it has risen a lot after the bushfires of 2003. There are some innovative and quite tasteful designs on the market. Those are things that we as a community need to look at to address this very real problem; otherwise, for the next generation the Australian dream of owning your own home is going to be just that—a dream. I do not think that is something we want to bequeath to our children.

I think there are any number of ways we can address this problem here in Canberra. A lot of it is not reinventing the wheel. We have actually done work before and simply not implemented it. I think there are a number of disincentives to people entering the home market which you do have power to actually do something about, and quickly. *(Time expired.)*

MR SPEAKER: The time for the discussion is concluded.

Adjournment

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

That the Assembly do now adjourn.

Water resources

MR SESELJA (Molonglo) (5.12): Mr Speaker, much has been said recently about the challenges confronting our nation and our territory in relation to water. One of the recent comments that caught my eye was the comment of the head of Actew, Michael Costello. I want to preface this by saying that I certainly have a lot of time for Michael Costello. I think he is a serious and rational thinker who is not prone to adopting extremist positions. I often read his articles in the *Australian*. He has now taken somewhat less of a pro-Beazley stance, I suppose because Kim has gone and he can probably look at things in a different light now. But I certainly think he is a reasonable thinker and I have got a lot of respect for him as an individual.

But I did note with some concern his comments recently, in relation to Canberrans needing to pay much more for water, in a *Canberra Times* article which was headlined “Canberrans to pay through the hose”. While it is reasonable that the price of water should rise, I am concerned at the direction in which this debate is heading. Water is the most basic of human needs and Australia, although a dry continent, does have significant amounts of usable water per capita.

It is one of the great policy failures of recent times that we have not managed our water resources in a more sustainable way. It is in this context that I think we need to be mindful of the effects on families of current charging regimes for water and the potential for this situation to get worse over time. Currently, a family with three children does not just pay more for its water than singles and couples, as you would expect; most of the time it will be forced to pay more per litre of water used, due to

our progressive water pricing regime. A family that uses water for showering, bathing the kids, washing clothes and reasonable outdoor watering will quickly find itself paying higher per kilolitre rates. Even at times of severe water restrictions when many households have done little, if any, outdoor watering, many families find themselves paying higher rates, sometimes very early in a financial year.

Essentially, we are treating families with children who engage in reasonable use as water wasters and I do not accept this. Governments should manage our water resources in a way that allows families enough water at a reasonable price to meet their basic requirements. I do not believe that having a lawn for your kids to play on, or keeping trees alive, is extravagant, and nor should it be charged as such. This government have been extremely slow to respond to the drought, and Canberra families have paid the price through higher charges and dead gardens. Now that the government are finally waking up to the need to act, I call on them to ensure that families are not punished and treated as water wasters for simply meeting their basic water needs.

I also read Mr Stanhope's comments some time ago; I believe it was in the *Sunday Times*. He was commenting about his changing water use over time, his personal water use—how he moved from a big lawn years ago to a little lawn and now to no lawn. I think that is just a reasonable progression; as people's kids grow up that sort of thing happens. But I do not think it is any excuse for water policy and it says nothing to the families with children now who do want to have a lawn, who do want to have a backyard for their kids to play in that is not a dust bowl and who do not want to see their trees die. It is reasonable that families use a reasonable amount of water and I do not think we are treating families in that way.

Families are being bashed by this government on all sorts of fronts. We are seeing it in relation to water, in taking their parking spots away, in higher rates and charges, in closing their schools and in charging them to visit their sick relatives in hospital—just to name a few of the areas.

There are all sorts of areas where we need to change the way we do things; most people in the community acknowledge that. But we cannot do it in a way that punishes families, in particular, not for being extravagant but simply for just doing what we would expect families to do—for using the resources in a reasonable way to look after their families. So we need to look at this very closely. There is going to be more and more pressure in terms of charging, in particular for water, which will put pressure on families. I would caution the government against putting in place a regime that would excessively punish families simply for reasonable water use.

Emergency Services Agency

MR SMYTH (Brindabella) (5.16): Mr Speaker, the minister for emergency services made an announcement at about a quarter to one today about the new structure for the Emergency Services Agency, and it is causing a huge amount of angst, particularly among the volunteers, who feel yet again that they have not been consulted, that they have been delivered on high by this government. It must be the third or fourth iteration of emergency services.

Mr Corbell was asked in question time: how does the commissioner report to the minister? The minister said, "Well, I talk to him directly." Yet it is interesting that when you go to the organisational chart in the Emergency Services Agency's business plan, which the minister released today, there is a layer that the minister forgot to inform the Assembly about. On page 7 of 24 of his document, between the Minister for Police and Emergency Services and the ACT Emergency Services Agency there exists this small line, very small line, called the Department of Justice and Community Safety.

So what the minister did not tell the Assembly at question time was that there is this impediment between him as the minister and the commissioner. It is interesting when you go to the website because you have got the Department of Justice and Community Safety organisation chart, with a chief executive and then two deputy chief executives, including one called "operations". So we are about to go from an organisation where the head of the Rural Fire Service could talk to the commissioner and the commissioner could talk to the minister.

But now we are going to have a downgrade, and that is the reward for the volunteers in the RFS and the SES: their position of leadership has been downgraded by this government to a lesser-paid position. They are getting rid of some people and converting the deputy leaders into the leader position. The head of RFS will now report to the head of fire and rescue, which is a deputy commissioner position, which will then report to the commissioner, which will then report to the deputy chief executive, operations, which will then report to the chief executive, which will then report to the minister. So the government have virtually doubled the reporting chain of command that Mr Pratt sought information about and which the minister forgot clearly to tell the Assembly about.

Then let us go to the whole issue. At the press conference the minister said estimated savings were around \$250,000 a year. Okay, fine. But what he did not tell the assembled gathering was how he is going to save the overrun of \$5 million that the ESA has accumulated in each of the last two years. To give him credit he was not the minister then; Mr Hargreaves was. But somehow the ESA is now going to have to live within its means; that is the message. And that means savings of \$5 million, or reductions of \$5 million worth of spending. What we were not told was where that \$5 million is coming from.

The minister went on to say that this was about more Indians and less chiefs. But we did not hear how many more Indians—no indication whatsoever in this document of how many more Indians. Indeed, you could actually make a case that we are getting two deputy chief commissioners, as there is a new one, and the minister claims we are losing the heads of the four services. But one of them is being promoted to run fire and rescue and the other is being promoted to run ambulance. The deputy chiefs of the existing services are then promoted to be the operational managers of those services. So the structure has not lost that many jobs at all. The amount of savings is not there; the minister has not detailed them, so where is the \$5 million coming from? And, indeed, where are the extra Indians that he talked about?

He said that this is not a single fire service, and that is interesting because in his speech he actually said what we have now got is integrated command and control, and that means a single command and control system, which means a single fire service. What we will end up with is one individual running the fire service, the Rural Fire Service and the state emergency service, and that means in effect, Mr Speaker, as well you know, a single fire service. It might not be called that; it has been achieved by different means.

There is a huge amount of angst, particularly amongst those volunteers that were briefed last night, at the lack of consultation. They see that their reward for the fine service that they put in place in 2003 is to have their services, both the SES and the RFS, downgraded. And that is what has happened here. This government, in its thankyou to the emergency services, to the SES and RFS people who went out and did the job when they were required, and are still doing the job, particularly in all the storms we have had recently and in some of the bushfires they have fought in the ACT, in New South Wales and in Victoria, is not allowing them to be represented individually, stand-alone, at the level that they have had at least since 2003; it is actually going to downgrade them and somebody else will represent them. According to the government, somebody else can do that better. But how somebody who is not a specialist in the Rural Fire Service and state emergency services can represent those organisations better is beyond me.

Public housing

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (5.21): Mr Speaker, I was not able to make a speech in the matter of public importance, but I think it is important that I put a few issues on the record.

As the Minister for Housing I am highly aware of the housing affordability pressures faced by many in our community, particularly low-income earners in the territory. There is no doubt that the most affordable housing is public housing, where tenants will never pay more than 25 per cent of their household income as rent, and this is considerably below the rents paid in the private sector, even with the commonwealth rent assistance. People are said to be in housing stress if they pay 30 per cent of their income in rent.

In addition to the Stanhope government's focus on affordable housing issues, the continued provision of public and community housing plays a vital role in relieving housing stress. This year the budget for Housing ACT was \$104.6 million—that is \$104.6 million spent by this government on the most affordable housing in the ACT.

In the ACT, public and community housing are the main providers of low-cost accommodation. Unlike other cities, where churches or other organisations, even private landlords, provide an alternative low-cost accommodation option, in the ACT there are few options apart from social housing.

In addition to our recurrent expenditure the ACT government provides an asset worth \$3 billion for affordable housing, and Housing ACT remains the biggest landlord in

the territory with over 11,000 properties. In addition, the community housing sector manages over 600 tenancies. These properties represent in excess of nine per cent of the total housing stock within the ACT. This is nearly 100 per cent more than the average of public housing across Australia.

This government is committed to maintaining public housing numbers against the previous Liberal government's intent to reduce public housing numbers. This government is committed to retaining the most affordable housing at high levels, to ensure that for those most in need we are able to limit the amount that they need to spend on housing and maximise expenditure for their other daily necessities. This government retains a strong commitment to public and community housing as a means of delivering affordable housing.

Against the backdrop of the housing affordability challenge, the government has positioned public housing so that it is principally targeted to those most in need and has revised allocation categories so that timely allocations are made to applicants with priority needs.

In a recently released report on government services 2007, Housing ACT ranked highly in a number of key areas. Importantly, this included the proportion of new housing allocations going to clients in greatest need. In the ACT 86.5 per cent of new allocations went to applicants in urgent need of housing, compared to 38.1 per cent nationally. The report also highlighted increasing tenant satisfaction with Housing ACT. Tenant satisfaction increased from 62 per cent in 2001 to 67 per cent in 2005, and further increased to 69 per cent in 2006 in a local client satisfaction survey.

In early June 2006 I approved a range of amendments to the ACT's public rental housing assistance program to further sharpen its focus on people most in need of public housing assistance. The changes included overhauling the priority allocation system and substantially tightening the income and residency criteria. The income barrier for a single person is now set at \$508 a week, and for a two-person household at \$635 a week. This is increased by \$85 for each additional resident of the household, including children.

Applicants for housing are now also required to have lived in the ACT for at least six months. Previously, applicants could meet the residence requirement as soon as they moved to the ACT or if they worked or studied in the territory. The key objective of the new priority allocation system has been to ensure timely allocations for those with priority needs.

The new priority allocation system limits priority housing applicants to 150 at any one time, with the expectation that these will be housed within three months. Need and risk factors for priority housing include homelessness, mental health, serious medical issues, women escaping domestic violence, and/or children at significant risk. A multidisciplinary committee with appropriate expertise determines entry to the priority housing category.

I am delighted to say that the new system is showing significant improvements. To date the average waiting time for priority applicants is 54 days compared with an average waiting time under the previous system of nine months for priority applicants.

Importantly, because of the targeting of the priority housing category, there is now greater movement in the waiting list, including the ability to house applicants in the next highest need category, high needs, than has been achieved in recent years.

The changes to the targeting of public housing recognise that public housing can no longer be all things to all people. Within finite resources we need to concentrate on what we can do—and can do well—to support those in our community. (*Time expired.*)

Land use policy

DR FOSKEY (Molonglo) (5.26): In last Wednesday's urgent removal of appeal rights debate I was prevented from speaking just as I was about to table Austexx's legal advice stating that a large retail or brand depot development, "would not be a permissible use of the site under the current planning controls". I seek leave to table this document now.

Leave granted.

DR FOSKEY: I table the following document:

Epicentre—Block 8 section 48, Fyshwick—copy of letter from Mr Richard Lancaster to Mr Geoff Porz and Ms Amanda Johns, Austexx Developments Pty Ltd, dated 4 October 2005.

This document explains why Austexx had to come back to ACTPLA again and again—five times apparently—to seek reassurance that its, Austexx's, legal advice was wrong and that if it won the bidding it would in fact be permitted to develop a factory outlet and retail development, even though the LDA advertised the site as a bulky goods opportunity.

The Attorney-General said that AD(JR) is the appropriate venue for challenging purportedly improper exercises of executive power. He knows full well that an AAT merits review would investigate all aspects of the EpiCentre sale decision making process, not just the narrow, technical, administrative law issues at issue in an AD(JR) action and not just the narrow grounds touched upon by the Auditor-General.

The government says it was vindicated by the Auditor-General's report. This is a remarkable statement given the fact that with the benefit of hindsight, and after having examined all the evidence, including several legal advices, she was "unable to offer a conclusive interpretation of this aspect of the Territory Plan". The Auditor-General also found that "LDA did not communicate certain relevant planning information to all registered bidders, as expected under better practice." But because she found that no-one intended to advantage Austexx over its competitors she considered that there had been no preferential treatment. This is a pretty fine semantic point. It is a semantic point that would carry little substantive weight if it was ever considered by the AAT.

This is not something that the government should be proud of. The Attorney-General said I was referring to Mr Snow's legal advice about land use policy in Fyshwick; he

immediately jumped to that conclusion. But I was not. The Attorney-General should have allowed me to finish my sentences, then he would have realised that I was referring to two other pieces of legal advice. Firstly, there was Austexx's legal advice, which I have just tabled. The other advice was Capital Property Group's legal advice that the initial legislation repealing third party appeals, which was passed last May, was invalidly made because it was a purported exercise of power which was in excess of the enabling regulation making power. The judge found that advice to be correct.

In his closing speech the Attorney-General said that "the amendment did not achieve its intended effect and this amendment seeks only to maintain the previous position". But it was not the previous position. How can the government seriously claim that people should rely on their own legal advice when it has shown a willingness to retrospectively change the law to ensure that the government's view of the law prevails? The Capital Property Group was within its legal right to appeal on the basis of the law as it stood at the time, regardless of what the government intended. That is how the rule of law works.

The Attorney-General went on and on about the injustice of competitors abusing the law to stymie their competitors. Nobody disagreed with him. But it does not justify taking away the community's right to challenge inappropriate developments. It was telling that the minister did not once refer to, or attempt to justify, this impact of his legislation. It remains to be seen whether the EpiCentre sale will be found to be unlawful by the Supreme Court. If it is and if the ACT taxpayers are hit with a massive damages bill, the fault will fall squarely at the feet of the government, which refused to acknowledge that the process was faulty and that we might have got a much better price if the advertising had been honest and if all bidders had been given the same information.

I refrain from entering into speculation as to the extent to which this debacle arose because of personal enmities between certain ministers and certain developers.

Waste Wise

MS PORTER (Ginninderra) (5.31): Mr Speaker, last week I had great pleasure in being able to congratulate the students and teachers of St Francis Xavier College as the first high school or college in the ACT to be awarded under the Waste Wise program.

The Waste Wise schools program is an integral part of the success of educating our young people in achieving sustainable practices for the future. As part of the NOWaste strategy the Waste Wise schools program takes an integrated approach to school-based waste minimisation that includes implementation of recycling systems, smart purchasing for waste minimisation and the running of Waste Wise events.

The Waste Wise schools program is a component of the sustainable schools initiative, a partnership between the Australian government and all states and territories and the purpose of which is to reduce the environmental footprint of students within their school environment and the wider community. At St Francis Xavier College some 1,100 students, parent groups, staff and the community have worked together to make this achievement possible. Since becoming involved in the program in 2004 St Francis

Xavier have reduced the waste going to landfill from their school by 45 per cent, therefore reducing their environmental impact. This is an excellent early result and I commend the school for their efforts. Creating sustainable waste practices in the school takes the waste minimisation message to the home and to the wider community.

During the same week I visited the Hume Resource Recovery Estate at Mugga Lane, fondly known as “the MURF”, along with my colleagues on the ACT Assembly Standing Committee on Planning and Environment. There we had a guided tour of the site, including the kerbside recycling collection, green waste and building waste recycling and the management of landfill sites, and where we saw biogas extraction and the energy generation process. Did you know, for instance, that recycling an aluminium can uses 19 times less energy than making a new can, and recycling one glass bottle saves enough energy to light a 100-watt light bulb for four hours or operate a television for three hours?

Mr Mulcahy: Is that an incandescent one or a fluoride?

MS PORTER: I cannot answer that question for you but I will make sure I do later. Recycling one tonne of paper saves 17 trees, three cubic yards of landfill space, two barrels of oil, 7,000 gallons of water and 4,100 kilowatt hours of electricity—enough energy to power the average home for five months. Plastic requires 100 to 400 years to break down in landfill; producing new plastic from recycled material uses only two-thirds of the energy required to manufacture it from raw materials. Recycling one tonne of plastic can save 1,000 to 2,000 gallons of petrol. Recycling tin and steel cans saves between 60 and 74 per cent of the energy used to produce them from raw materials.

So I congratulate the executive of the school, especially the principal, Angus Tully, for making the commitment to the program, and all the staff, the board and the parents and citizens council for their commitment to this program. I must also acknowledge a former staff member, Donella Johnston, and her team of students whom I met on the day. I also congratulate every single student for their participation in the program, ensuring its success, because participation will only make it successful now and into the future.

Waste Wise reflects an important partnership between the government, the ACT NOWaste staff and the schools of the ACT. This partnership is crucial to our success if we are to change attitudes and habits towards waste creation and sustainable living.

Bushfires

MRS BURKE (Molonglo) (5.35): Mr Speaker, recently—in fact on Saturday—while shopping at Weston Creek I met with a group of residents there just by accident; they were having coffee. They were congratulating the Leader of the Opposition, Mr Bill Stefaniak, for bringing on the no-confidence motion against the Chief Minister regarding the 2003 bushfires. They all said it was a great pity that the man did not show more courage and resign from his position. This is not me; this is these people talking. They really are very, very disillusioned, disappointed, in the fact that they could have and should have been warned. No amount of wanting the issue to

go away by the Chief Minister will force the residents of Weston Creek to forget how Jon Stanhope let them down.

It is quite appalling that the Chief Minister continues to deny the fact that strong warnings were given to him in the cabinet meeting on Thursday, 16 January in relation to Weston Creek being at greatest risk during the 2003 bushfires. In fact, this was one of 17 matters that were discussed at that cabinet meeting, which lasted between 45 minutes to an hour. In his evidence to the coroner, the Chief Executive of the Department of Justice and Community Safety, Tim Keady, explained why the cabinet briefing was occurring. He said:

... we were already aware that we had a serious fire situation on our hands. It was certainly the worst that has occurred in my time in Canberra and it seemed as bad or worse than anyone else could recall. To the extent that the suggestion has been made here that the situation is very serious and likely to get worse, I think we were already aware of that.

That is from volume I at page 261. Let us look at some more quotes from Mr Keady. Also at page 261:

... the nature of the event, the magnitude of it and the expenditure that we were investing in the event ... a very significant bushfire. At that stage it had been going for well over a week. It was a source of speculation, concern.

He went on to say:

From the briefing paper and other documents created for us and as a result of the briefing, it is readily apparent that the following matters were brought to the attention of Cabinet members and were subjects of discussion:"

Weston Creek was singled out as being one of the two areas, the other being Dunlop, that were under the greatest threat, and yet Jon Stanhope, in his capacity as Chief Minister, failed to warn the residents, and in so doing he failed in his duty of Chief Minister and failed in his duty towards the residents of Weston Creek.

Mr Keady said in his evidence that Dunlop and the suburbs of Weston Creek were mentioned as being at greatest risk. He said further that he "accepted there was no disadvantage in giving people on the western edge of Canberra the same information about the potential serious impact that was given to the ACT Cabinet".

Mr Speaker, I find it appalling that the Chief Minister was made very aware—very aware—of the severity, yet was too complacent. The cabinet knew just how dire the situation was and yet they did not question things like the weather conditions or the rate at which the fire was advancing, because the government assumed what? The government assumed that the event would happen on Monday and not, as it tragically did, on the Saturday.

The Chief Minister's complacency goes to the very heart of ministerial accountability. He knows he should resign but it is very sad that he lacks the courage to do so. I think the people of Weston Creek really deserve a much better explanation from this Chief

Minister. They still do not have the answers. You cannot force people to forget things, like the Chief Minister wants them to do.

I cannot believe that the cabinet never questioned anybody that came to that meeting. I am still trying to grapple with that—and I did not lose my home; I did not have a family that lost life. I cannot make it out in my own head why no questions were asked. I consider that the Chief Minister has let the people of the ACT down. He well knows it but lacks the courage to do anything about it.

Question resolved in the affirmative.

The Assembly adjourned at 5.40 pm.