



# Debates

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## Tuesday, 29 May 2007

Death of Mr Aspi Baria (Motion of condolence).....	1057
Petition: Griffith library .....	1061
Legal Affairs—Standing Committee .....	1062
Legal Affairs—Standing Committee .....	1065
Planning and Environment—Standing Committee.....	1066
Health and Disability—Standing Committee .....	1068
Revenue Legislation Amendment Bill 2007.....	1069
Long Service Leave (Building and Construction and Contract Cleaning Industries) Legislation Amendment Bill 2007.....	1070
Rhodium Asset Solutions Ltd .....	1072
Government Procurement Amendment Bill 2007 .....	1072
Rhodium Asset Solutions Ltd .....	1080
Training and Tertiary Education Legislation Amendment Bill 2007 .....	1083
Utilities (Energy Industry Levy) Amendment Bill 2007 .....	1087
Questions without notice:	
Arboretum.....	1089
Hospitals—pay parking .....	1091
Trade delegation to China.....	1093
Narrabundah Long Stay Caravan Park .....	1095
Emergency Services Authority—Mr Peter Dunn .....	1096
Economy .....	1098
Taxis and hire cars .....	1101
Budget—estimates 2007-2008.....	1104
Arboretum.....	1104
Electricity—blackouts .....	1107
Physical education .....	1108
Paper and statement by member .....	1109
Personal explanation .....	1111
Papers.....	1112
Executive contracts .....	1112
Consolidated financial report.....	1113
Cultural Facilities Corporation .....	1113
Territory plan—variation No 259 .....	1115
Territory plan—variation No 260 .....	1117
Papers.....	1118
Federal budget—impact on ACT economy (Matter of public importance) .....	1119
Utilities (Energy Industry Levy) Amendment Bill 2007 .....	1136
Gaming Machine Amendment Bill 2007 .....	1139
Adjournment:	
Industrial relations .....	1140
Canberra Raiders—players .....	1140
Death of Malietoa Tanumafili II.....	1142
Aboriginals and Torres Strait Islanders .....	1143
KairosCare .....	1144
Environment—volunteer projects.....	1145
Budget estimates .....	1146
Motorcycle Riders Association—blanket run.....	1148
Schedule of amendments:	
Schedule 1: Utilities (Energy Industry Levy) Amendment Bill 2007 .....	1150

**Tuesday, 29 May 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.

**Death of Mr Aspi Baria**  
**Motion of condolence**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts): I move:

That this Assembly expresses its deep regret at the death of Mr Aspi Baria, technical expert with Actew, who specialised in water management and was recognised for his wholehearted dedication to his job and family, and tenders its profound sympathy to his family, friends and colleagues in their bereavement.

Mr Speaker, it is with sadness and regret that I rise to record my memories of Aspi Baria and to convey to his family and his colleagues at Actew the condolences of the government. For many Canberrans, Aspi Baria was a voice on the radio, the expert rung by the program producers when they needed someone to talk good sense about water. In recent years, as the drought stubbornly persisted beyond the expectations of scientists and beyond the tolerance levels of ordinary folk, there were more frequent early morning calls to Aspi's mobile phone, more radio interviews, more measured good sense and, unfailingly, good humour and patience. That was the Aspi Baria known to thousands of Canberrans listening to the radio over their cornflakes or when commuting to the office. The warmth, gentleness and knowledge that somehow transmitted themselves over the airwaves were the qualities that impressed those who met him face to face—those who worked with him and those, like me, who relied on his advice, even when I did not like it much. Even medicine was less nasty when delivered by Aspi Baria.

Like so many Canberrans, Aspi arrived in this city from half a world away, and circuitously. He was an accidental, though ultimately a passionate, Canberran. Born in Kenya but raised within a Parsee community, Aspi was educated in England and worked in Papua New Guinea before deciding to settle in Australia and in Canberra. While he was immensely proud of his heritage and cleaved to the Zoroastrian faith of his childhood for his whole life, Aspi was equally proud of his Australian citizenship.

Aspi joined Actew in 1989 as a chartered chemist and spent the rest of his career with the organisation, ending as technical specialist—the public face and the private driving force behind many of Actew's most original and creative ideas. Day to day, he oversaw the operation and maintenance of Actew's water and waste water business. He was in charge of water planning, regulation, capital works, licensing and compliance.

It was he who saw the lateral brilliance of the Cotter to Googong transfer scheme. It was he who explained that this innovation, which we all believed would secure our

supply for another 20 years, might not be equal to the ferocity of the enduring drought and that recycling must be considered as a real option. In recent months, he travelled abroad to learn how others had managed the technical challenges of recycling used water and how their communities had reacted.

The death of Aspi Baria devastated the close-knit Actew team. There is no kinder way of putting it. In the midst of the toughest debate in the organisation's history, the man who, more than any other, had the gift for straightforward communication and a gently receptive heart was caught up in a calamity from which he did not emerge. A fishing trip, one of the few relaxations Aspi scheduled into his busy work and precious family life, turned to tragedy. A freak wave and a capsized boat; an anguished swim ashore. It appears that Aspi's heart, badly damaged by a cardiac arrest a decade ago, was unequal to this particular challenge involving water.

On the day of Aspi's funeral it rained—a month's worth of rain in a day. The mourners spilled out of the chapel and stood beneath umbrellas, listening to the unfamiliar sound of raindrops. One of the ushers handing out the program for the service glanced at the long lines of men and women still arriving at the chapel long after every pew had been filled. "He must have been a popular man," she said. He was, and his death will be felt not just among his colleagues and among those on both sides of this chamber who valued his companionship, his wise counsel and his plain speaking, but in the community more generally.

I convey the deepest condolences of the ACT government to Aspi Baria's wife, Pauline, their daughter, Frena, and all of those who have worked with and befriended this most gentle and most warm of human beings.

**MR STEFANIAK** (Ginninderra—Leader of the Opposition): I too rise to pay respectful homage to Aspi Baria. Aspi was born in Kenya in Africa. He was a Parsee Indian and he lived in Mombasa with the Parsee community. He was educated in the United Kingdom before he came out to Australia, and he also spent some time in Papua New Guinea with his family. He was very proud of his heritage, and he was also very proud of his Australian citizenship. As much as anything else, he was an absolutely fine example of the quality of people we have got from overseas. Aspi was a great Australian and a great Canberran, and he contributed mightily to his community.

Aspi was a chartered chemist when he started with the Actew Corporation back in 1989; he became a technical specialist. His main responsibilities were the management of the operation and maintenance of Actew Corporation's water and waste water business—also water planning, regulatory matters, the capital works expenditure program, and licensing and compliance matters: a pretty tough task for any one individual.

Aspi's dedication and expertise were largely responsible for delivering to the people of Canberra the quality of water that we have come to accept as part of our daily life in the territory. But his dedication to his role with the Actew Corporation meant that he had to make some pretty tough decisions in relation to water management—decisions he knew his much-loved Canberra community would not like, but decisions that he knew he had to make for the long-term good of Canberra. Indeed, the

announcement of Canberra stage 4 water restrictions was made just three days after his death.

I recall with fondness listening, on many occasions, to Aspi on the radio, patiently explaining the water situation: telling it like it was—never flustered, always polite, always forthright and pulling no punches—but in his own unique and most effective style.

He died, as the Chief Minister has said, after a boating accident while he and two friends were fishing near Moruya. It was a freak wave. It is actually a fairly dangerous piece of coastline. I lost a very dear friend there in 1976. In an article in the *Canberra Times*, Graham Downie said:

Fishing was one of his great loves, allowing a break from his job which occupied so much of his time, working for the benefit of those who live in or frequently visit Canberra.

It seems that more than just his professional life was to do with water. Befittingly, on the day of his funeral, the clouds opened, the skies opened, and over 20 millimetres of rain fell—a fitting tribute.

A quietly spoken but highly professional man, Aspi Baria will be sadly missed by his whole community here in Canberra—indeed, I daresay, perhaps by the greater Australian community. He was a thorough professional. On behalf of the opposition, I extend my deep condolences to his family and to all his friends at Actew, who I know grieve very much at the loss of such a fine professional and such a fine man.

**MR MULCAHY** (Molonglo): I also rise today to support the Chief Minister's motion of condolence for Aspi Baria. I was saddened and shocked when I first learnt of Aspi's passing. The boating accident that occurred on Saturday, 12 May was a reminder of how fleeting life can be. I, along with the then Acting Chief Minister, Ms Gallagher, attended his funeral several weeks ago to pay my respects to a man who earned the respect of all who knew him. That funeral was attended by a very large number of people—a very large number of his work colleagues, friends and others in Canberra who dealt with him. It was a very fitting send-off to this great Canberran.

Although I did not know Aspi outside the workplace, I had met him professionally on numerous occasions for briefings on the ACT's water situation. In all of those meetings, his approach was exemplary and marked by his professionalism, knowledge and competence. His technical expertise was integral to most of my dealings with Actew. He will certainly be difficult to replace. He was always willing to assist me or the staff in my office with our inquiries about the water situation in the ACT. No question was too difficult or too complex to prevent him providing us with a comprehensive response.

A Parsee Indian, Aspi was born in Kenya and educated in England. He lived and worked in Papua New Guinea before arriving in Australia. He was a chartered chemist. He began working for Actew Corporation in 1989 after arriving in Canberra. In over 17 years, Aspi contributed a great deal—probably more than any other individual—to the management of water in this territory. In recent times, given the

extended period of drought, he was integral to the planning and implementation of water restrictions. Even more recently, his expertise was pivotal to the creation of Actew's proposal to secure the territory's future water supply. Although his technical expertise was clearly evident, Aspi was adept at translating often quite complicated scientific processes and explaining things so that a layperson could understand.

Beyond his professional competence, it is clear from the outpouring of grief, both publicly and at his funeral on Friday, 18 May, that he will be deeply missed by his family, his friends and his co-workers. He was a fine man. My condolences go to his family, friends and co-workers. His loss will be felt by the entire Canberra community.

**DR FOSKEY** (Molonglo): The Greens support Mr Stanhope's motion and we add our condolences to those of the opposition and the government. It is really wonderful that such a citizen of the world—as Aspi was—ended up here in the ACT with a key role in developing water strategies. I believe that this indicates the quality of the people who live and work in our community. We will be bereft by the loss of Aspi Baria. It was my experience that he was a very key person in Actew and in understanding the chemical engineering side of it.

I first got to know Aspi well this year. The first time my office had contact with him was when he rang up after reading an opinion piece that I wrote about water, water management and a water conservation strategy that was published in the *Canberra Times*. He rang up and said, "I'm going to be right over." He wanted to talk about it—not so much because he was concerned about what was in my opinion piece but because he was a man who was passionate about water and took any opportunity he could to engage in conversation about it. He came over and we had a very frank and open discussion about water policy. We talked about how we might possibly work together.

The next time we had contact with him was when we had a very complete and detailed briefing about the Water2WATER strategy—not that it was called that then; in fact, there was some concern about what kind of name could be given to a scheme that involved the recycling of human waste into water. We agreed that the name was pivotal. I have to say that Water2WATER is not a bad name.

Clearly this is a death that deprives not just Aspi's family but the entire community. It is a death—another death—that I really, really wish had never happened. The fact that it rained on the day of his funeral to me indicates nature's absolute way of doing what it does without consideration of who it affects or how. Of course, for those of us left behind it did have meaning. I am sure that Aspi would have smiled if he had been in a situation where he could. There is no doubt that water was not only his professional life but also engaged him in many of his non-working hours.

**MR CORBELL** (Molonglo—Attorney-General, Minister for Police and Emergency Services): I join with the Chief Minister and other members in extending my condolences to Aspi Baria's family and friends on his tragic and untimely passing in the last couple of weeks.

Aspi Baria to me displayed a great warmth and gentleness which belied his strong analytical mind and his passionate commitment to and knowledge of everything to do

with water, water policy and water engineering in our city. I met him the day before he died—him and his colleagues—to discuss issues around the Water2WATER proposal. As always, I found him to be both patient and constant in his advice and explanation in response to all the questions I sent his way. Ultimately, I came away again impressed by his significant understanding and his ability to engage not just at a surface level in issues around water policy and the water recycling proposal, but more broadly about how as a city we manage water: how we do so behaviourally, but also how we do so in an engineering sense and in a planning sense. Aspi was someone who clearly understood these issues in a great level of detail.

Aspi's willingness to answer questions, no matter how mundane, was one of his great strengths. As other members have said, his ability to communicate his deep understanding of these policy matters in a way which was straightforward and easily understandable was something which we will miss as we continue the very significant and serious debate for our city about how we secure our future water supplies.

Clearly we have lost a passionate and committed Canberran. Aspi is one of those ordinary citizens of our city who, through their knowledge and life experience, make a significant contribution not just in a public sense but in a deeper and more private sense in terms of everyone they meet and deal with in our community. We have lost someone who has made a significant contribution to the public policy debate and someone who will be difficult to replace. I join with other members in extending my sincere condolences to his wife, Chiew, his daughter, Frena, and his family, friends and colleagues.

*Question resolved in the affirmative, members standing in their places.*

## **Petition**

*The following petition was lodged for presentation, by **Dr Foskey**, from 48 residents:*

### **Griffith library**

#### **To the speaker and members of the Legislative Assembly for the Australian Capital Territory**

This petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly our following concerns:

The AEC Group's *Report into ACT Library Services* dated September 2006;  
The subsequent closure of Griffith Library in December 2006;  
Suggestions in the *Report* that library opening hours, staff, book stock, space and services be cut; and  
The closures of the new Civic library – due to heavy rain damage – shortly after it opened in December 2006 (and for 2 months after February 2007).

Your petitioners therefore request the Assembly to:  
Ensure that better building standards be enforced for public buildings;  
Reopen a new library in Canberra's inner-south suburbs;  
Maintain and extend ACT public library staff, hours, stock, and services;  
Reject the commissioned *Report into ACT Library Services*; and  
Initiate a wider ACT Government inquiry – with full community involvement –

envisioning public libraries, information centres and archives needed for Canberra's population, area and status as the national capital.

*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.*

## **Legal Affairs—Standing Committee Report 4**

**MR SESELJA** (Molonglo) (10.50): I present the following report:

Legal Affairs—Standing Committee—Report 4—*Court Procedures (Protection of Public Participation) Amendment Bill 2005*, dated 8 May 2007, together with a copy of the extracts of the relevant minutes of proceedings.

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

Leave granted.

**MR SESELJA**: I move:

That the report be authorised for publication.

Question resolved in the affirmative.

**MR SESELJA**: I move:

That the report be noted.

This report is very much about protecting freedom of speech in Australia, especially freedom of speech in relation to political and public policy issues. While instances of strategic litigation against public participation, or SLAPP, are relatively few in the ACT, the issue can impact on all citizens. The report's recommendations are aimed at protecting one of the most fundamental of human rights, freedom of speech, and also freedom of political participation. This right is something which I passionately believe in.

With the current Supreme Court and Magistrates Court rules, it is possible for people to be threatened with litigation if they speak out on certain matters, such as development proposals. Often the mere threat of litigation is sufficient to silence opposition—one reason why many cases do not progress to the courts. Amendments to the Defamation Act go some way to ensuring that critics cannot be sued for defamation, but many actions these days occur in tort, particularly for alleged economic loss.

Appropriate legislation in the ACT will mean that citizens will be free to participate in open debate without fear of litigation or the threat of litigation. This legislation needs to balance the right of citizens to publicly participate and the right of individuals not to be defamed. The drafting of any such legislation will need to carefully balance these rights. I commend the report to the Assembly.



**DR FOSKEY** (Molonglo) (10.52): I am sure that members are aware that this report is one that the Greens welcome. I want to go over some of the history of this legal affairs committee inquiry and say how pleased I am with the report and recommendations.

A bit over a year ago, I tabled in this house a bill called the Court Procedures (Protection of Public Participation) Amendment Bill 2005. That bill was modelled on a pro forma developed by a barrister, Brian Walters, in Victoria. It was included as an appendix in a book called *Slapping on the Writs*, which he wrote.

The Greens saw that bill as a starting point. As the inquiry went on, it became clearer that it was a bill that could be refined a great deal. I believe that the committee process indicates the value of our committee system in the ACT. In this case, three people from three different parties got together, listened to evidence, heard submissions and provided a focus for groups that were concerned about the increasing difficulty in Australia for people to stand up and speak out against injustices—environmental injustices as well.

We know that freedom of speech is one of the most valued of all our freedoms. I believe it is one of the rights that are valued by the Liberal Party as well as the Labor Party. Anything that intrudes on people's right to free speech is something that, in a human rights compliant jurisdiction like the ACT, should be removed.

During the process of the inquiry, a new form of the bill emerged. It is very similar to the one that has been tabled in the South Australian parliament by the Greens member there, Mark Parnell, whose experience as an environmental defender illuminated his understanding of the need for a bill and the kind of bill it should be.

As a result of the committee inquiry, the ACT Assembly now has before it a very robust piece of legislation—one that has responded to many of the criticisms that were raised by people who gave evidence to the inquiry in our sessions. For instance, down in Melbourne we had a hearing with Brian Walters, who indicated that the new form of legislation that the committee was about to receive was agreeable to people like him—people in the civil rights movement and barristers who deal with these kinds of cases.

In the ACT we do not have too many public SLAPP cases that we know of—SLAPP suits—but we need to realise that there may very well have been instances that did not come to light because the whole nature of SLAPP suits is that they are meant to deter people from going to the courts. We know from anecdotal experience that many people fearful of losing their homes, their savings and their private lives have been silenced by just such a move. In fact, self-censorship is part of the aim of these suits, and it has the effect of stopping people putting forward their views. It is true that the uniform defamation laws and tort law reforms have made it harder for companies to pursue their legal actions, but experience in America and other jurisdictions has shown that, when one avenue is closed off, people who seek to abuse the legal process, and have the money to look for it, will shift their emphasis to another course of legal action. We know that the government must remain vigilant in order to identify where SLAPP-type actions migrate to.

I sincerely hope that the ACT enacts the new form of the legislation. I understand that companies are now employing lawyers to find provisions in the Trade Practices Act that might be expanded to attack their opponents. We have to hope that eventually this legislation, which perhaps the ACT Assembly will pioneer in adopting, is also adopted by other state and territory parliaments. We know that it has come up in South Australia, and I believe that the Greens will table similar legislation in New South Wales, Victoria and possibly Western Australia, but it will help a great deal if it has already been passed in the ACT.

This is a chance for us to put our Human Rights Act into practice and really make a difference and protect freedom of speech. Now is a time, I believe, when we need to protect that right more than ever.

**MS MacDONALD** (Brindabella) (10.59): Before I speak on the report itself, I wish to note for the record, that there is a printing error on the front cover of the report. It says “Court Administration (Protection of Public Participation) Amendment Bill 2005” when it should say “Court Procedures (Protection of Public Participation) Amendment Bill 2005”. That is a bit of confusion to start off with; I just wanted to correct the record on that.

I want to speak only briefly on this report. When the bill was first sent off to the Standing Committee on Legal Affairs, the thought in my mind was “Well, it is a nice idea, but how will we achieve it?” I still have concerns about how it might be achieved. But unfortunately—as has been raised by both Mr Seselja and Dr Foskey—there has been a growing trend to use litigation to try and stop public participation. That started in the United States in the 1980s and since then it seems to have become more prolific here in Australia.

There is a real concern about the type of society in which we want future generations to live. Do we want a society in which people are too concerned to make their opinion known, for fear of litigation—not just by large corporations, as has been the case, but sometimes by smaller organisations and individuals who may seek to stop people from making comment on something that they do not agree with, purely by initiating a law suit, which I suppose is designed to clog up the courts?

The committee did consider those things. As has been said, we did hear evidence from Brian Walters when we were down in Victoria. I believe that this report offers some way forward as to how we can deal with this. It offers a starting point in consideration of what we might do.

Recently, I was privileged to attend, on Mr Stanhope’s behalf, a launch of a book with discussion papers. I talked about the introduction of the Human Rights Act and the Human Rights Bill here in the ACT. Justice Michael Kirby was the keynote speaker at the launch of that book. Unfortunately, I had the difficult task of trying to follow Justice Michael Kirby; I have to say that that is not in the least a task to be envied. Rather than reading my written speech, I said that the ACT has a history of punching well above its weight and being a real groundbreaker. Ensuring the individual’s right to public participation and to make comment on something that they believe is

wrong—as long as they are doing so in a lawful way—is an important principle for us as a society to maintain.

As I said earlier, I believe this report is a starting point. I commend the report to the Assembly.

Question resolved in the affirmative.

## **Legal Affairs—Standing Committee Report 5**

**MR SESELJA** (Molonglo) (11.04): I present the following report:

Legal Affairs—Standing Committee—Report 5—*Report on annual and financial reports 2005-2006*, dated 15 May 2007, together with a copy of the extracts of the relevant minutes of proceedings.

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

Leave granted.

**MR SESELJA**: I move:

That the report be authorised for publication.

Question resolved in the affirmative.

**MR SESELJA**: I move:

That the report be noted.

Question resolved in the affirmative.

## **Scrutiny report 41**

**MR SESELJA** (Molonglo): I present the following report:

Legal Affairs—Standing Committee (performing the duties of a Scrutiny of Bills and Subordinate Legislation Committee)—Scrutiny Report 41, dated 28 May 2007, together with the relevant minutes of proceedings.

I seek leave to make a brief statement.

Leave granted.

**MR SESELJA**: Scrutiny report 41 contains the committee's comments on six bills, 34 pieces of subordinate legislation, six government responses and one regulatory impact statement. The report was circulated to members when the Assembly was not sitting.

I would also like to make a comment in relation to strict liability offences, which has been a recurring issue for the committee for quite some time now. The committee accepts that for certain regulatory regimes an offence of strict liability is a legitimate tool. However, the committee has always maintained that in all instances the case for making an offence one of strict liability—that is, for relieving the prosecution of the task of proving that the defendant intended to commit the physical elements of the offence—should be clearly spelt out.

An explanation will usually point to the nature of the offence, and in particular that it is one designed to encourage behaviour by those who, by reason of engaging in a particular business or activity, are well placed to do so. That is, the point of the strict liability offence is not to punish the offender, but to induce all those involved in the business to take care in what they do. A justification along these lines must of course be adapted to the particular strict liability offence in issue.

The other matter is the scale of penalty. Where it exceeds 60 penalty points, and in particular where imprisonment is possible, then there is a real issue about whether the law is justifiable. The most appropriate place for justification to appear is in the explanatory statement accompanying the legislation, and while many departments and agencies do provide some reasoning in the explanatory statement, a number persist in not doing so. The Water Resources Bill examined in this report is a case in point.

I commend the report to the Assembly.

## **Planning and Environment—Standing Committee Report 27**

**MR GENTLEMAN** (Brindabella) (11.06): I present the following report:

*Planning and Environment—Standing Committee—Report 27—Draft Variation to the Territory Plan No 263: Block 23 Section 117 Kaleen and Minor Amendments to Community Facility Land Use Policies, dated 21 May 2007, together with a copy of the extracts of the relevant minutes of proceedings.*

I move:

That the report be noted.

The proposed variation to territory plan No 263 has two aims, to change the land use policy applicable to block 23 section 117 Kaleen from restricted access recreation to community facility land use policy and to make minor amendments to the community facility land use policy in the territory plan.

The committee often has to consider proposed changes in land use which are opposed by neighbours but which can offer significant and needed benefits to the broader Canberra community, and this is one such case. When deliberating this issue the committee had to take into account consideration of broader issues. In this particular case, aged care and providing the opportunity for the development of an aged care facility in the area is an important factor to consider. The land in question is

recognised to have long been neglected and, as such, greater utilisation or, better put, redevelopment is something that the committee looked at.

The committee has made 10 recommendations, some of which go beyond the land use policy issues raised by the draft variation. The committee's first recommendation is that the proposed reference to the section master plan in the renumbered 3.4 performance controls in community facility land use policy in DV 263 be omitted.

The committee also recommends that the planning and land authority ensure that the disruption likely to be caused to residents of the Huntington and the school community during and after the construction of the proposed new community facility be minimised.

A further recommendation is that the Planning and Land Authority require that all buildings on this land be built in such a way as to achieve an acceptable noise environment for people working or living on or visiting the site. This may require the authority to require a developer to meet certain criteria set out in appropriate Australian standards.

The committee recommends that the planning and land authority ensure that the concerns expressed by the Kaleen high school board about the potential adverse impacts of possible overshadowing be addressed and that regulatory measures be explained carefully to, and discussed with, representatives of the Kaleen high school community.

The committee's fifth recommendation is that the planning minister encourage the development of partnerships between the proposed development on the land with Kaleen high school and, if possible, the residents of the Huntington. The committee recommends that the ACT Planning and Land Authority pay particular attention to planning for pedestrian and cyclist movement around Kaleen high school, the Huntington and access points into the proposed suburb of Lawson.

The committee recommends that the Planning and Development Bill 2006 be amended to require the planning and land authority to prepare a planning report for each proposal. That would have the effect of depleting the range of land available for community use or recreational facilities within an area when an application is made to vary a concessional lease either by paying it out or transferring it into or changing the lease purpose where there is a development application for a specified use on land within a community facility zone under the territory plan, where there is a development application for a community facility in zones other than a community facility zone, in relation to proposals for the direct grant of land for community use, and where there is a proposal to vary the land use policy from community facility zone.

The committee recommends that the minister ensure that all future community needs assessments and planning reports be made publicly available as soon as practicable after completion. The committee recommends that all planning and development reports be referred upon completion to the interdepartmental committee with responsibility for the development of policy and rules to support future grants and administration of concessional leases.

These are well within the committee's broad terms of reference and they should not be taken as criticism of the work done on the proposed variation by the planning and land authority. They respond to the detailed concerns expressed by various stakeholders, some of which have been conveyed previously to the authority and some of which the authority addressed in its consultation report on the draft variation.

As previously mentioned, several recommendations concern matters likely to arise during the development assessment and construction phases of the proposed development. The committee would also have preferred to hear from stakeholders about the potential of the proposed development to enable partnerships to be fostered amongst the neighbouring lessees, including Kaleen high school, the proposed supportive housing complex and residents of the Huntington, rather than mainly from opponents to the proposed development and the developer. The final recommendation of the committee is that this proposed variation to the territory plan proceeds.

In closing, the committee would like to thank the previous Minister for Planning, Mr Corbell, and the stakeholders who assisted the committee during the course of this inquiry. I would also like to thank my fellow committee members, Mary Porter and Zed Seselja and the committee secretary, Hanna Jaireth. I commend the report to the Assembly.

Question resolved in the affirmative.

### **Health and Disability—Standing Committee Report 3**

**MS MacDONALD** (Brindabella) (11.13): I present the following report:

*Health and Disability—Standing Committee—Report 3—Report on Annual and Financial Reports 2005-2006*, dated 9 May 2007, together with a copy of the extracts of the relevant minutes of proceedings.

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

Leave granted.

**MS MacDONALD**: I move:

That the report be authorised for publication.

Question resolved in the affirmative.

**MS MacDONALD**: I move:

That the report be noted.

I note for the record that this year, as outlined in a letter sent to all members of the Assembly, the health and disability committee chose to pursue a slightly different path with our annual and financial reports. We chose to focus on specific areas rather than

taking a broad aim at all of the areas that come under the committee's responsibility. We focused on the area of health financial costs. We also looked at housing, which also comes under our area.

I thought it was quite a successful process, and I think my fellow members would agree. We had a fruitful look at those particular areas of the annual reports. The committee had only one recommendation to make, and that was with regard to more information being provided about the cross-border agreement between New South Wales and the ACT. It was a bit difficult to find information on that particular agreement, so we requested the department to make that information a little bit clearer in its annual report. That is pretty much it. I commend the report to the Assembly.

Question resolved in the affirmative.

## **Revenue Legislation 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, Minister for the Environment, Water and Climate Change, Minister for the Arts) (11.16): I move:

That this bill be agreed to in principle.

The Revenue Legislation Amendment Bill 2007 amends the Duties Act 1999, the Land Tax Act 2004, the Payroll Tax Act 1987 and the Rates Act 2004. This bill is a clarifying instrument, designed not to impose any new revenue measures but rather to provide greater certainty to taxpayers. It makes explicit certain elements that have been inferred from current legislation for the most part but also corrects an error contained within a formula.

The bill contains two amendments to the Duties Act. The first of these relates to the grant of a crown lease to the housing commissioner. Under the Duties Act the grant of a crown lease to the housing commissioner is liable to concessional duty of \$20, while the transfer of a crown lease to the housing commissioner is exempt from duty. The bill seeks to make the treatment of the housing commissioner consistent by removing the liability to concessional duty.

The second duties amendment concerns an exemption from duty on motor vehicle registrations for interstate motor vehicle dealers. It clarifies that the exemption currently enjoyed by ACT motor vehicle dealers that are licensed under the Sale of Motor Vehicles Act 1977 is also extended to interstate motor vehicle dealers who hold a similar licence under a corresponding law.

Land tax is payable on ACT land that is owned by a corporation or trustee or that is rented residential property. In the case of rented residential property the owner is

required to notify the Commissioner for ACT Revenue at the time the property becomes rented. In some cases the commissioner may not be notified that the property is liable to land tax before it is sold to a new owner. In these cases, the property would transfer with a clear certificate of rates, land tax and other charges. This bill amends the Land Tax Act to clarify that in these cases the land tax is payable by the person who was the owner of the parcel for the period to which the liability relates.

The bill also contains two amendments to the Payroll Tax Act and simplifies the current nexus provisions. The nexus provisions are those that set out how the wages or the services that attract those wages must be connected to the ACT in order for them to be included for payroll tax purposes. These amendments do not change the way the provisions operate currently but serve to clarify the intent of the legislation.

The first of these amendments makes clear that wages paid or payable in a month or part of a month are wages to which the act applies. This has been inferred from the requirement of an employer to lodge monthly returns once their wages for the month exceed the determined threshold.

The other amendment clarifies that wages paid or payable in the ACT for services performed or rendered in another country are liable to payroll tax. These wages currently form part of the payroll tax base under section 2D (1) (a) of the act, but this amendment was considered necessary to make this clear.

Finally, this bill amends the Rates Act to rectify an error in a formula relating to the fixed-charge component of rates for properties that are being developed partly for residential and partly for commercial purposes. The ACT Revenue Office has been administratively applying this in the taxpayer's favour and this amendment merely endorses that treatment. I commend the Revenue Legislation Amendment Bill to the Assembly.

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

## **Long Service Leave (Building and Construction and Contract Cleaning Industries) Legislation Amendment Bill 2007**

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

Title read by Clerk.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (11.20):  
I move:

That this bill be agreed to in principle.

The main objective of this bill is to amend the Long Service Leave (Building and Construction Industry) Act 1981 and the Long Service Leave (Contract Cleaning Industry) Act 1999, which establish portable long service leave schemes for the building and cleaning industries. These schemes allow workers in the building and



cleaning industries to access long service leave where, because of the fluid nature of their work, they may not have otherwise been able to do so.

Under each scheme workers are entitled to take long service leave after they accrue sufficient credits from across the sector. Payments for the leave are financed by contributions made by employers on behalf of each of their employees and by some contractors who make contributions for themselves. The amendments contained in this bill will simplify and streamline administrative arrangements for both schemes and make them more equitable for employers and employees in the cleaning and construction industries.

Each scheme has an independent governing board made up of employee and employer representatives from the relevant industry. The amendments for each scheme have been approved by the governing board of that scheme. Many of the changes in this bill are aimed at improving the administrative efficiency of both schemes. These efficiencies will predominantly be sought by more closely aligning the cleaning and building acts to increase the already established practice of sharing administrative resources across the management of the two schemes. This will reduce the cost of running the schemes, costs which are ultimately paid by employers.

These amendments will also change the reporting and levy periods in the Building Act from bi-monthly reports to quarterly reports in order to align with the operation of the cleaning act. They will also extend the time for available for employers to lodge reports and pay the levy. The amendments will streamline the information that employers are required to provide, and that the building and cleaning authorities are required to report on, under each scheme. These changes will reduce the administrative burden associated with the reporting requirements of employers and the building authority.

The cleaning act has also been amended to allow for reciprocal arrangements with portable long service leave schemes in the cleaning industry. When the cleaning long service leave scheme was established in 1999, it was the first of its kind in Australia but recently the Queensland government has also introduced a portable long service leave scheme for the contract cleaning industry. The amendments to the cleaning act will allow mutual recognition of service between the territory and Queensland schemes, as well as any other schemes which may be established in the future.

The cleaning act will also be amended to allow contractors in the cleaning industry to opt in to the cleaning scheme by making contributions on their own behalf, and this will be of particular assistance to cleaners who change from being employed by a cleaning company to being self-employed. With the amendments, these people will be able to continue to participate in the scheme until they accrue sufficient credits to be eligible to take leave. These rights and opportunities already exist for contractors in the building industry.

The bill also makes specific changes to both the cleaning and building acts to make them more equitable. The changes include the introduction of a new formula to calculate payments for employees in the building industry who have had their earnings reduced because they have been absent on workers compensation. Changes

are also made to regulations governing recognition of prior service and accessibility to residual long service leave credits in some circumstances.

These amendments also include changes which reflect the current practice in the building industry, including amending the definition of the building and construction industry to include data cabling, security installation and electronic communication and lowering the retirement age under the Building Act to 55. The language of both acts has also been updated and simplified.

The ACT government is committed to working with employers and employees to protect the entitlements of workers in the ACT. Similarly, the government is committed to assisting business to minimise costs, and these amendments are a clear demonstration of that commitment. The bill will improve the efficiency and effectiveness of both the building and cleaning long service leave schemes in the territory and ensure that these schemes continue to provide benefits for workers in these industries whilst minimising the administrative burden for employers.

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

## **Rhodium Asset Solutions Ltd**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (11.26): I seek leave to move a motion relating to Rhodium Asset Solutions Ltd.

Leave granted.

**MR STANHOPE**: I move:

That, in accordance with subsection 11 (3) of the Territory-owned Corporations Act 1990, this Assembly approves the voting shareholders of Rhodium Asset Solutions Ltd resolving to amend the company's constitution to allow the shares in Rhodium to be sold and to give effect to the sale.

Debate (on motion by **Mr Barr**) adjourned to a later hour.

## **Government Procurement Amendment Bill 2007** **Detail stage**

Bill as a whole.

Debate resumed from 3 May 2007.

**MR SPEAKER**: The question before the Assembly is that Mr Mulcahy's amendment No 1 be agreed to.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (11.28): Mr Mulcahy,

you have spoken to this. This is your amendment removing the requirement for ethical behaviour. I have now recalled to mind Mr Mulcahy's presentation in relation to his amendment to remove the words "and ethical behaviour" after the word "probity" as a key consideration in pursuing the overarching procurement principle of value for money in proposed new section 22A (3) (a).

I remember Mr Mulcahy's speech well because I was rather surprised by it. On the very same day that we had a rather spirited debate around the use of corporate credit cards and the ethical nature of that use, Mr Mulcahy proposed that we remove the requirement of ethical behaviour because he thought it was rather too subjective. In the context of that particular debate and the debates that have preceded it, I think it is fair to say—I could be mistaken, Mr Speaker—that Mr Mulcahy might have been the only one somewhat confused about the exact meaning of the term "ethical behaviour", and I say that out of respect for his colleagues. I will perhaps enlighten both him and his colleagues, although I am not suggesting they need that enlightenment.

These are not dispensable words. They are not foreign terms. Mr Mulcahy wants the words "ethical behaviour" removed because he believes them to be too subjective, words for which there is no easy comprehension. In fact, they are well known. They are not foreign. They are easily comprehensible by the overwhelming majority of professional public servants. I really was surprised that Mr Mulcahy thinks that these are words that are not easily understood and a concept of ethical behaviour that is not valued by members of this Assembly.

Mr Mulcahy challenges the well-provided definition of ethical behaviour. There is available a wealth of assistance to interpret the words "ethical behaviour". The commonwealth procurement guidelines define ethical behaviour in the following way:

Ethical behaviour encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect and consistency. Ethical behaviour identifies and avoids conflicts of interests, and does not make improper use of an individual's position.

The guidelines go on to provide advice in a range of matters related to ethical behaviour. They say:

Agencies must not seek to benefit from supplier practices that may be dishonest, unethical or unsafe.

The guidelines continue:

Procurement of services ought to be conducted in a way that imposes as far as practicable the same level of accountability and responsibility on a service provider as would exist if the agency carried out the services itself.

I do not think there is ambiguity or wooliness or any real concern about understanding what ethical behaviour means. The meaning is plain and clear. Surely removing a requirement for public servants and suppliers to behave ethically in procurement matters would send the wrong signals. I very much doubt that it would be greeted with great acclaim by most suppliers, who comply with their own employee and industrial relations obligations to act ethically in their dealings with the government.

Indeed, one of the two existing procurement principles issued by the government procurement board relates to the expectation that suppliers to government will behave ethically. Among other things, the government's expectation is that suppliers will comply with the various laws that cover their operations.

The other existing procurement principle issued by the government procurement board is specifically directed at the behaviour of public servants. That is passing ironic, although one should not expect too much consistency from this opposition, particularly in the context of their relentless pursuit of some public servants in relation to these matters. The government, unlike the opposition, it seems, believes that we should not expect or accept different standards of behaviour from one side of procurement than we expect or accept from the other. We have issued directions that suppliers must act ethically. It is appropriate that we expect the same for public servants.

This bill would bring these requirements together under one principle and specifically include the requirement in procurement legislation. This approach would complement the requirements of the Public Sector Management Act and standards. The Public Sector Management Act makes provisions relating to the general obligations of public servants, described elsewhere as a code of ethics. The standards include a chapter on ethics that provides further guidance on what constitutes ethical behaviour. That is available for Mr Mulcahy's information—indeed, for anybody that has some concern about the meaning of ethical behaviour.

The current procurement principles are not just words for show. The government procurement board has issued detailed guidelines on procurement principles and a range of circulars to ensure that public servants, suppliers and the general public have a clear and informed understanding of what constitutes ethical behaviour and being an ethical supplier.

The board's publications, which are all publicly available online, include the probity and ethical behaviour procurement circular 2003 to 2006, the case law fair dealing in tendering toolkit and the ethical suppliers principle circular and toolkit. I understand that the government procurement board will be updating the various circulars it has issued to reflect any changes to current arrangements agreed by the Legislative Assembly.

It is for these reasons that the government does not support the proposal to remove the requirement for public servants to act ethically in relation to procurement matters. The government will oppose this proposed amendment.

**MR MULCAHY** (Molonglo) (11.35): I want to say a few words on the amendment. It is easy to misconstrue intentionally the position the opposition has taken on ethical behaviour. I do not think anyone who listened to my previous remarks would reach any view that we do not support ethical behaviour.

The fundamental problem is that what is deemed ethical behaviour by one person may not be deemed ethical behaviour by another. No clearer example exists than the issue of investments where what is ethical investment from the perspective of one individual is not ethical investment from the perspective of others. My colleague

Dr Foskey would have vastly different views from me on what are appropriate enterprises in which to invest such funds. For that reason where there is a degree of uncertainty then a clear level of definition must be required.

I am not satisfied that an objective standard exists in relation to the actions of private businesses. As I indicated previously, I was informed by the officials of Treasury in my briefings that they regarded the principle as meaning merely that they should only deal with suppliers that comply with their legal obligations. Surely, if this is the case, then this would indeed be an objective standard, and should be clearly spelt out in the legislation rather than using the subjective term “ethical”. I would have no issue if these things were clearly defined.

I was also told, as I have said previously, that other government personnel have, from time to time, proposed the exclusion of suppliers on other grounds, such as if the supplier engages in an unethical—not illegal but unethical—line of business. There are a lot of businesses that you may not approve of, and we have seen in the last week a great debate at the federal level over what is legal and what might be ethical behaviour in relation to the business activities of the spouse of the federal Leader of the Opposition. But the fact of the matter is that when you have uncertainty on the definition of ethical, then there is scope for misinterpretation by people who may pursue their own particular agenda.

Whilst I am not seeking to reflect on the public service as a whole, it does happen. I have worked in the public sector. I have worked at senior levels within the Victorian government and I did encounter from time to time people utilising their position in the public service to seek to pursue their own personal agendas. For that reason we have legislation; we have regulations. I thought it was significant that the Chief Minister had to resort to a commonwealth document to find a better definition of ethical because clearly territory documentation is deficient in the way it has addressed this particular term.

I would reiterate that ethical conduct from the perspective of what members on this side of the house would consider ethical is not the issue at stake here; it is the uncertainty and the potential over time. For example, a cleaning contractor who may not have union membership might be classified as someone who is not engaging in ethical behaviour because they do not actively encourage union membership. I am aware that there are examples of that nature. I could imagine some person who had a strong commitment towards the needs of the industrial or labour movement saying, “Well, that is not ethical. They should be out there encouraging every new recruit to sign up to the cause, to join the brotherhood and the like and therefore should not be eligible to receive government contracts.” You can apply that principle across the board.

There are people in this community that would have no hesitation in deeming that unethical behaviour. I do not believe that would be unethical behaviour at all, but it is potentially the sort of activity that could influence the eligibility of businesses to receive government contracts.

The term lacks definition. The Chief Minister takes issue with us questioning the words, but he has within his reach the capacity to include a set of words that would

satisfy the concerns members have raised here. We need to ensure that legislation that passes this Assembly is as clear, as well-defined and as tight as possible and removes as much as possible all scope for ambiguity, that it avoids matters ending up in the courts and avoids the administrators of the territory's affairs, through the public sector, taking latitudes that were not the intention of this Assembly when passing legislation.

Whilst I know court proceedings can reflect back on debate and attempt to interpret from that debate what was the intention of this place, there is a duty, I believe, on the Assembly to ensure that legislation is appropriately drafted to reflect the will of this Assembly. I do not have issue with the intent that the Chief Minister points out, but I do have issues in terms of this legislation adequately delivering that outcome.

In the last session of this place we debated another piece of legislation that had been hurriedly put together—as was this—given insufficient time for consideration and which contained a significant error. It is important, I think, that when the bureaucracy is drafting this material they get it right and that they remove scope for mistakes.

I was unconvinced by the discussions I had in the briefing and the assurances that the concerns I had could be allayed. I believe that the ambiguity requires either removal by way of this amendment, which is what I propose, or if the Chief Minister is of such a mind to more clearly define ethical behaviour, then I am sure the opposition, if that amendment was reasonable, would have no problem in supporting that particular amendment.

**DR FOSKEY** (Molonglo) (11.41): I will not be supporting Mr Mulcahy's amendment. I acknowledge that there is a fair degree of overlap between the definitions of probity and ethical behaviour, but there is not a total overlap and I think it is important to provide more rather than less guidance to public servants, businesses and courts as to what behaviour is being encouraged and enabled by this legislation.

In legal terms, by including the word "ethical" in section 2A we make it a relevant consideration to be taken into account when engaging in procurement activity. There are plenty of examples of legislation which include "fit and proper person" tests. Many of these tests involve what could be described as partially subjective ethical assessments and we should not recoil from enabling such activities.

Although philosophers, most notably in the political sphere Emanuel Kant, Jeremy Bentham and John Stuart Mill, tried hard to pin down some universal moral imperatives and formulae, ethics is in fact rarely able to be quantified. However, there are universal ethical principles arrived at by different means by diverse cultures and we have seen many of them codified in international legal treaties and laws. I do not believe that we can say that those treaties and laws have had an adverse impact on our decision making at the global level. In fact I would argue very much the converse: the world would be a better place if they were given more prominence in determining public and private behaviours.

Fit and proper person tests often include consideration of behaviour that goes beyond a mere catalogue of legal records and include an assessment of patterns of behaviour that demonstrate that a person would be inappropriate for a position or a licence. I do not think the subjective element of ethical considerations should be singled out for

criticism. Risk assessments include large subjective components, but no-one is objecting to risk assessment being made a relevant consideration in section 2A. And what is effective and open competition? How does one quantify whether competition in a particular industry or sector is open and effective? How can competition be open and effective when access to information is necessarily limited by cabinet-in-confidence and confidentiality clauses?

At the margins there are arbitrary and subjective judgments underlying many seemingly clear-cut decision-making processes. When push comes to shove, courts generally take the view that if a decision was based upon relevant considerations and reasonable in the circumstances it was a valid exercise of executive power. I look forward to agencies employing experts in moral philosophy or jurisprudence to advise them on their procurement decisions. I believe that an economic approach which allows for ethical considerations would deliver better outcomes, economically as well as socially and environmentally, than one devoid of them.

I do not think it will necessarily be a bad thing if moral philosophers are called or cited in future court and tribunal hearings as expert witnesses to testify as to what constitutes ethical behaviour. Society would only benefit from broad ranging discussion as to what constitutes ethical behaviour. It is good to see that the commonwealth has a definition, but, as Mr Mulcahy said, that might vary from society to society to some extent, although I think universal principles would apply.

To think that ethical behaviour should only be confined to our private lives and that following orders or undertaking our employment duties absolves us from the moral consequences of our actions has been discredited in many international trials—the Nuremberg trials for one—and remains discredited to the present day.

The issue of how this government invests our superannuation funds is still very much alive and, while I will not elaborate on it today, I remind the government that merely being appalled at corporate behaviour by firms such as Raytheon is an ineffectual response to unethical corporate behaviour, compared to active boycotts. I think there is a very valid argument for the ACT government keeping a list somewhere of firms that it will not deal with because they have been engaged in behaviour that is generally deemed by society to be unethical.

Given that one dictionary definition of probity is “integrity and uprightness; honesty”, I am surprised that Mr Mulcahy has not sought to delete probity as well. Let us consider what is meant by integrity and uprightness. There are many people who are held up—

**Mrs Dunne:** Relevance, Mr Deputy Speaker.

**DR FOSKEY:** especially after their death—

**Mrs Dunne:** We are debating ethics, not—

**DR FOSKEY:** by, say, the Murdoch press—

**Mr Mulcahy:** I raise a point of order, Mr Deputy Speaker. This is not the amendment; Dr Foskey is going to a completely different potential amendment and I invite her to move an amendment if that is what she wants to do.

**MR DEPUTY SPEAKER:** Dr Foskey, I ask you to reflect on whether you are wandering off target there. Please continue.

**DR FOSKEY:** In the opposition's opinion I am wandering off target. There is very good reason—

**Mr Mulcahy:** I raise a point of order, Mr Deputy Speaker. Your ruling is being reflected on there by Dr Foskey and I ask that she be asked to withdraw that comment.

**MR DEPUTY SPEAKER:** Dr Foskey, if you feel that you may have reflected on my ruling, you might want to withdraw. Otherwise, could you just make sure, please, that you remain relevant to the debate. I will let you think about that, Dr Foskey.

**DR FOSKEY:** Mr Deputy Speaker, it is fairly clear that I am arguing against Mr Mulcahy's amendment and I have given a number of reasons for that which perhaps Mr Mulcahy does not agree with. Nonetheless, I will end there and indicate that an economic approach, a financial approach, a financially responsible government that adds ethical considerations to its assessment in decisions around procurement is one that may be serving its citizens better than one that does not.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (11.48): I do not wish to take up time but I just want to point out, in the context of this debate and the amendment to remove the words “and ethical behaviour” as a key consideration in pursuing the overarching procurement principles of value for money, that this is reflected at one level already in the ACT government procurement principles.

I referred earlier to the commonwealth's procurement guidelines, which I think provide a slightly more fulsome explanation of what we understand by ethical behaviour. I think it is quite clear, and the message that is sent by removing this as an overarching consideration in determining value for money really does send a message that I do not believe we can afford to send.

But, in response to the comments that Mr Mulcahy made, I refer him to section 9, I think, of the existing ACT *Government Procurement (Principles) Guideline 2002*, which will be updated. Perhaps I can give Mr Mulcahy some comfort in the advice that the government procurement law does propose, and will release, an updated government procurement principles guideline to perhaps better expand on this issue of what ethical behaviour does mean or incorporate.

It is set out in section 9 and refers essentially to the need for a territory entity to “comply with the highest standards of integrity, probity, professional conduct and ethical behaviour in carrying out all procurement activities”, and then imposes that particular broad requirement on a person who is carrying out a procurement activity



on behalf of a territory entity to perform the task honestly, without favour or prejudice; to spend public money efficiently and effectively and in accordance with the law and government policy; to deal fairly, impartially and consistently with suppliers; to keep confidential all sensitive information obtained as part of the procurement activity; to not have an actual conflict of interest in relation to a procurement activity; and to not seek or accept any remuneration, gift, advantage or other benefit except as may be allowed in the normal course of their duties.

Those are provisions that are currently provided in the guidelines but, as I said in response to Mr Mulcahy's expressed concern about ambiguity and interpretation, the ACT Government Procurement Board does propose to update the guidelines and will in that updating of the guidelines expand on the requirements of ethical behaviour, and I hope that with that updating and expansion Mr Mulcahy's concerns will be allayed.

**MRS DUNNE** (Ginninderra) (11.51): The Chief Minister's exposition there about what is in the guidelines actually brings home exactly the point that Mr Mulcahy was making when he said that the concept of ethical behaviour is an extraordinarily flexible thing. It is false for Mr Stanhope to say that the opposition, and Mr Mulcahy in particular, are the only people who find this term subjective and that they do not understand what is meant by "ethical".

As Dr Foskey mentioned, thousands of years of philosophical debate have dwelt upon the nature of ethics. Dr Foskey talked about Kant. Kant advocated outright altruism and self-sacrifice, but Bentham and Mill advocate the ethics of utilitarianism. Others advocate a whole range of ethical systems. Are we going to have Nitschke and ethics here when we just advocate subjective egoism, or might we follow the precepts of Ayn Rand, advocating rational egoism? How is the Chief Minister, how is the Treasurer, going to define ethics? He admitted here today that this is an expanding definition and that the guidelines will be changed to have further definitions of ethical behaviour.

The definitions cited by the Chief Minister are not in legislation. They will be changed by regulation or by notifiable instrument some time in the future. The whole issue of having these sorts of definitions in regulations or instruments begs the notion of ethical behaviour and terms like probity and legitimacy. These guidelines are subject to change and it is usually the practice in legislation not to have such flexible terms. For instance, in England the courts of equity do not proceed on such subjective terms as ethics; instead the courts have developed rules that seek to avoid subjective terms like this.

It is not that anyone who breaks these guidelines will be deemed by society to be unethical and punished according to society's precepts. They will be deemed to have been unethical in their procurement by some bureaucrat, according to a set of guidelines that does not get any public scrutiny. There are real problems here in the way that we give power to people who have no accountability to the public to make decisions about the way someone has behaved. The levels of definition in this legislation and in the supporting guidelines are so flexible that on any one day no-one will know how the law stands.

This is not to say that members of the opposition are opposed to ethical behaviour—far from it. Although the Chief Minister previously thought that we should have respectful debate on a matter that he wanted to bring forward here about Rhodium, when it came to debating this matter of principle the Chief Minister could not be respectful; he could not have a respectful debate but had to start slinging off about how the opposition, because they had trouble with this amorphous definition, were by definition themselves unethical.

We all have our moral compass, and in this place there are probably 17 different moral compasses. We will all have different definitions of what is ethical behaviour. When 17 people in this place cannot agree on what ethical behaviour is, what guidance are we giving to our bureaucrats who make judgments about their colleagues and about businesses in this community?

Question put:

That amendment No 1 be agreed to.

The Assembly voted—

Ayes 7		Noes 10	
Mrs Burke	Mr Smyth	Mr Barr	Mr Gentleman
Mrs Dunne	Mr Stefaniak	Mr Berry	Mr Hargreaves
Mr Mulcahy		Mr Corbell	Ms MacDonald
Mr Pratt		Dr Foskey	Ms Porter
Mr Seselja		Ms Gallagher	Mr Stanhope

Question so resolved in the negative.

Amendment negatived.

Bill, as a whole, agreed to.

Bill agreed to.

## Rhodium Asset Solutions Ltd

Debate resumed.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (12.01): I seek leave to speak again.

Leave granted.

**MR STANHOPE:** I thank members. The government has previously given notice of its intention to sell the shares of Rhodium, including the management of the ACT government fleet contract.

The Legislative Assembly approved the sale of the territory's shareholding in Rhodium when amendments to the Territory-owned Corporations Act 1990 were passed on 14 December 2006. These amendments allow the responsible minister to nominate a date to remove Rhodium from schedule 1 of the act. The government is unable to sell the shares beforehand as the act stipulates that only a government minister can hold a voting share. The government is also constrained from being able to sell Rhodium shares because of restrictions that are contained in Rhodium's constitution.

I am seeking the support of the Assembly for my motion that will enable the voting shareholders of Rhodium Asset Solutions to issue a revised constitution when the company is to be sold. Clause 21 of the constitution states that the constitution may not be altered in any way that is inconsistent with the provisions of schedule 2 and schedule 3 of the Territory-owned Corporations Act unless and until a resolution approving the alteration or addition has been passed by the Assembly. Clause 21, therefore, has the effect of requiring the Legislative Assembly to agree to the voting shareholders modifying Rhodium's constitution to allow the shares to be sold.

After the final terms of the sale have been agreed and at the date of completion, I will arrange for Rhodium to be removed from schedule 1 of the Territory-owned Corporations Act 1990 and for an amended constitution to be issued in a form that allows the shares to be sold and that is suitable for the new owners of the company. I commend to members of the Assembly the motion that this Assembly approves the voting shareholders of Rhodium resolving to amend the company's constitution to allow the shares in Rhodium to be sold and to give effect to the sale, to which the Assembly agreed in the debate and the legislative amendments which were passed in December 2006.

**MR MULCAHY** (Molonglo) (12.03): The opposition will be supporting the motion and look forward to the eventual sale of Rhodium. The motion is largely mechanical and it will allow for and facilitate the sale of Rhodium, a territory-owned corporation, to a private entity. It is hoped that with the sale of Rhodium, in what is and always should have been an area of private enterprise, we will close another chapter on this whole sorry affair.

The opposition support the sale of Rhodium and indeed, in a wider sense, support the notion that governments should not involve themselves in private enterprise and private business activities. In my inaugural speech in the Assembly on November 2004 I said:

... the path of government at all levels throughout Australia is littered with examples where noted failure has occurred when government has strayed into commercial endeavour and often failed dismally, leaving great expense to taxpayers or ratepayers ...

In my second speech in December of 2004 I said specifically about Rhodium:

... I need to place on record a personal reservation and, indeed, an opposition reservation about government enterprises of any sort which embark on ventures

in direct competition with the private sector, especially when the competitors are often skilled and well-established providers in this area of activity.

I do not quote myself to say “I told you so” to the government, although that would perhaps be justified, but to reiterate the warning that I first delivered 2½ years ago and that is that governments should not involve themselves in private industry and business activities. This is for two reasons. Firstly, as I suggested in 2004, they are poorly equipped to compete with established private enterprises. Private vehicle leasing companies operate in a highly competitive industry and have done so for a long period of time. If they are unsuccessful they fold and are replaced by competitors who can achieve success.

The second reason that governments should not involve themselves in private business activities is that when public money is involved a higher threshold of responsibility exists. What well may be a sensible expenditure for a private company to make becomes difficult for a government-owned entity to justify. The expenditure of public money requires a tangible benefit for the people of Canberra, and the fact that no dividend was declared or paid in the last financial year by Rhodium suggests this benefit has not been produced.

I am conscious of my role as chair of the public accounts committee, which is currently conducting an inquiry into Rhodium Asset Solutions, so I will not detail the litany of examples that serve to demonstrate my point that government should not be involved in enterprise best left to the private sector. Suffice to say that the operation of Rhodium Asset Solutions has not produced a tangible benefit for the people of Canberra.

In relation to the sale of Rhodium, I will touch on a point that has received some coverage in the media: the need to, as far as possible, support the local motor trading industry. Rhodium have carried out a policy of, where possible, purchasing their fleet locally. I understand that over 3,000 of Rhodium’s fleet of some 4,000 vehicles were purchased locally. This is a big chunk of the ACT motor sales market and, if possible, the company that purchases Rhodium should be encouraged to continue supporting the local market by purchasing their vehicles from ACT dealers. Whilst it may be impossible to make this a condition on the sale agreement, I urge the ACT government, as I have done publicly since September of last year, to make a concerted effort to encourage potential purchasers to continue to support the local motor trading industry.

The local industry competes with much bigger markets in Sydney and Melbourne and it is important that the ACT government recognises the contributions of these businesses to the local economy and, if possible, that it facilitates or encourages support for them by the private entity that ends up purchasing Rhodium.

The opposition supports the government’s motion, as I have said above, and looks forward to the sale of Rhodium and to the end of government involvement in an area that is very much best left to private enterprise.

**DR FOSKEY** (Molonglo) (12.07): I am going to oppose this motion—not that my opposition is going to have any impact on its traverse through this house. I want to

oppose it on the ground that there is insufficient evidence that the sale of Rhodium, which is the aim of this motion by Mr Stanhope, will produce the best outcome for the ACT and for management of the fleet available to ACT government.

Perhaps it has been very convenient in a sense, though I do not think anyone would have welcomed it, that there has been so much evidence of lack of probity in the management of Rhodium in that it has provided a reason, an ostensible reason, for the sale of Rhodium. Nonetheless, I suspect that it was always, or has been for a little while, on the agenda; that the government intended to sell Rhodium and that it may have been uncomfortable about this territory-owned corporation for some time.

If indeed the issues that have been talked about in this Assembly and that the Auditor-General identified about the management of Rhodium are the reasons why the government wants to divest itself of Rhodium, I would like to hear those outlined—and I have not yet.

I am concerned, of course, that the proviso that would be necessary to ensure that any new owner continues to assist the ACT economy and society by sourcing vehicles locally is yet again one of those things that, if added to a tender, may be seen as contravening the will of the market. We know that is the case. We have just recently heard Mr Mulcahy arguing somewhat that way in relation to an earlier amendment.

We are moving into unknown territory with the sale of Rhodium. A number of employees are concerned about what their future will be under any new management structure. I believe the potential existed for the ACT government to make Rhodium as a territory-owned corporation one that worked well in every way for us. It was there, was not explored and now we will not know whether it was possible. So for those reasons I oppose this motion.

Question resolved in the affirmative.

## **Training and Tertiary Education Legislation Amendment Bill 2007**

Debate resumed from 8 March 2007, on motion by **Mr Barr**:

That this bill be agreed to in principle.

**MRS DUNNE** (Ginninderra) (12.11): The opposition will be supporting the Training and Tertiary Education Legislation Amendment Bill, which effectively amalgamates the Vocational Education and Training Act 2003 and the Tertiary Accreditation and Registration Act into a new act.

The bill makes few substantial alterations to the existing state of law in this area except to remove reference to the Vocational Education and Training Authority, which as an advisory body was scrapped in the 2006 budget to make way for the Skills Commission. While the opposition support the notion of ensuring that we have ourselves entirely geared up to be responsive to skills shortages, we are still not entirely convinced of the merit of doing away with a range of bodies and supplanting

them with another. The jury is still out on that, but we wish the Skills Commission good luck in their work.

Apart from this, the bill makes a few minor changes by increasing the involvement of the Accreditation and Registration Council in the event of the proposed establishment of a new university in the ACT, which does not seem to be in the offing.

The scrutiny of bills committee made reference to the entry and search provisions in the bill. The committee has general concerns about powers of search and entry, which I suspect I share. But, as these provisions are pretty much replicated out of the previous legislation, I do not intend to make a fuss about them in this instance but, as an Assembly, perhaps under the aegis of the Attorney-General, we should look at our general approach to search and entry powers and whether they are in some cases draconian. The ones in this bill seem to be the template ones for most legislation, but I sometimes wonder whether they are entirely appropriate in all circumstances. They should not be looked at on a one-off basis but in an across-the-board review of how we deal with search and entry powers. That said, the opposition will be supporting the bill.

**DR FOSKEY** (Molonglo) (12.13): This bill puts into place a number of changes that have in effect already happened; so while I do have some concerns I am not convinced that amendments to the bill itself will address those. The bill does three things: it gets rid of the Vocational Education and Training Authority, it incorporates up-to-date references to national protocols for higher education approval processes and it allows for more flexibility in how the department takes advice on post-secondary education.

The Vocational Education and Training Authority was a body with a designated membership. That came with a certain formal transparency and accountability. The membership of the authority, which is to be abolished, includes two employee representatives, two employer representatives, someone from private vocational education providers, someone representing industry training services, someone representing indigenous communities, someone from the parents and citizens council, as well as officials such as the Canberra Institute of Technology director, the department's chief executive and the chairperson of the Accreditation and Registration Council.

I understand that this structure may have been unwieldy and involved some doubling up. It also would have some costs associated with it, and I suspect that its abolition reflects the Costello review approach to cost cutting more than anything else. I have been advised that people out in the field might respond well to the new regime, which promises to be more flexible, efficient and responsive. While there is nothing to stop the government from becoming more transparent and consultative with this new approach, an approach in which the government effectively picks and chooses the people it wants to advise it, nor is there anything to require it.

I think even-handed observers would agree that this government's record on transparency, accountability and consultation is deteriorating and, without any legislative or even policy commitments to such an open approach, I anticipate that

ease and speed and convenience will take precedence and that advice will be sought from friends rather than critics.

The other key issue here is operation of the national protocols for higher education approval processes. While it is probably inevitable that the ACT will simply incorporate them, the National Tertiary Education Union has articulated some common concerns about the protocols themselves and questioned the lack of public scrutiny for applications for university approval. The union argues that the protocols will in effect support a race to the bottom on many occasions and that a broader range of institutions such as university colleges and a lower bar when it comes to research requirements all add to the risk of falling university standards.

In this context we should not underestimate the impact over time of international trade agreements, such as the general agreement on trade in services that Australia has signed up to, that now include services such as education. The bilateral United States free trade agreement is one that is likely to have a significant impact on our higher education sector, and it is an impact that I would at least monitor. Mooted agreements with China and other large economies in our area may well do the same. In this context the protection of the quality and reputation of Australia's post-secondary education industry is of vital importance, and I cannot see how any of these concerns were considered in the drafting of this bill.

I note the response from the education minister to concerns raised by the scrutiny of bills committee. The authority to enter premises is a vexed issue, although I accept the higher level of responsibility as it applies to apprentices and other young people in training. As to the other point, I would have thought it would not have been beyond the capacity of the minister, the department and parliamentary counsel to have added a note about common law privileges rather than simply acknowledging in the letter that it is probably a good idea.

That comment, however, is perhaps the first item on a list for later amendments, which I presume the minister is already putting together. In that context could I suggest that he or his office also look at adding a degree of public scrutiny to new approvals and a commitment to some general public engagement on the annual VET priorities, given that they will be likely to be developed otherwise more in-house.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (12.18), in reply: I thank members for their support of the bill. Both Mrs Dunne and Dr Foskey have drawn attention to the fact that the bill streamlines all the administrative aspects of vocational education and training: policy, service delivery, industry input, accreditation and registration. It is fair to say that a lot of costly duplication of effort has been eliminated. My advice is that the savings achieved from this change are in the order of \$430,000 per annum.

Mrs Dunne made reference to the Skills Commission taking up a whole of government approach to providing skills advice in the ACT. I think it is clear that with the establishment of the Skills Commission and the abolition of VETA the department and the government will continue to source VET-specific advice and will need a VET advisory group. We will establish one that will engage regularly in a

structured faction, with a clear delineation of functions. The role of this group will be to ensure that there is minimal duplication of advice, governance and administrative functions between it and the schools commission.

To address Dr Foskey's concerns, under section 8 (a) of the VET act, this advisory authority is given the function of advising me not only about VET but also about adult and community education. This happens by means of the ACT Adult and Community Education Council being established as a standing committee of the authority.

As the ACT is a signatory to the 2002 ministerial declaration on adult and community education, some functions such as strategic planning for the sector and national reporting do need to be maintained. Adult and community education advice can continue to be effectively sourced from local providers by means of a regular roundtable consultation with the government.

This authority has also been tasked under section 8 (j) of the VET act with promoting equity of access to and participation in VET and this is done by delegating to the department the operations of three equity advisory groups: the Indigenous People in VET Committee, the Women in VET Committee and the Advisory Group on People with a Disability in VET. These groups have ensured that the government is provided with VET advice from these equity perspectives. The Australian government, in its funding negotiations with the ACT, regularly regards equity advice as particularly important and this advice will be maintained through these forums.

In relation to the other amendments, particularly around the approved national protocols for higher education, it is important to note that the revised protocols maintain the overall policy direction of the previous version, with the addition of allowing the approval by jurisdiction of a new type of self-accrediting institution and this new institution, once approved, would be eligible to access Australian government funding similar to a full university.

The revisions also permit approval of a new institution type with access to a modified form of the title "university", and this type of institution must meet the same requirements as a full university under the national protocols. Typical candidates for self-accrediting status are institutions that have demonstrated that they meet the criteria through their track record of approval with a state or territory accreditation authority.

In closing, I note the significant savings that are delivered through this change. It is important that we are devoting our resources to the provision of vocational education and training and not the administration thereof. This bill provides a positive step forward and I thank members for their support of it.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.



## Utilities (Energy Industry Levy) Amendment Bill 2007

Debate resumed from 15 March 2007, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

**MR STEFANIAK** (Ginninderra—Leader of the Opposition) (12.23): The opposition will be supporting this bill. In presenting this bill to the Assembly, the Chief Minister stated:

The ACT government has worked to ensure that the provision of electricity and gas services to the ACT remains of a high quality and that the long-term interests of ACT consumers are protected. Without a secure supply of electricity and gas, Canberra could not maintain its excellent standard of living.

The opposition applaud the government for aspiring to these goals. Indeed, we would certainly seek to pursue those very same goals were we in government. I note from the Chief Minister's presentation speech that the commonwealth and industry have also endorsed this approach. However, I ask: will this initiative on its own achieve the goals to which the government aspires? Clearly, in the case of gas supply there does not appear to be any threat of shortage at this stage. But in the case of electricity supply we already are hearing about rolling blackouts because of the drought.

Whilst the commitment of the ACT through the Australian energy market agreement of the commonwealth and the states and territories to the Australian Energy Market Commission is a step in the right direction, it is only one step. Many more must be pursued if we are to be sure that the future energy needs of Canberra are guaranteed and protected. For example, what is the government doing to explore other energy sources? We have heard talk of a gas-fired power station, but is that the only answer? It may be one answer, but it may not be the only one. What it should be about is looking at a range of options, and this would include things like alternative power sources, partnerships with other governments and the private sector, innovative energy pricing strategies and more effective public education programs on the efficient use of energy by us all.

To its credit, the government has supported building and construction codes that deliver energy efficiency. But should we rest on our laurels? Are we keeping up with technological and scientific advancement and what are the latest trends in building design? A piecemeal approach to ensuring continuity of energy supply to the ACT is not an approach that will deliver the goals I spoke about earlier. The initiative delivered by the energy industry levy bill will contribute to an efficient national energy management structure and it will create cost efficiencies for the ACT government. Importantly, it will preserve the locally regulated safety, technical operations, consumer service and environmental behaviour activities and administration of the levy.

We are pleased to see the cooperation between the commonwealth and the states and territories that the Australian energy market agreement creates. We look forward to

the benefits of a regular and reliable energy supply that the agreement promises to the ACT.

**DR FOSKEY** (Molonglo) (12.26): The Greens will be supporting the Utilities (Energy Industry Levy) Amendment Bill 2007. With regard to the financial cost of the levy to the industry, I note that there will be little change from previous costs and that the formula for calculating the levy will effectively remain the same. While a number of market matters will come under national regulation due to national energy market reform, which the Green senators have significant comment on in regard to the national electricity grid, the ACT Greens are pleased to see that issues such as consumer service and the environmental behaviour of energy and utility providers will remain under ACT government regulation.

In relation to consumer services, I understand that as a result of the dismantling of the Independent Competition and Regulatory Commission, the Essential Services Consumer Council will fall under the responsibility of the Department of Justice and Community Services. I have some concerns about this. For the ESCC to receive its funding, it must make a bid to JACS through budget processes of its expected costs for the year ahead. JACS must then notify the Commissioner for Revenue, who will build the costs into the levy he or she collects from the industry. The Greens will be watching closely to see whether the new process works efficiently and to the benefit of consumers. Previously, the ESCC would have simply used internal ICRC budget processes and notified the ICRC of its expected costs for the year. The ICRC would have built this into the levy it had collected from the industry.

On a positive note, the change in ESCC oversight will see ESCC funding requests included in formal ACT government budget processes and scrutinised by Assembly members and budget estimates committees. The ESCC will also receive three-year forward predictions on its funding. In many ways, the process by which the ESCC obtains its funding will now be more accountable and transparent to the Assembly and the public. Also, since the ESCC will sit within a government department, there is expected to be a greater level of security in its forward funding.

However, the ESCC will have to go through two “middle men”, JACS and Commissioner for Revenue, to obtain its funding, rather than just the ICRC. This adds to the level of bureaucracy the Essential Services Consumer Council must deal with and the number of bodies it must convince of its funding requirements.

I am pleased to see that the ACT government will still regulate utility providers’ local environmental behaviour. In the briefing provided by the Department of Territory and Municipal Services, for which my office is very thankful, we were advised that programs like the current greenhouse gas abatement scheme should be able to fit quite easily into this legislation. We eagerly await the ACT government’s climate change strategy to see whether it will include any new initiatives that could come under this legislation. Of course, that climate change strategy has been promised to us and it looks like the end of May will go by without us seeing it.

The real question is whether the ACT government will make the most of this opportunity and seek to implement further schemes to reduce the greenhouse gas and carbon emissions produced by the energy industry and its consumers.

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

**Sitting suspended from 12.30 to 2.30 pm.**

## **Questions without notice**

### **Arboretum**

**MR STEFANIAK:** My question is to the Chief Minister. Chief Minister, contractors have begun planting trees at the site of the arboretum, with several hundred trees having been planted. The ACT has had water restrictions in place since 2002, except for a brief period in 2005-06. How many trees for the arboretum have been ordered and paid for since the beginning of the project, and when were they ordered and paid for? Will you table this information by the end of the sitting period?

**MR STANHOPE:** I thank the Leader of the Opposition for his interest in the arboretum. It is a very exciting project and a project that I am pleased the opposition continues to have close interest in. I will have to, as invited to by the Leader of the Opposition, take aspects of the question on notice. I acknowledge that I do not have the exact details or the final numbers, but I am more than happy to get those and to provide them to the Assembly, and I am sure I can do that today.

My recollection is that somewhere in the order of 6,000 trees have been ordered. They were ordered some significant time—two seasons—ago. They were ordered before last year's planting season and they were held over for a year. I will have to get the information for Mr Stefaniak, but it was two planting seasons ago, so I would imagine it was at the end of 2005. I imagine it was in late 2005, but I will confirm that.

Let me reiterate now, however, in the context of the drought, water restrictions and the prospect that the territory faces level 4 water restrictions, that to the extent that trees that have been planted have required watering the water has been sourced from the lower Molonglo water treatment plant. Non-potable grey water from the lower Molonglo has been utilised, to the extent that any water has been used, on those trees that have been planted to date.

**Mrs Dunne:** So you decided not to use an illegal bore?

**MR STANHOPE:** I stand by my answer: water from the lower Molonglo has been utilised in the planting of the trees. I do appreciate the interest in this most significant iconic project, a project that I believe, as I have iterated in this place a number of times, represents the most significant investment in tourism infrastructure for some time—indeed the most significant tourism infrastructure investment since the construction of the National Museum of Australia, in my estimation, potentially. The investment, in time, will return to the ACT, through tourism as well as a wonderful community facility or amenity, as much as some of the major investments, such as the investment in the national museum. Second only to that, of course, is this government's significant investment in the glassworks in the old powerhouse.

*Opposition members interjecting—*

**MR STANHOPE:** There is, of course, some interest within the Liberal Party about non-recognition of prior interest in projects and I notice there is a certain degree of knots in knickers, expressed most gracelessly by the shadow Treasurer, about the glassworks and whose idea it was and who invested in it.

*Opposition members interjecting—*

**MR STANHOPE:** At the end of the day the issue is: who made the investment?

*Opposition members interjecting—*

**MR SPEAKER:** Order! Come back to the subject matter of the question, please.

**MR STANHOPE:** The question is investing in tourism infrastructure and I, of course will—

**MR SPEAKER:** The question was about the arboretum.

**MR STANHOPE:** I will conclude on this remark, Mr Speaker: I will willingly acknowledge the prior involvement of the Liberal Party in the glassworks if the Liberal Party will acknowledge its prior support for the prison. Here they are willingly grasping ownership of the glassworks and rejecting absolutely the fact that they supported and initiated construction of the prison.

**MR STEFANIAK:** Mr Speaker, I have a supplementary question. Chief Minister, why are you still planting trees on this site, when the chief executive of Actew is forecasting that we will move to level 4 restrictions by the beginning of July?

**MR STANHOPE:** As I indicated—and as I have mentioned on a number of occasions—the trees were purchased I think two years ago. I will confirm that today, if I can do it today. They have been maintained and cared for in pots since that time as a result of the drought and as we awaited the passing of the drought—something that has not yet occurred. We are utilising grey water from the lower Molonglo to water the trees.

Advice I have is that the prospect of being able to keep the plants alive in their pots for another year represents some challenge. They will become pot-bound. They will potentially wilt and suffer with the prospect of another year in pots. We now face the situation of either leaving them in pots and losing them in any event, or planting them and seeking to maintain them with grey water—just as we are seeking, throughout and across the whole of the ACT, to maintain other trees that we have planted and to keep them alive.

In the context of any discussion about the arboretum, it needs to be understood that over the last five years—I believe it is over the last five years—the government has planted in excess of 4½ million trees. We propose to plant 6,000 in the arboretum. To date this government has planted more than 4½ million trees. I wonder whether you, Mr Stefaniak, are interested in some advice about the dates on which we ordered those 4½ million trees and steps we take in relation to keeping those 4½ million trees alive.

Or are you interested in only 6,000 trees? Are you interested in the 6,000 or do you have an interest in the 4½ million?

In the last five years 4½ million trees have been planted, and we have a regime in relation to some of those different trees, depending on where they are planted. For instance, the Weston Creek arboretum, of which I am very proud—planted adjacent to the Cotter Road; between Cotter Road and Weston Creek—is a lovely little arboretum with a number of species and it has been maintained by the government as we struggle to keep them alive through this drought. They are one other grouping of plants—another arboretum; the Weston Creek arboretum—that we seek to keep alive with some nurturing. In the face of the drought, it is a difficult proposition.

Is anybody seriously suggesting that we should not have planted those trees as the buffer between the Cotter Road and Weston Creek? Of course they are not. These are significant plantings. There were 4½ million trees planted in the last five years. At this stage we propose to complete the planting of 6,000 of that 4½ million in the vicinity of Dairy Farmers Hill.

### **Hospitals—pay parking**

**MRS BURKE:** My question is to the Chief Minister. Chief Minister, on Friday, 25 May, you announced on ABC radio that pay parking at the ACT's two public hospitals would cease at 9 pm that evening. You also made an announcement about building a multistorey car park at the Canberra Hospital. Chief Minister, will you rule out reintroducing pay parking once this multistorey car park is open and operational?

**MR STANHOPE:** No, I will not rule it out. The government has not made a decision. The government consulted broadly with the community and received significant feedback in relation to pay parking at each of our hospitals. The government does not resile from the decision to impose pay parking. We acknowledge and accept that its implementation was flawed. The style and model of implementation did represent serious issues. The implementation was confronting. It caused some significant distress for some utilising our hospitals. In the light of the feedback received, acknowledging the distress and acknowledging the overwhelming opposition to pay as you enter rather than pay as you leave, the government took the decision to discontinue pay parking under the existing model at Canberra and Calvary hospitals.

I admit absolutely and openly that the implementation of this particular policy was flawed. It was not successful. There was widespread community opposition. The government has listened; the minister has listened; I have listened. And we have responded.

It is interesting that the most significant of the responses received focused on the method of payment, not on pay parking per se. The objection was overwhelmingly about the system that was applied. We accept that criticism, that commentary and that feedback. We have listened to it and we have responded.

In the context of decisions that we have taken, I have announced that we will invest \$29 million in a multistorey car park on the Canberra Hospital campus—a significant investment in infrastructure for the hospital which will provide 560 parking spaces in

addition to an additional 500 temporary parking spaces that are being provided now; I think that work is about to commence. There will be an additional 500 car parking spaces adjacent to Canberra Hospital, construction to commence almost immediately. We will commence construction, hopefully, once the design is completed by the end of this year, of a multistorey car park of 500.

**Ms Gallagher:** That is 1,400—500 visitors.

**MR STANHOPE:** We will be adding 1,400. There will be 1,400 car parking spaces added to the Canberra Hospital campus as a result of initiatives the government is taking—in addition to which we are providing a new and better helicopter landing pad as part of the multistorey car park development.

**Mr Smyth:** In the middle of Garran?

**Ms Gallagher:** Still in Garran, up high.

**MR STANHOPE:** Up high, on top, there will be a new helicopter landing pad incorporated into the design of the multistorey car park.

These are significant investments. Once again, they are investments by a government that acknowledges and recognises the major priorities of this community. At its heart, they are health, education, community safety and a range of other priorities in which this government has invested—not like the previous government which was always gunna do something: a government that, had it remained in power, was gunna invest in a glassworks but never quite got around to it; a government that was gunna build a new prison until it got its hands on some polling that said that people are not all that interested in providing facilities for prisoners and said, “Let’s just abandon that little promise or that little undertaking, that little commitment.”

*Opposition members interjecting—*

It is interesting, isn’t it? Here we have them jumping up and down expressing serious angst at churlish behaviour, not acknowledging that they once supported a glassworks. When it comes to accepting the level of their support for the prison, of course, we get a completely different response. Are you prepared to stand up and own up to the fact that in government, for year after year, you endorsed the prison?

**MR SPEAKER:** Come back to the subject matter of the question, please, Chief Minister.

**MR STANHOPE:** I acknowledge that it is not relevant to the question, but it is very interesting, Mr Speaker.

**MR SPEAKER:** Is there a supplementary question, Mrs Burke?

**MRS BURKE:** Thank you, Mr Speaker. And thank you, Chief Minister—such as it was. When was the decision made to cease pay parking in the hospital and when was this decision finalised by cabinet?

**MR STANHOPE:** The decision was made in the recent past by cabinet.

### **Trade delegation to China**

**MS MacDONALD:** My question is to the Chief Minister in his capacity as Minister for Business and Economic Development. Chief Minister, can you advise the Assembly of the outcomes of the recent trade mission to China?

**MR STANHOPE:** I thank Ms MacDonald for a very important question. It was a great pleasure and honour to be associated with the recent trade mission to China. The trade mission included 15 Canberra organisations or businesses, including some of our most significant corporate citizens, and it visited three cities within China in the space of, I think, seven days. The delegation spent two days in Shanghai, 2½ days in Beijing and similarly in Shenzhen.

The businesses that were part of the mission, which included the University of Canberra, Wellspring Environmental Arts and Design, Airsine Pty Ltd, Inland Trading, Yellow Edge Pty Ltd, Ruleburst, Perpetual Water, ACT Education and Training Pty Ltd, John Walker Crime Trends Analysis, Lambert Vineyards, ACTECH Australia Pty Ltd, the Hindmarsh Group and Snedden Hall and Gallop, were involved in a series of targeted meetings organised in consultation with them by Austrade, the mission facilitators. I believe that the involvement of Austrade in both the delegation to China and the delegation to India has procured very significant results or returns to the ACT, and indeed for businesses that were involved in the delegations and more broadly.

The meetings for businesses that were members of the delegation were finely targeted, and each of the businesses and organisations that were part of the delegation have reported very positive outcomes from each of the meetings that were held. Up to three meetings a day generally were scheduled for each of the business members of the delegation. In the context of three cities over a week, it was a frenetic and highly demanding program, with each of the businesses attending, on average, three separate meetings each day organised by Austrade. This represented a mammoth effort by Austrade.

There is no doubt that China, with its incredible growth and the strength of its economy, will match, if not lead, the United States of America in economic growth and strength. It really is a signal to all jurisdictions in Australia, most particularly us, as we seek to strengthen our export capacity and our economic base that we should seek to establish partnerships within China.

It was the first time that I have been involved in a visit to Shenzhen. Shenzhen is very much a powerhouse of Chinese industry on which we, as a jurisdiction, should in future increasingly focus our attention. Shenzhen province, with a population of 130 million—approaching one-tenth of the Chinese population—is the economic powerhouse of China. Thirty per cent of China's industry is located within Shenzhen and in Juanghou. It is an area where there is great potential for the ACT and ACT businesses.

It is for that reason that I was particularly pleased in Shenzhen to be involved in the opening of a Canberra commerce office, a partly owned joint venture subsidiary of Snedden Hall and Gallop with Waratah International, an ACT-based business which has major paint interests within Shenzhen. It is providing a tremendous service for any ACT-based business that wants assistance, such as an office or a place to plug in a laptop. It provides assistance with translation, making contacts and simple assistance and direction on the ground. I believe that the Shenzhen Canberra commerce office represents a great opportunity for all Canberra business interests in gaining a foothold to explore the opportunities which China broadly, but most particularly Shenzhen, offers to ACT business.

I will report more fully to the Assembly. I have asked each of the participating businesses to provide me with a summary, if they wish, of their reflections, and I am happy to table those when I report to the Assembly next week.

**MS MacDONALD:** I have a supplementary question. How has the trade mission advanced plans for the Canberra leg of the Beijing Olympic torch relay?

**MR STANHOPE:** I did meet in Beijing with the president of BOCOG, Mr Liu Qi, and the party secretary of the Beijing municipal branch of the Communist Party of China. Not surprisingly, the major feature of the discussions with Mr Liu was on issues around the torch relay. I expressed to Mr Liu the honour which I and the people of Canberra felt in being acknowledged by BOCOG as the only Australian city—indeed, one of only 22 cities in the world—that will participate in the Olympic relay. I think that is very significant. It is significant that China recognised the capital of Australia, as it recognised the other 21 participating cities as capitals of the nations also similarly honoured. I think that it is a reflection of the nature of the relationship between China and Australia. Indeed, it is perhaps interesting to look in another context at the 22 nations that China has chosen to recognise through the Beijing Olympics torch relay.

The relay represents a very significant opportunity for Canberra. I do not think that we can understate it. It is very important that the community of this place and the community generally work together to ensure that we maximise the opportunity which the Beijing torch relay represents for Canberra and the ACT in terms of international profile recognition and, indeed, the enormous tourism potential that would flow from, I think, perhaps the second-to-none exposure that the ACT will receive through this relay—five hours of direct telecast to China and around the world with 80 runners traversing, one would imagine, the most iconic and beautiful parts and places within the ACT.

Interestingly, Shenzhen and southern China represent the second fastest growing population in terms of international tourists to the Australian Capital Territory. There has been a 171 per cent increase in tourists from China in a very short span of time, the majority of whom have been sourced from southern China. Any exposure of Canberra to China and, indeed, those other places throughout the world will, I believe, reap enormous benefits for Canberra. It is something on which I am hopeful that the community will get together and there will be significant partnerships between the government and the business community and the community at large, including our



schools, to ensure that the torch relay through the ACT presents a second-to-none opportunity for advancing internationally the recognition of Canberra as a beautiful city, the national capital of Australia and a place to visit.

I had extensive conversations with the president of BOCOG, visited the site of the Olympic stadium and met with the deputy president and discussed some of the issues around the management and administration of the relay, a discussion which was very well received, very cordial and very productive. It was a great honour to be associated with the planning of this very significant event.

### **Narrabundah Long Stay Caravan Park**

**DR FOSKEY:** My question is also to the Chief Minister and is in regard to the Narrabundah Long Stay Caravan Park and the cost to residents and to the Canberra community of the proposed land swap with Dytin. A year ago tomorrow, Koomarri offered \$1.5 million to assist the government in buying back the park. In reply to a question on notice, I understand that Koomarri has returned \$750,000 to the government. Can the ACT community expect to receive more funds from Koomarri to counterbalance the significant costs incurred by the territory, and, if not, why not?

**MR STANHOPE:** I thank Dr Foskey for the question. Negotiations with Dytin continue. They are quite involved; they are perhaps a touch more protracted than I or my officials initially imagined they would be. I might say, without any judgment, that the protracted nature of the discussions has to some extent something to do with the NCA. As you are probably aware, there is a planning overlay which brings into influence the NCA and some of its planning imperatives in relation to this particular site. So there is a further government and a further agency involved in negotiations between the ACT government and Mr Zivko, and the issues are not as simple as they might on the face appear to be. But we are working our way through each of those issues as they arise and I am still hopeful of an outcome.

I think you are probably aware of recent reports which note that the leases or the licences of occupants have been formalised. There is at least one year's grace in terms of security such as it exists.

In relation to payments by Koomarri, Koomarri did pay, I think, half of the moneys received. I would have to confirm the amount, the quantum, but my understanding is that Koomarri paid half of the quantum of money it received for the sale. The government felt that was appropriate and generous. It needs to be remembered that Koomarri managed that facility for five years. The attitude I adopt to this is that it is quite reasonable for Koomarri, through the retention of some of the proceeds of that sale, to essentially be recompensed for five years of investment in the management of that facility.

We might each have a view about certain aspects of the arrangement and of the nature of its resolution. I am aware of criticisms of some about the matter—perhaps criticisms of almost everybody involved in it at one stage or another. But I believe the response, most particularly by the previous government and the then minister, Mr Smyth, who entered into the deal and created the mess that we were left to

resolve—it had Mr Smyth's fingerprints all over it—was another doozy of Mr Smyth's.

Having said that, Koomarri entered into that flawed arrangement with the previous government in good faith. Koomarri at least acted in good faith. They entered into the arrangement in good faith, they managed the caravan park for a number of years, and I believe it is reasonable and appropriate for Koomarri to have retained some of the proceeds of that sale. In fact, I believe their decision to repay a significant portion of those funds to the government, which was not required at law, was a very generous gesture by Koomarri and I am quite satisfied with it.

**DR FOSKEY:** I have a supplementary question, Mr Speaker. What personal costs will residents of the park incur if the land swap deal with Dytin does not proceed or reach an effective conclusion, or will the territory need to carry that cost as well?

**MR STANHOPE:** I acknowledge, as I believe anybody has to acknowledge, that until the deal is finalised there is capacity for the deal not to proceed. That is the nature of any deal. It has not been finalised. There is always the capacity for any deal that has still to be finalised, is still in negotiation, to not conclude. My belief and hope is that it will be satisfactory, that the land swap will proceed, that the issues that have been raised, particularly the planning concerns raised by the NCA, are resolvable and that the land swap will proceed as quickly as we can possibly achieve it. That is the basis on which we are currently operating.

I, of course, do have in the back of my mind, as always, that we might not achieve that result. I fully expect that we will, but we might not, and, if we do not, that of course would mean that Mr Zivco would remain owner and landlord. He previously has given some indication of what his resultant response would be, and the government would then have no option but to reconsider how to best deal with the issue that we faced and with which we had been presented.

I have previously indicated that one of the options that we would consider is compulsory acquisition. It is idle of me to speculate on who would pick up the costs to the residents in the event that the land swap fails, because the government would then have to go back to taws, back to square one, and reconsider its own response and reconsider the options potentially available to it. Of course, one of those options always has been and will be the capacity to compulsorily acquire the site, and we would, of course, then consider that. But that is highly speculative and hypothetical. At this stage we expect the land swap to proceed and to be finalised.

### **Emergency Services Authority—Mr Peter Dunn**

**MR PRATT:** My question is to the Chief Minister. Chief Minister, your government committed to implementing all the recommendations of the McLeod report, including the establishment of a separate emergency services organisation. Last year you made a budget decision to return the ESA to the Department of Justice and Community Safety, going back on your commitment of August 2003.

On ABC radio last week, Mr Peter Dunn, the former commissioner of the Emergency Services Authority, said that he had no option but to resign from this position because,

with the stripping of the ESA's independent authority and its return to the department of JACS, his position had become "intolerable". Chief Minister, why did you allow the position of commissioner of the independent ESA to become intolerable?

**MR STANHOPE:** I do not accept that at all. Neither I nor any of my colleagues made Mr Dunn's position intolerable. If he found it intolerable, then that was a matter not of my doing. Mr Pratt, in his question, made a number of assumptions or suggestions in relation to decisions that the government has taken in these matters. It would be far more appropriate for the relevant minister, the minister for emergency services, to respond. I ask my colleague the minister for emergency services to do so.

**MR CORBELL:** It is important to stress that Mr Dunn also said in his interview—which Mr Pratt does not like to mention because it is not convenient to his argument—that he accepted absolutely the right of government to make decisions about how to best organise its agencies. Of course, Mr Pratt does not mention that. If he were to mention that, he would understand that Mr Dunn accepted the role of government to make these decisions and to decide the best way to organise the administrative arrangements for any particular agency, in this case the ESA.

It is worth putting on the record again that the ESA has its operational independence guaranteed. It has that guaranteed in legislation. The commissioner and the chief officers have certain powers outlined in legislation. That legislation is unchanged—unchanged since the change to the structure of the authority to an agency in the middle of last year. So operational independence is maintained. Mr Dunn accepted the government's prerogative to make administrative arrangements in ways that it deemed to be the most efficient for the taxpayer.

Let us remember one of the primary issues that the government was seeking to address: an agency that had received budget increases of over 50 per cent on recurrent occasions but was still blowing its budget by \$5 million to \$6 million every year. There was a \$5 million to \$6 million budget blow-out every year, despite the fact that its budget had increased by over 50 per cent, or in the order of \$20 million to \$30 million over that period. Those were the issues the government was seeking to address.

Mr Dunn's comments are no surprise. He clearly took the view that he could not advocate an agency within the organisation given that he had been an advocate for an independent authority. That is an entirely reasonable position for him to take. The government has no disagreement with him on that. That is a personal matter for Mr Dunn.

The government has strong confidence in the arrangements now in place. We are seeing the budget issues brought under control. We are seeing greater focus on those services that are focused on frontline support for our paid staff and our volunteer staff in our emergency services. The government will continue to work with our volunteers and with the members of the ACT ambulance and fire service to make sure the Canberra community has the resources it needs to provide it with protection in the event of emergency or accident.

**MR PRATT:** Mr Speaker, I have a supplementary question. I am not sure who will take this question—the Chief Minister or Mr Corbell. It does not really matter. On what basis did you and your cabinet colleagues decide to repudiate one of the McLeod report's fundamental findings that the ACT's emergency services organisation must be an independent statutory authority?

**MR CORBELL:** I have just answered that question.

### **Economy**

**MR MULCAHY:** My question is to the Treasurer. Since the March quarter of the last financial year, the consumer price index has increased by 2.4 per cent. Over the same period, the wage price index has increased by 4.1 per cent, 71 per cent more than the CPI increase. Treasurer, in answer to a question asked of you in June last year, you anticipated that the difference between the WPI and the CPI would be just 0.7 per cent, less than half the actual difference. Treasurer, what will this difference mean in terms of revenue generated? Can you cite any other government in Australia that increases its fees and charges according to the WPI, as this government does?

**MR STANHOPE:** I thank the shadow Treasurer for continuing to highlight those areas of revenue which the Liberal Party, in government, would propose to dispense with. I am surprised, having learned from the ABC last week that Mr Pratt has promised \$1 billion for a light rail system for the ACT, that, a week following a promise from the Liberal Party to—

**Mr Stefaniak:** Sorry, wrong again.

**MR STANHOPE:** I heard it on the ABC last week. Mr Pratt has committed \$1 billion for light rail. I am fully expecting—and I hope that I do not have to wait too long—Mr Pratt to publicly thank Mr Corbell for providing a route from Belconnen to Civic for the light rail to run down.

**Mr Mulcahy:** I take a point of order, Mr Speaker. As entertaining as this fantasy is, I did ask a question about the WPI and the CPI, and the answer does not seem to be at all relevant to the question.

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

**MR STANHOPE:** I believe that the comment I make is relevant to the question, Mr Speaker. Mr Mulcahy has again signalled that the Liberal Party, if it ever achieves government, would reduce revenue in relation to the CPI as opposed to the wage price index. I think it is relevant, as the opposition continues to line up. Mr Pratt has announced, and not been criticised or contradicted by his leader or the shadow Treasurer, that the fire levy will be abolished.

**Mr Smyth:** I take a point of order, Mr Speaker. Under standing order 118 (b) the minister cannot debate the subject. He has to answer the question, and the question was about the difference in dollar terms and whether the Treasurer can identify any other governments.

**MR SPEAKER:** Stick to the subject matter of the question, Chief Minister.

**MR STANHOPE:** Mr Speaker, the shadow Treasurer has indicated his dissatisfaction with this revenue measure—the CPI as opposed to the wage price index—and he has indicated that he does not support our payroll tax regime. Mr Pratt has stated unequivocally and absolutely that he will abolish the fire levy. Mrs Dunne has indicated that she will abolish the water abstraction charge.

**Mrs Dunne:** On a point of order, Mr Speaker: the Chief Minister is constantly ignoring your rulings about relevance. He is actually expressing a lack of confidence in you by ignoring your rulings. You need to do something about that.

**Mr Mulcahy:** Speaking to the point of order—

**MR SPEAKER:** There is to be no debating of a point of order.

**Mr Mulcahy:** Can I speak to that point of order? I remind the Chief Minister that the two things I sought were details of the extra revenue generated and details of the other states and territories that have the WPI.

**MR SPEAKER:** Chief Minister, stick with the subject matter of the question.

**MR STANHOPE:** Thank you, Mr Speaker, but I do believe those comments are relevant. The government has maintained consistently in relation to the wage price index as opposed to the CPI that it is an acknowledgement that services must be paid for, that government services as delivered and delivered generously in the ACT by all governments since self-government have, at the end of the day, to be paid for.

The essential proposition of Mr Mulcahy in relation to his opposition to the wage price index as a measure of increase ignores the fact that the difference between the CPI and the wage price index, to the extent that the wage price index is higher than the CPI, is a difference or a cost that the government simply must absorb in relation to any service delivery, in relation to any staff. That is exactly what you are saying. What you are saying in relation to your opposition to the position adopted by the government in relation to the wage price index as a measure of increases in charges is that you, in government, would simply absorb the difference, that to the extent that wages are above—

**Mr Mulcahy:** It has happened for many years. Everyone else does.

**MR STANHOPE:** “Everybody else does,” says this great economic manager. Everybody else does it, so Mr Mulcahy and the Liberal Party will do it. They will absorb all increases in cost borne by a government between the CPI and the wage price index. That would be in the face—and this is the relevance of the digressions I make—of a spending promise of \$1 billion by Mr Pratt to construct a light rail network throughout the ACT, including on Mr Corbell’s designated busway. How about the irony of that! There has been a raft of promises.

*Opposition members interjecting—*

**MR SPEAKER:** Order! Members of the opposition will come to order. Chief Minister, stick to the subject matter or we might as well move on to the next question.

**MR STANHOPE:** I will conclude on the point that the government's position in relation to that is reasonable and reflects reasonably to the community the real cost, the true cost, of government service delivery.

**MR MULCAHY:** I have a supplementary question for the Treasurer. What impact will using the WPI as an inflator have on the generally accepted overall inflator, the CPI, and therefore on the ACT economy?

**MR STANHOPE:** I do not have a percentage effect, but it will have a very minor effect. That is actually illustrated in answers and examples I have given in relation to the difference overall between applying the CPI as opposed to the wage price index. At the heart of the distinction is a decision that this government took last year: that in the delivery of services to the community it would reflect the actual and real cost of their delivery and not provide subsidies on the side, as the opposition did in government to continue to disguise the actual and real cost of providing services to the community. Last year, we took a decision as a government—a decision that you in government never had the courage to take—to do just that, to ensure that in the provision of services there was some link with reality in relation to the community's capacity or the government's capacity to pay.

Mr Mulcahy, on behalf of the Liberal Party, suggests that they would return to the days of saying, "It costs more than this to deliver but we will somehow absorb the extra cost." They would provide a service taking into account the CPI which does not reflect the true cost of the provision of the service because the true cost is the cost of wages in almost every government service. We all know that. What is the cost of service delivery? The cost of service delivery is wages. The cost of education is the teachers. The cost of health is doctors and nurses.

**Mr Mulcahy:** It is only part of the cost.

**MR STANHOPE:** It is only half the cost! That shows what he knows about the government's accounts. The cost of teachers is half the cost of education, Mr Mulcahy says, displaying his ignorance. The cost to government, to the community, of the delivery of services is, by and large, the cost of wages. Mr Mulcahy says that the Liberal Party, in government, would be prepared to fudge it, that it would be prepared to pretend that it could absorb it, particularly in an environment where it would be abolishing taxes and charges left, right and centre, that it would provide those services consistent with a ratio or a regime based on the CPI as opposed to the wage price index and ignore the difference, whatever it would be, because it would only be little.

To take it back to your argument, the greater it is, the greater the burden to government; the greater the extent to which the costs are not recouped, the greater the extent to which the government must find the moneys for that service delivery somewhere else. You go around continuing to insist that you will be abolishing the fire levy, that you do not accept the wage price index, that you do not like the payroll

tax regime, that the water abstraction charge is unconstitutional, and that the utilities charge is an outrageous grab for cash.

You cannot stand up and continue to repeat these criticisms week after week after week and then at the end of the day, as you come into government, say, "Oh, that was just in opposition. We just said that we would abolish the fire levy, we just said that we would adjust the payroll tax, we just said that the water abstraction charge was unconstitutional, and we just said that the utilities charge was a grab for cash, but we never intended to abolish them or change them." That is despite the fact that you have said bluntly that that is what you intend to do. You have agreed to abolish in the order of \$100 million worth of taxes, charges and revenue. It is up to \$100 million.

**Mr Mulcahy:** Rubbish!

**MR STANHOPE:** Stand up today and say that it is not true.

### **Taxis and hire cars**

**MR GENTLEMAN:** My question is to the Minister for Transport. Minister, in consideration of the ACT community's angst with the performance of the taxi and hire car industry in Canberra, what efforts has the ACT government made to assist reform in that industry?

**MR HARGREAVES:** I thank Mr Gentleman for the question. In 2005-06, the government implemented some of the most significant reforms of the public passenger industry since self-government. These reforms have moved the industry from a focus on protecting taxi and hire car licence values to a healthier consideration of the future of the industry and meeting customer needs.

I turn to hire car reforms. The government's transport reform program commenced in July 2005 with the buyback of hire car licences, providing a much needed boost to the then ailing hire car industry. The method of licensing hire cars changed from private ownership of licences to the government's leasing licences to the people who actually operate the services.

An unlimited number of hire car licences are available for lease from the government at a lease cost of around half what operators were previously charged by licence owners. The number of licensed hire cars has increased by approximately 50 per cent since the changes were made. The government has made the most significant change to the regulation of the hire car industry in over 30 years in a way that balances the needs of taxpayers, consumers and licence holders.

The government has recently agreed to allow hybrid vehicles to operate as hire cars in the ACT. Hybrid vehicle technology uses a conventional petrol or diesel engine supplemented by electric power. This means that the vehicle is able to have a smaller engine, offering better fuel economy and lower vehicle emissions. It is important to ensure that there are not barriers to the public transport sector using green vehicles.

I turn to taxi industry reforms. In February 2006, the government announced its taxi licence release program to ensure that the taxi industry remains viable and responsive

to consumer needs. Forty new licences have been released due to the level of demand. The new licences are issued on six-year leases from the government through a ballot, marking a clear break with the previous practice of auctioning perpetual licences. Most perpetual taxi licences are owned by passive investors and leased to taxi operators for a fee of between \$20,000 and \$25,000 a year. The government's releasing leased taxi licences directly to taxi operators gives operators more control over their businesses.

The government released 10 leased taxi licences at a ballot in April 2006, a further ballot of 10 licences was held in August 2006, and this month a further 20 licences were balloted. The 170 applications for the most recent ballot indicate strong demand to take up taxi licences. The annual fee for the leased licences, at \$20,000, is at the lower end of the range of lease fees charged in the market by private taxi licence holders.

In addressing ongoing service quality issues, the Road Transport Authority has approved new minimum service standards for taxi networks, which became effective in February 2006. The minimum service standards establish enforceable standards for, amongst other things, taxi waiting times, telephone response times and complaints handling. A failure to meet the standards could result in disciplinary action being taken, including imposing financial penalties.

A second taxi network, Cabxpress, was accredited earlier this year by the Road Transport Authority. The introduction of a new network will bring competition to the ACT taxi industry and should result in an improvement in the efficiency of taxi services for customers.

The wheelchair-accessible taxi reference group reported in September 2005, and all 39 of the reference group's recommendations were accepted by the government. Considerable progress has been made in implementing those recommendations.

The department organised two WAT focus groups in March 2007. A total of 27 participants attended the groups. The purpose of the WAT focus groups was to assess whether there have been any improvements to the WAT services since the WAT reference group recommendations were accepted 18 months ago and to identify any new issues that have arisen. The Road Transport Authority has approved new minimum service standards for taxi networks, including a requirement for the micro management of hirings for wheelchair users.

In the 2006-07 budget, the government funded an expansion of the lift fee program, under which WAT drivers are paid \$10 for lifting a wheelchair. Lift fee payments are now made for wheelchair hirings which are recorded with the network and for which a taxi subsidy scheme voucher is not used. TSS vouchers already attract a lift fee.

With the new network coming online and with the additional plates out there, we are hoping that the industry itself will respond and provide a much needed improved service to people in the ACT.

**MR SPEAKER:** Is there a supplementary question?



**MR GENTLEMAN:** Yes, Mr Speaker. Minister, what have the reforms delivered for the Canberra community?

**MR HARGREAVES:** Mr Speaker, I apologise for my voice. I am just hoping that I do not follow in Mrs Burke's footsteps. The reforms deliver a number of benefits to the Canberra community. In particular, for hire cars, in redesigning the regulation of the industry the focus is to ensure that the industry meets community objectives of safety, consumer protection and choice, and transport efficiency—not to protect licence holders' investments.

By offering hybrid vehicles with low greenhouse emissions, those in the community who are environmentally conscious have the choice of travelling in a green vehicle.

More hire cars are now available for hire. Clearly, hire car operators have welcomed the significant reduction in the cost of a hire car licence, the availability of the additional licences and the opportunity to enhance their services. New operators have also entered the industry.

This industry is a totally deregulated one. We have not seen an explosion of hire cars in this system. We have not seen a dramatic reduction in the incomes of those operators. What we have seen is a very healthy industry responsive to the needs of Canberra consumers. And that is all down to the initiatives that this government introduced.

In relation to taxis, competition in the taxi industry should result in an improvement in the efficiency of taxi services for customers and in operators being more responsive to consumer needs. The micro management of hirings for wheelchair users has improved services for people in wheelchairs. In recent times, we have seen a significant increase in the service. The waiting times have been dramatically reduced and reliability has been increased. Of course, it was this government that put \$100,000 into the micro management of that system.

The community consultation with WAT users through focus group discussions and the reference group has enabled the community to report on service standards and to identify new issues. Again, the conversation between this government, the community and the people who rely on this particular part of the transport system has, I believe, resulted in a much better product.

The taxi subsidy scheme initiative provides a further subsidy to TSS members as the waiting time fee cannot be charged while the wheelchair is being lifted and should make WAT services more sustainable. In increasing the fee to \$10, what we have in mind is to assist the operator by making sure that the arrangement is still economically viable and make sure that the passenger is not disadvantaged. The introduction of single WAT vehicles allows for a more comfortable and safer ride for wheelchair users.

We have introduced 40 new taxis onto the roads since the beginning of 2006. I would like to commend the industry for its enthusiasm. Some 170 people put their names in the ballot for 20 licences. That shows that there is a very healthy interest out there in

what is a very viable industry. However, we still see delays in waiting times for people being picked up; we still see incredibly long queues at the airport, at the cinemas and at the restaurants around town.

We still see people complaining about the service in terms of the booking systems. Let me signal very clearly that we believe that our initiatives around the taxi and hire car reforms since 2006 have produced the goods but maybe it is not over yet; maybe we need to go another couple of steps in the deregulation of this industry. If those in the industry lift their game, we will not have to do anything, but if they do not lift their game there may very well be more taxi plates on offer.

### **Budget—estimates 2007-2008**

**MR SESELJA:** My question is to the Treasurer. Treasurer, as you would be aware, it is traditional for the Treasurer to appear early in the estimates process to explain the context of the budget. Last week on ABC radio you denied that you were unavailable for the first week of estimates due to an overseas trip, as claimed by Mr Smyth. You said, “This is his story this time that I will be travelling overseas.”

However, the estimates committee secretariat advised its members in an email:

While it would be appropriate to have the chief minister start the proceedings unfortunately it is not possible this year. The committee office began negotiating the draft timetable in February and was advised, at that time, that the chief minister would not be available during the first week of estimates hearings due to an overseas trip that had been planned for some time.

Treasurer, what advice did your office provide about your availability for estimates and when did your office provide this advice?

**MR STANHOPE:** I think that advice was provided in February, as just detailed in the email, but the advice is no longer correct.

**MR SESELJA:** I ask a supplementary question. Treasurer, will you now make yourself available to appear before the estimates committee early in the first week, given that you have advised now that you will be in Canberra during that week?

**MR STANHOPE:** I did not say I would be in Canberra that week. The answer is no.

### **Arboretum**

**MRS DUNNE:** My question is to the Chief Minister and minister for water, environment, climate change, Uncle Tom Cobbley and all. The ACT is in the middle of the worst drought for at least 100 years, at which time you made a decision to establish an arboretum and have now gone ahead, against advice, with planting some of the plants that you have bought. Today, Chief Minister, you announced that you were using water from the lower Molonglo water quality control plant to water those plants and that you were not going to proceed with a bore which would have been in contravention of the 2005 bore moratorium.

Minister, why have you decided to plant the trees in the arboretum despite the worst drought? How much water are you using from the lower Molonglo water quality control plant, and at what cost?

**MR STANHOPE:** I thank the member for her question. The difficulty with questions like this that are based on false statements is that it is really difficult for ministers to respond to questions that contain falsehoods, such as Mr Seselja's just did, suggesting that I had just said that I would be in Canberra during an estimates week. I have never said any such thing. Then we have this question: "You have planted trees against advice. You have just advised the Assembly that you will no longer proceed to use the bore." That is pure fiction. I did not say that I would be in Canberra that week. At no stage have I said that. It is just not true; it is false.

It is difficult to answer questions based on these falsehoods. We have just had a question, the preamble to which said, "You have just advised," in question time today, presumably, "that you will not proceed to use the bore." Who else here remembers me saying in question time today that I had just announced that we were planting trees against advice and that I had just announced that we would not use the bore? Who else in this chamber remembers or recalls me saying any of the three things that have just been attributed to me, the three falsehoods that have preceded questions? It is impossible for ministers to answer questions based on lies.

**Mrs Dunne:** I raise a point of order, Mr Speaker. Mr Stanhope just called Mr Seselja and me liars.

**MR SPEAKER:** I don't think he did.

**MR STANHOPE:** I did not.

**Mrs Dunne:** He said that he could not answer questions based on lies. That is tantamount to saying that Mr Seselja and I are liars.

**MR SPEAKER:** It is fair to draw your attention to the imputation. I ask the Chief Minister to withdraw that.

**MR STANHOPE:** The *Hansard* stands, of course, and I would be happy to review the *Hansard*. If Mrs Dunne is standing up now to say that she did not lie, I would be happy to review the *Hansard* now and to come back—

**MR SPEAKER:** Chief Minister—

**MR STANHOPE:** after I have reviewed it and move a substantive motion. I withdraw it for the time being. I will review the transcript.

**Mr Smyth:** No, no, no, that's not the form; it's withdraw. You were ordered to withdraw.

**MR SPEAKER:** It is withdrawn.

**MR STANHOPE:** I just withdrew it, and I am informing members who might wish to correct the record of an option open to me later today.

**MRS DUNNE:** Mr Speaker, I have a supplementary question. Chief Minister, how much water is the department using from the lower Molonglo water quality control plant and at what cost? Will that privilege be extended to people in the territory who need water, for instance, for the maintaining of ovals so that our children can play sport?

**MR STANHOPE:** I have seen advertised for months now suggestions by Actew that water from lower Molonglo is available free of charge to anybody with a tanker with the capacity to collect it.

**Mrs Dunne:** What about the cost of transport? How much is it costing? Tell us how much it costs.

**MR STANHOPE:** We now have a question about the capacity to access free water from lower Molonglo. This was the question: will members of the community or others be able to access free water from lower Molonglo? It has been available for months. It has been advertised fully by Actew for months. I guess that is your question. I do not know which shadow portfolios any of you have any more after the recent unpleasantness; I think Mrs Dunne had some association with the environment at some stage, did she not?

At some stage we need to address some of the issues around the reasons for some of the recent changes in question time, if you would just give me a slightly more inviting question. I can go to the reasons why perhaps Mr Pratt lost police. We assumed it was because of his refusal to advocate for the construction of a gallows at Alexander Maconochie Centre.

**Mrs Dunne:** Mr Speaker, I rise on a point of order—

**MR SPEAKER:** Order! Come back to the subject matter of Mrs Dunne's question.

**MR STANHOPE:** In response to Mrs Dunne's supplementary question, I will add to the question I received from the Leader of the Opposition on the arboretum—questions in relation to the specifics around quantum, cost and origin of water used. I thought I had done that in relation to Mr Stefaniak's question.

There are a number of issues. I do not have the detail available to me. I do not have the information about when the plants were ordered, how long they have been sitting in their pots, the amount of water used, and issues around the bore and water from lower Molonglo. I will get all the details about costs, times orders were issued, when the plants will be planted, how much water they consume, where the water is coming from and how much the water might cost, et cetera.

Quite a number of trees have already been planted. It is certainly the government's intention to water them in the future with water from lower Molonglo. I believe that is where all the water is being sourced. I will check every aspect of the water: its origin,

where it has come from, how much it is costing, et cetera. I will provide that as soon as I can.

### **Electricity—blackouts**

**MR SMYTH:** My question is to the Chief Minister and Treasurer. ActewAGL has spoken of rolling blackouts in Canberra suburbs in coming summers if there are problems with electricity supply caused by the drought. A number of people rely on a constant supply of electricity for life-sustaining medical equipment such as home kidney dialysis machines and continuous ventilation devices. What planning has the ACT government done to ensure that people in this situation will be catered for in any planned rolling blackouts?

**MR STANHOPE:** I thank Mr Smyth for the question, which is about a very important issue. There is a prospect or a possibility that there will be a need for load sharing, as it is euphemistically called, in either the coming summer or perhaps the summer after if the drought persists. There has been a significant reduction in generating capacity within the Snowy and particularly within Queensland as a result of a lack of water. That has impacted on price. At very high load points, particularly in summer, particularly in northern regions where there is a very heavy use of air conditioners, involving system overloading, that is a possibility. At this stage, the view of Mr Mackay of ActewAGL is that he believes that that is not a particularly strong possibility in the coming summer but it is a possibility. Of course, there has been detailed planning for those scenarios.

The issue which Mr Smyth raises is, of course, an issue to which attention has been given. There are currently in place arrangements, even were there some other incident not associated with blackouts relating to the drought, but if there were some other cause of a blackout and there were significant blackouts in the ACT, there is in place now a regime. I do not know the technical details, but I have been assured that it is in place, that there is a regime that has identified all of those people dependent on electricity in the circumstance that Mr Smyth describes, of life-sustaining treatment or equipment, to ensure that their needs will be met. It is a priority, Mr Smyth. I understand that the planning has been done. I do not know the details of exactly how the identification is arranged or the circumstance. I am more than happy to provide that, Mr Smyth. It is a very important issue. It is an issue of which we are aware and it is an issue in relation to which I have been assured the planning has been done.

**MR SPEAKER:** Do you have a supplementary question, Mr Smyth?

**MR SMYTH:** Yes, thank you. Chief Minister, why haven't you been briefed on these arrangements? Given that you have now informed the Assembly that you have not, will you seek such a briefing to satisfy yourself and will you come back to the Assembly and assure us that you are confident that all avenues are covered to ensure the safety of Canberrans who rely on electricity for life support machines?

**MR STANHOPE:** Mr Speaker, I did not say that I had not been briefed. I just said that I had asked for and received assurances. That is a briefing. Once again, we now have Mr Seselja, Mrs Dunne and Mr Smyth. I did not say that I had not been briefed. I in fact asked for an assurance that this exact circumstance—

**Mr Smyth:** But asking for an assurance is not a briefing.

**MR STANHOPE:** I asked for an assurance that this exact circumstance had been taken into account and that appropriate arrangements were in place. I was given that assurance. It is just that I did not ask for the details—as I do not always ask for the details—in relation to—

**Mr Smyth:** You are responsible.

**MR STANHOPE:** I am responsible. I asked for an assurance and I received it. I was briefed. To stand up and say, “You have just admitted you weren’t briefed”—it is simply not true. Here again we have a question preceded by a statement that is just plainly false. It is incredibly difficult for ministers to answer those questions, because they require us to respond to a falsehood. I asked for the assurances and I received them—that those circumstances, in relation to people precisely as described by you, were incorporated into the emergency planning of Actew and our services. I received that assurance.

### **Physical education**

**MS PORTER:** My question is to the Minister for Tourism, Sport and Recreation. Minister, following the recent Revitalising Physical Education in Australian Schools forum, can you outline to the Assembly the link between physical activity and education?

**MR BARR:** I thank Ms Porter for her ongoing interest in the education portfolio. It does stand in marked contrast to that of the shadow minister. Ms Porter has been able to ask a detailed question relating to important aspects of the education system every day in question time in the last two or three sittings, and there has not been one single question this year from the shadow minister.

Let me state from the outset that I and the government believe very strongly that improved quality of physical education in our schools will lead to improved outcomes across a range of education indicators. The evidence for this is considerable and was demonstrated, with particular application from the United Kingdom, by our guest speakers, Sue Campbell and Stephen Grainger, at the forum that was held on 16 May at the national library. It was a very important forum and I was very pleased to have had the opportunity to take part in it and be able to spend the entire day at the forum. I acknowledge that the shadow minister for sport and recreation was also able to attend.

I found it a particularly interesting and invigorating discussion about how we can do better with physical education in our schools. I am sure the shadow minister would agree that there were a lot of quality contributions from people from across the nation and from our friends from the UK. It is an important opportunity that I hold, as the only minister for education and sport in the nation, to do some further work not only locally in the territory but nationally to improve the quality of physical education in our schools.

Due to initiatives of previous governments—I acknowledge the work of Mr Stefaniak in this area—there is a mandated time within the ACT curriculum for physical activity. The issues and the concerns that I have are that, whilst the time limits are being complied with, the quality of the physical education that is occurring can be improved. There are a variety of factors for this.

There is increasing pressure, particularly on primary school teachers, to fit a wide variety of topics into the school curriculum. There is a lack of specialist physical education teachers in our primary schools. One of the key reasons for this is that a lot of our primary schools were too small to have a specialist physical education teacher attached to them. Some of those issues have been addressed by the reform process in education. But it is important that we are able to focus our recruitment efforts into the future on recruiting further high-quality physical education experts into our schools. We need to look at cluster arrangements where our smaller schools are able to share physical education resources across a network of schools.

It is also important that the government invest in infrastructure. I was very pleased to have the opportunity to open, in the presence of the members for Brindabella, Ms MacDonald and Mr Gentleman, the new \$3 million gymnasium at Melrose high school. I know my two predecessors in the education portfolio, Mr Corbell and Ms Gallagher, played an instrumental part in getting that facility delivered. It is important that those sorts of facilities are available in public schools across the city. It is a key part of my direction, using the capital money that is available as a result of the difficult decisions that were made last year in terms of restructuring our education system, to invest that money in quality physical education facilities for our schools.

There are now only two high schools in the ACT that do not have a dedicated gymnasium facility: Belconnen high and Stromlo high. I intend to address that issue to ensure that every public school in the ACT has a gymnasium. As we face a range of ongoing pressures through the drought and water restrictions, it is even more important that we are investing in indoor sporting facilities so that, should the worst circumstance arise, we will still have quality sporting facilities to enable students in the ACT to undertake quality physical education programs. That is a key commitment from the government.

All of the research in the UK, all of the work that has been done by Sue Campbell, Steve Grainger and their team, has shown that, where the quality of physical education has been improved, all of the other indicators—the literacy outcomes, the numeracy outcomes, the issues about behaviour, about how students are able to improve their self-esteem—have improved dramatically in the UK as a result of some targeted investment in programs that have been effective in delivering outcomes, and the government supports this. (*Time expired.*)

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

### **Paper and statement by member**

**MR GENTLEMAN** (Brindabella): Mr Speaker, during question time, Mr Seselja quoted from a document. I seek leave of the Assembly to request, under

standing order 213, that Mr Seselja table the document that he quoted from in regard to the estimates committee and explain to the Assembly who provided him with that information. Mr Speaker, I believe he may be in breach of standing order 241.

**MR SESELJA** (Molonglo): I am happy to table the sheet of paper that I quoted from.

**MR SPEAKER:** You need leave to table it, unless a motion is moved.

**MR SESELJA:** He has asked me to table it and I am happy to table it.

**Mr Stefaniak:** Seek leave to table it.

**Mrs Dunne:** Why does he have to seek leave to do something that he has been asked to do?

**MR SESELJA:** He has asked, under a standing order, for me to table it. I will take advice from you, Mr Speaker.

**MR SPEAKER:** It is open to the Assembly to order you to do it, but just seek leave to table it.

**MR SESELJA:** I seek leave to table the sheet of paper I quoted from.

Leave granted.

**MR SESELJA:** I present the following paper:

Estimates 2007-2008—Select Committee—Estimates Committee schedule—  
question without notice asked of the Treasurer by Mr Seselja.

Mr Speaker, could I also have leave to make a statement?

**MR SPEAKER:** Do you want to make a personal explanation?

**MR SESELJA:** It is not about a personal explanation. I am seeking leave to make a statement to correct the record of question time.

Leave granted.

**MR SESELJA:** My supplementary question in question time read:

Will you now make yourself available to appear before the estimates committee early in the first week, given that you have advised the media that you will be in Canberra during that week?

That was incorrect. Mr Speaker, I believe the Chief Minister did not say he would be in Canberra during the week. The relevant quote from ABC radio was: “Mr Smyth put it about that I will be overseas, which I won’t.” I would like to correct the record for the Assembly and, of course, make the point that that is contrary to the advice that was given to the secretariat at the time—I am not sure whether that advice was ever corrected—as to whether the Chief Minister would be overseas. Clearly, my quote



and my supplementary question were incorrect, so I correct the record for the benefit of members.

**Mr Corbell:** I seek your guidance, Mr Speaker. I take a point of order in relation to standing order 241, which deals with the publication of evidence and other documents—Mr Gentleman moved to this in his comments to you earlier—and which states:

The evidence taken by any committee and documents presented to and proceedings and reports of the committee shall be strictly confidential and shall not be published or divulged by any member of the committee or by any other person, until the report of the committee has been presented to the Assembly.

Mr Speaker, it would appear on the face of it that the document Mr Seselja has just tabled does relate to the proceedings of a committee. I think it is important that we get your guidance as to whether such a document falls within the ambit of standing order 241. If it does, I think Mr Seselja has a case to answer in relation to divulging the proceedings of a committee before the committee has reported. If it does not fall within the ambit of standing order 241, Mr Speaker, your guidance will clarify the situation. I put that to you, Mr Speaker.

**Mr Mulcahy:** Mr Speaker, on the same matter, could you also give guidance as to whether the Chief Minister, in disclosing on radio his communication to the committee, also may have transgressed standing order 241?

*Members interjecting—*

**MR SPEAKER:** Order, members! I have been asked to rule on a matter. Just bear with me for a moment, quietly. Following discussions with the Clerk, I agree with the point that these were all matters which occurred before the committee was even established. It was in correspondence that was dealt with before it was established. I do not recall whether Mr Seselja's question related to the detail of what was talked about on ABC radio, but it was a matter that was discussed publicly on ABC radio. So at this point I would rule that it is not a piece of information that would find itself subject to those issues in standing order 241 to which you refer, Mr Corbell.

## **Personal explanation**

**MR PRATT (Brindabella):** Mr Speaker, I would like to take the opportunity under standing order 46 to make a personal explanation.

**MR SPEAKER:** The member may proceed.

**MR PRATT:** Today, in question time, the Chief Minister said words to the effect that I, Steve Pratt, had promised \$1 billion for the next election to introduce a light rail system. Mr Speaker, I would point out here that that was a total misrepresentation of what I said, and I wish to clarify the record. What I explained, and what I actually promised on ABC radio last Thursday morning in actual fact, acknowledging that an adequate light rail system would cost a minimum of \$1 billion over some years, was

that the opposition, while it had no plans to introduce light rail, would seriously undertake a project analysis of light rail.

## Papers

**Mr Speaker** presented the following papers:

Memorandum of understanding between the Speaker of the Legislative Assembly for the Australian Capital Territory and the Chief Police Officer for the Australian Capital Territory, dated 9 November 2006, together with an ACT Policing practical guide entitled *Execution of search warrants where parliamentary privilege may be applied and execution of search warrants and interviews with members of the Legislative Assembly*, dated June 2006.

Study trip—report by Mr Stefaniak, MLA—Kuala Lumpur, 26-28 March 2007.

## Executive contracts

### Papers and statement by minister

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

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

Contract variations:

Anthony Polinelli, dated 20 April 2007.  
 Brett Phillips, dated 29 March 2007.  
 David Dutton, dated 3 and 13 April 2007.  
 Derek Jory, dated 24 April 2007.  
 Pamela Davoren, dated 3 May 2007.  
 Rosemary Kennedy, dated 20 April 2007.  
 Thomas Elliott.

Long-term contracts:

Gary Williamson, dated 4 April 2007.  
 Maxine Cooper, dated 20 April 2007.  
 Michael Chisnall, dated 6 March 2007.  
 Penelope Farnsworth, dated 31 March 2007.  
 Susan Hall, dated 26 April 2007.

Short-term contracts:

Mark McCabe, dated 26 April 2007.  
 Philip Dorling, dated 27 March 2007.  
 Ross Burton, dated 10 and 16 April 2007.

I ask for 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 1 May 2007.

Today, I have presented five long-term contracts, three short-term contracts and seven contract variations. The details of the contracts will be circulated to members.

### **Consolidated financial report Paper and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts): For the information of members, I present the following paper:

Financial Management Act, pursuant to section 26—consolidated financial report for the financial quarter and year-to-date ending 31 March 2007.

I ask for leave to make a statement in relation to the paper, which was circulated to members when the Assembly was not sitting.

Leave granted.

**MR STANHOPE:** Mr Speaker, I have presented to the Assembly the March quarter financial report for the territory. This report is required under section 26 of the Financial Management Act.

At the end of March 2007, the net operating balance for the general government sector was a surplus of \$16.1 million. The result was marginally higher than anticipated, mostly due to conveyance revenue from several large commercial transactions. The favourable revenues were partially offset by an increase in insurance provision relating to actuarial adjustments for past medical malpractice liabilities and claims arising from the 31 December 2006 and 27 February 2007 hailstorms.

The outcome for the March quarter year-to-date was \$58.5 million higher than the estimated outcome deficit of \$42.5 million published in the 2006-07 budget mid-year review. I commend the report to the Assembly.

### **Cultural Facilities Corporation Paper and statement by minister**

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, 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 October to 31 December 2006).

I ask for leave to make a 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 1997, the Cultural Facilities Corporation is required to provide quarterly reports on its activities and table these reports in the Assembly. I am pleased to say that the corporation has completed its report for the second quarter of 2006-07, being the period from 1 October 2006 to 31 December 2006, and I have presented this report for members' information.

From the second quarter report, members can see that the corporation delivered a diverse range of programs and activities through its theatres, galleries and historic places. Overall, 90,000 patrons attended the facilities—theatre, galleries and historic homes—during the quarter, which provides an indication of the level of community engagement in arts and cultural activities.

During the quarter, the Canberra Theatre Centre attracted 46,000 patrons to its three venues. I launched the 2007 subscription season in November. This event also marked the opening of the new link and was attended by more than 800 guests. *Playtime Theatre Treats* productions for children and families, *The Adventures of Peter Rabbit* and *Symphony for Kids* were presented during the quarter. The productions were very popular, attracting over 6,000 patrons. Proceeds raised at *Music at Midday* concerts presented in October and December went to the Australian Brain Injury Foundation and the ACT Muscular Dystrophy Association. As members may be aware, the Canberra Theatre Centre and link were damaged by the February hailstorm. The damage was minimal and these facilities were quickly operational; however, they require some ongoing repairs. Unfortunately, the Civic library was severely damaged; however, it is expected to reopen shortly.

During the quarter, the Canberra Museum and Gallery attracted over 11,000 patrons to its facility and programs. The following exhibitions opened at the Canberra Museum and Gallery during the quarter: *Recovery*, *Majura Women's Group Exhibition*, *George Foxhill: a retrospective* and *The 2006 City Heart Disability Art Prize*. The *Recovery* exhibition was held in conjunction with the 2006 ACT Heritage Festival and was presented in association with the ANU's Department of Archaeology and Natural History. The exhibition explored the impact of the January 2003 firestorm on the department's storage facilities at Weston. The gallery also presented the *After Work Series* lecture by Melinda Dobson, president of the ACT chapter of the Australian institute of architects. The Canberra Museum and Gallery also presented 47 public and educational programs, including one outreach program, during the quarter.

Nearly 2,000 people attended Lanyon's *Candlelight Christmas Carols and Picnic* in December 2006. Visitors enjoyed an evening of Christmas carols and decoration-making activities for children, and toured the homestead. The event was presented in conjunction with Colin Slater, Sing Australia, the Tuggeranong Valley Band and the Churchill Fellows Association. In October 2006, Lanyon presented a three-part lecture series—*Lanyon's Neighbours*, *Mary Cunningham at Tuggeranong Homestead* and *CEW Bean's Work at Tuggeranong Homestead*. The *Spring Jazz Garden Party* held at Calthorpes' House attracted 200 visitors. The annual event

invites visitors to enjoy a relaxed afternoon tea to the music of the 1920s and 1930s. Seventy-two public and education programs were held at three sites—Lanyon, Calthorpes' House and Mugga Mugga—and they targeted interstate and international visitors.

As members can see, the corporation provides many arts and cultural activities for all Canberrans and I am pleased to table this report.

## **Territory plan—variation No 259 Papers and statement by minister**

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations): For the information of members, I present the following papers:

Land (Planning and Environment) Act, pursuant to subsection 29 (1)—Approval of variation No 259 to the territory plan—Woden Town Centre: commercial B—changes to precincts, entertainment accommodation and leisure and restricted access recreation land use policies and all town centres—changes to appendix II and commercial B precinct “c”, dated 16 April 2007, together with background papers, a copy of the summaries and reports, and a copy of any direction or report required.

Planning and Environment—Standing Committee—report 23—*Draft variation to the territory plan No 259—Woden town centre, town centre planning reforms and draft variation to the territory plan No 262—changes to A10 residential core area for Narrabundah*—government response.

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

Leave granted.

**MR BARR:** Draft variation No 259 to the territory plan proposes to change the land use policies and precinct boundaries for the Woden town centre in accordance with the recommendations contained in the Woden town centre master plan. The draft variation also proposes to delete the existing plot ratio controls for precinct “c” for all town centres. The preliminary assessment provisions in appendix II of the territory plan for all town centre areas will be amended by removing the requirement for preliminary assessments for buildings greater than 7,000 square metres in gross floor area and/or 28 metres in height.

The variation was released for public comment in August 2005 and attracted 12 written comments. Minor revisions to the exhibited draft variation in response to the public submissions and refining of the land use controls were made. The Standing Committee on Planning and Environment, in its report released in October, made 10 recommendations in relation to the draft variation, among which was a recommendation that the government proceed with its implementation. The government has considered the issues raised, and a government response that provides a detailed response to the committee's recommendations has been prepared.

I will now provide a brief outline of the government's response to the committee's report. The committee's first recommendation was that the proposed variation to territory plan No 259 proceed, subject to the recommendations in the committee's report. The committee's second recommendation that the scope of the term "convenient shopping and personal services" be better defined in the territory plan is agreed to in part, and an additional control has been included for precinct "b" restricting an individual shop size to no more than 200 square metres.

The committee's third recommendation was that the ACT commercial waste industry code of practice and environment protection regulation 2005 be reviewed insofar as they regulate the hours during which waste can be collected from the mixed services area in Phillip and others as appropriate. This matter has been referred to the Department of Territory and Municipal Services for further investigation.

The committee's fourth recommendation that additional community facility and/or public land be identified in sections 23 and/or 104 and in block 1 and/or block 4 of section 35 is noted. However, no specific changes to the variation are proposed. The land use policy on these sections already allows for community facilities and uses, although section 104 is required predominantly for car parking. Providing specifically identified community sites may limit or diminish funding opportunities and remove the potential for cross-subsidisation and partnerships between community and other commercially oriented activities.

The committee's fifth recommendation was that, as part of its proposed climate change strategy, the ACT government consider the provision of financial or other incentives for buildings that are outstanding under the green building council's green star energy rating methodology for new commercial and multistorey residential buildings and/or in relation to the Australian building code. This suggestion has been referred to the Office of Sustainability within the Department of Territory and Municipal Services, which is preparing a climate change strategy due for release in the very near future by the Chief Minister.

The committee's sixth recommendation was that the planning and land authority require the joint venture partners in the Woden east estate to provide incentives for native gardens of predominantly local provenance. The committee's seventh recommendation was that the planning and land authority require the joint venture partners to develop a mechanism for dealing with graffiti, litter and shopping trolleys in the Woden east estate for a prescribed period, such as 10 years, as a condition of the development approval. Both of these recommendations have been referred to the Land Development Agency, which is currently finalising a joint venture agreement to develop the Woden east estate.

The committee's eighth recommendation was that the planning and land authority amend the proposed extension of the town centre commercial B precinct "b" land use policy in the Woden town centre to include section 22 block 2, and remove the 8M Phillip public pool overlay as part of the B8 entertainment, accommodation, and leisure land use policies, and this is supported.

The committee's ninth recommendation was that the planning and land authority insert an area specific overlay in part 2B town centre land use policies—commercial B for the Phillip pool site to require that the lessee of section 22 block 2 Phillip continues to provide a public 50-metre pool and an ice-skating rink. The substance of this recommendation is supported and a clause has been inserted into the land use policy for the site requiring the lessee to provide a 50-metre pool and an ice-skating rink.

The committee's 10th recommendation was that the site of the Phillip pool and ice-skating rink be included in the proposed detailed master plan for the Phillip oval site. This is also supported. Site planning for the block will be included in the Phillip oval master plan, with specific design guidelines for redevelopment.

The wording of the amendments to the preliminary assessment provisions has been changed slightly to avoid ambiguity or uncertainty regarding the areas to which the provisions apply. Further changes were made to the final variation in response to issues raised by me regarding the protection for sporting and recreational uses, control of the development around the Phillip pool site, and management of redevelopment of the pool site. The whole of the balance of the Phillip oval site, not including the two Launceston Street corner parcels, has been retained as restricted access recreation land use policy. An additional clause has been incorporated into the written statement for height control for precinct "b" areas north of Launceston Street to ensure that any development on the site adjoining Phillip pool does not impact on the use of the pool, particularly if it continues to operate as an outdoor facility.

I have tabled the response to the planning and environment committee report on draft variation No 259 to the territory plan. On behalf of my colleague Simon Corbell, the former planning minister, I take this opportunity to thank the committee for its detailed examination of this draft variation and for its report. The variation to the territory plan was approved by Mr Corbell on 16 April 2007 and I have now tabled it.

**Dr Foskey:** I ask that the minister move that the report be noted.

**MADAM TEMPORARY DEPUTY SPEAKER (Mrs Dunne):** It is not a report, Dr Foskey; it is a disallowable instrument. You could perhaps ask that Mr Barr move that his statement be noted, but I am not sure what that would do because it is about a disallowable instrument.

## **Territory plan—variation No 260**

### **Papers and statement by minister**

**MR BARR (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations):** For the information of members, I present the following papers:

Land (Planning and Environment) Act, pursuant to subsection 29 (1)—Approval of variation No 260 to the Territory Plan—changes to A10 residential core areas for Garran, Griffith, Hackett and Yarralumla, dated 1 May 2007, together with

background papers, a copy of the summaries and reports, and a copy of any direction or report required.

Planning and Environment—Standing Committee—report 25—*Draft variation to the territory plan No 260—changes to A10 residential core areas For Garran, Griffith, Hackett and Yarralumla*—government response.

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

Leave granted.

**MR BARR:** Draft variation No 260 to the territory plan proposes to amend the boundaries of the A10 residential core areas in accordance with the recommendations contained in the Garran, Griffith, Hackett and Yarralumla neighbourhood plans. The Standing Committee on Planning and Environment, in its report released in April, recommended that the proposed variation to the territory plan proceed. The committee noted that the proposed territory plan variation was broadly consistent with the Garran, Griffith, Hackett and Yarralumla neighbourhood plans in relation to the adjustment of the residential core areas. The committee also considered that the proposed retraction of some of the A10 residential core area specific policy areas was a reasonable compromise in the application of sustainability policies in urban Canberra.

Again, in tabling this response, I thank the committee for their consideration of the draft variation and acknowledge the formalisation of the outcomes of the neighbourhood plans for those suburbs.

## 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—third quarterly report for the period 1 January to 31 March 2007.

**Mr Corbell** presented the following papers:

### **Annual report**

Road Transport (General) Act, pursuant to section 216—Nominal Defendant (Australian Capital Territory)—annual report 2006.

### **Petition—out of order**

Campbell shop, public toilets—Mr Mulcahy—(254 signatures).

### **Subordinate legislation (including explanatory statements unless otherwise stated)**

Legislation Act, pursuant to section 64—

Cemeteries and Crematoria Act—Cemeteries and Crematoria (Code of Practice) Approval 2007—Disallowable Instrument DI2007-100 (LR, 23 April 2007).



Criminal Code 2002—Criminal Code Amendment Regulation 2007 (No 1)—Subordinate Law SL2007-7 (LR, 3 May 2007).

Dangerous Substances Act—Dangerous Substances (Explosives) Amendment Regulation 2007 (No 1)—Subordinate Law SL2007-6 (LR, 23 April 2007).

Drugs of Dependence Act—Drugs of Dependence (Drugs Advisory Committee) Appointment 2007 (No 1)—Disallowable Instrument DI2007-101 (LR, 30 April 2007).

Health Professionals Regulations 2004—Health Professionals (Medical Board) Appointment 2007 (No 1)—Disallowable Instrument DI2007-103 (LR, 3 May 2007).

Legal Profession Act—Legal Profession (Bar Association Council Fees) Determination 2007 (No 1)—Disallowable Instrument DI2007-102 (LR, 30 April 2007).

Liquor Act—Liquor Licensing Board Appointment 2007—Disallowable Instrument DI2007-99 (LR, 26 April 2007).

Powers of Attorney Act—Powers of Attorney Regulation 2007—Subordinate Law SL2007-8 (LR, 3 May 2007).

Public Place Names Act—Public Place Names (Harrison) Determination 2007 (No 2)—Disallowable Instrument DI2007-104 (LR, 3 May 2007).

Race and Sports Bookmaking Act—

- Race and Sports Bookmaking (Sports Bookmaking Venues) Determination 2007 (No 1)—Disallowable Instrument DI2007-97 (LR, 24 April 2007).
- Race and Sports Bookmaking (Sports Bookmaking Venues) Determination 2007 (No 2)—Disallowable Instrument DI2007-98 (LR, 24 April 2007).

Taxation (Government Business Enterprises) Act—Taxation (Government Business Enterprises) Amendment Regulation 2007 (No 1)—Subordinate Law SL2007-9 (LR, 3 May 2007).

## **Federal budget—impact on ACT economy**

### **Discussion of matter of public importance**

**MADAM TEMPORARY DEPUTY SPEAKER** (Mrs Dunne): Mr Speaker has received letters from Mrs Burke, Mrs Dunne, Dr Foskey, Mr Gentleman, Ms MacDonald, Mr Mulcahy, Ms Porter, Mr Pratt, Mr Seselja, Mr Smyth and Mr Stefaniak proposing that matters of public importance be submitted to the Assembly. In accordance with standing order 79, Mr Speaker has determined that the matter proposed by Mrs Burke be submitted to the Assembly, namely:

The impact of the 2007-2008 Federal budget on the ACT economy.

**MRS BURKE** (Molonglo) (4.16): I stand here today wondering just how our Chief Minister and Treasurer will be approaching the forthcoming ACT budget for 2007-08. I am scratching my head and asking, “Will it be with the vigour and the vitality and the real conviction and commitment that have just been displayed at the federal level, or will it be with an insouciant demeanour, passing around the rose-coloured wine glasses?”

As we heard today, the Treasurer will be perambulating into the ACT estimates committee hearings on 26 June, some eight days into the proceedings. Contrary to the belief perhaps held on the Labor backbench that this is perfectly normal, it has not

been common practice in this term of government. A cursory check of previous estimates transcripts will produce the necessary evidence that the previous Treasurer and/or Treasury officials were on deck within the first few days to present before the committee and to quite rightly set the scene for the estimates hearings. You may ask why I highlight such a point. Well, it concerns me that there is such a lacklustre approach to accountability, transparency and willingness of our Treasurer to stand first in line to prove that Canberrans can be confident in the future of the ACT economy.

This MPI—and my colleagues will agree—has been submitted today to highlight that the federal government continues to play the leading role in providing some of the economic benefits that Canberrans have enjoyed during the period that the Howard government has been in office. Yes, economic growth in this city is on the rise, and we have heard this from the Chief Minister and people like Chris Peters from the Chamber of Commerce and Industry.

A five-year average monthly “high” of residential approvals in the ACT was set in March this year. Retail turnover in the ACT hit \$359.6 million in March, up almost eight per cent over the year, and in fact well above the national average of just over six per cent. I would assert that it would be audacious in the extreme for the Stanhope government to claim much of the glory for this. Canberrans in both extremes of the residential and retail sectors are confident. Top this off with further personal tax cuts and you can be assured that this level of confidence in the ACT will continue to rise.

As I have said many times publicly and in this place, ACT businesses have learned and know how to succeed with or without the assistance of the Stanhope government. Let us face it: they have had to in order to survive and do well. No doubt the ACT government should be crowing about the benefits set to flow from the federal budget. Well, just as a starting point, the injection of another 5,244 Australian public service jobs, a large proportion of which will come to Canberra, is evidence of the confidence levels being experienced in the residential and retail sectors in the ACT.

So how do we actually benefit in direct terms? Capital works projects certainly appear prominently. I note that Mr Stanhope, to his credit, had no hesitation in welcoming almost \$72 million over four years to see Walter Burley Griffin’s vision for the national capital’s design come to fruition, to reshape Canberra’s waterfront and historic areas. There is no doubt that the federal government has been responsive to the definite requirement of upgrades to key trunk roads in Canberra, which is another important factor. It is apparent, through the significant funding injections, that the ACT has not been ignored in the latest round of funding allocations to combat accident black spots.

Some \$480,000 set aside to conduct upgrades to the Federal and Barton highways is certainly a welcome program. Coupled with the \$3 million to be spent on the duplication of the Barton Highway from the ACT border and the northern end of the proposed Murrumbateman bypass, we should see a crucial improvement in road safety. This is a very important transport link upgrade for the territory and our connection with the surrounding region. It is very reasonable to expect that both major highways leading into the nation’s capital should be of the highest standard possible,

providing a higher quality transport link with the major north-south transport link, the Hume Highway.

It is encouraging that the ACT and federal governments are working together to improve the transport links that extend from around the Canberra airport and into the city and beyond to connect up with Canberra's north-south transport corridor that should soon extend from Tuggeranong to Gungahlin. The duplication of Constitution Avenue, thereby creating that grand boulevard envisaged by Walter Burley Griffin and Marion Mahony Griffin, and the flyover at the Kings Avenue and Parkes Way intersection should see a vast improvement to the traffic flow from the east into the city precinct. In addition, \$600,000 is to be allocated to another four crash hotspots in Canberra, which further signals that the ACT is not ignored when it comes to road fatalities and the moves to manage crash sites in order to reduce the incidence of fatality or serious injuries. Clearly the federal government is kicking in with significant funds in the big ticket items.

There is interest in the growth and development of the nation's capital to ensure that we remain and prosper as the nation's capital. I guess it is worth noting how disappointing it was to hear recently the former Prime Minister, Paul Keating, say, in his infinite wisdom—or perhaps lack of it—that we should be concentrating debate on relocating capital city status to a major city such as Sydney. Seeking to denigrate the status of Canberra as the capital city in this way is a sad reflection on the attitude of a former Prime Minister.

I note the funding injections of \$12.5 million for the Australian War Memorial, \$3.5 million for remedial work on the High Court, \$3.3 million for a scoping study for an Australian Federal Police facility, and \$21.2 million for the new National Portrait Gallery. Clearly there is a massive commitment on the part of the federal government to really pump money into the ACT so that we can all benefit, unlike what it would seem we are getting from the Stanhope government in terms of “pay more, get less”.

In closing, assertions that this is just a “show bag” budget displays further evidence of the Labor states and territories just sucking on sour grapes. Of course, what we really see is the Stanhope government's mismanagement of the inflows of GST-related revenue from the federal government and failure to prioritise areas of expenditure and greatest need in an effective manner. Continuing to haggle, in most situations, for more funding that simply is not justifiable is a sign that, as a smaller jurisdiction, the ACT has to find innovative ways to make efficiency savings within its own budgetary processes.

**Mr Barr:** Like a disability agreement, Mrs Burke?

**MRS BURKE:** At the same time, Mr Barr, there is a serious issue here. There is scope and a real need—and this is the key—to justify to the commonwealth with sound argument where we really do need funding boosts, particularly in the areas of health and education. Clearly there is a problem. The commonwealth government has had to penalise the ACT. Why? Because of the refusal of the Stanhope government to properly satisfy the level of funding we should receive under commonwealth-state agreements. It is all about delivery and negotiation skills rather than playing politics with people's lives.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (4.21): I thank the member for raising this matter of public importance. There are, indeed, a number of positives coming out of the federal budget. The federal budget has clearly been framed with a looming national election in mind—surprise, surprise! The expansion of commonwealth policy expenditure, which has amounted to around \$52 billion since the mid-year statement, comes on top of the \$17.5 billion of policy expenditure between the last federal budget and the mid-year statement. Of course, that can only be good for Canberra. Our economy will clearly benefit from this additional expenditure and it will continue to provide a base for economic growth in the ACT.

The commonwealth is the largest employer in the territory and, of course, as the driver of most economic activity in the ACT, it has an enormous influence on the territory's finances, and this was clearly demonstrated in the myriad announcements contained in the federal budget. I am on the record as supporting the overall budget framework released by the federal Treasurer. There were a number of pleasing aspects, both nationally and locally, which I have spoken of and which I do not need to elaborate on in detail again today.

A comment I made on the day of the budget, in the context of the enormous strength of the Australian economy at the moment, probably does bear repeating. I referred to the extent to which money is simply flowing into commonwealth coffers, driven very significantly by the commodities market and, interestingly, exports to China—and we need to acknowledge that we look to China. It is true that the ACT has benefited from stronger than expected growth in the GST pool over the past few years, entirely due, of course, to the Australian economy recording rates of growth well above the longer term average. But that is not necessarily the whole picture. Of course, the opposition needs to acknowledge and note that net payments to the states and territories from the commonwealth—this is important; it is something that the opposition glosses over all the time—as a proportion of overall economic activity over the whole post-GST period are at levels below the pre-GST average of six per cent of GDP in the 1980s and the 1990s. The states and territories are receiving now less as a proportion of GDP than they were 15 or 20 years ago.

All states and territories have consistently pointed out that the revenue returns from economic growth are not being directed into the core services which are most important to Australians—services such as public hospitals, government schools, policing and public transport. The states and territories have responsibility for the delivery of these services but they do not have the tax powers to fund the levels of services needed, nor to cater for the rapid growth and demand for these services.

For example, over the last five years the commonwealth government—and I will be interested in any further response by the opposition to this particular point—has progressively reduced its share of funding to public hospitals through the Australian health care agreements. In 2001-02 health care grants constituted 31 per cent of acute care costs within Australia. This contribution in 2006 has reduced to 23 per cent. In the last five years the commonwealth has reduced its contribution to acute care cost

from 31 per cent to 23 per cent—a period in which health care needs have grown significantly.

A similar trend is evident in relation to disability services, where again the commonwealth's share of funding for the provision of disability services within Australia has fallen against the contribution that they made five years ago. The fact of the matter is that the commonwealth has increased the amount of tax it takes from the pockets of Australians while the states and territories continue to provide the services and economic and social infrastructure that are important to people, as well as managing the ever-increasing demands for services in public hospitals, schools, law and order and public transport. I say this because the federal Treasurer is demanding that the ACT, along with the other states, abide by the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, the IGA, by abolishing a range of important state taxes.

At the 2007 ministerial council, the Australian government Treasurer called on the states to develop a schedule for abolishing stamp duties on non-residential rural property, the last business-related stamp duty listed for review under the IGA. He repeated his call in the federal budget papers. The Treasurer indicated that the Australian government would be willing to be flexible as to the timing and phasing of the abolition timetables and would consider alternative tax reform reductions of equivalent value.

The federal Treasurer is being disingenuous on a number of fronts. He claims to be motivated by a desire for reform by reducing inefficient taxes which place a burden on business. However, it is clear that he does not really care about which taxes are reduced, as long as he can claim for himself a reduction in state taxes. At the same time, he is the highest taxing Treasurer in the history of the federation, and, instead of returning that tax to the community, he has hidden it away under the spurious pretext of a future fund. The states and the ACT have categorically met the requirements to review the IGA taxes but, given the growing pressure to deliver more services in the areas of health and education, are not in a position to remove additional taxes at the Australian government's request.

Of course, those of us who have been here long enough remember all too well the damage that was done to the ACT economy and to this community when this federal government first came to power. The loss of somewhere between 7,000 and 10,000 jobs crippled the economy and pulled the rug out from under the housing market. The legacy of this was the absence of commercial development, particularly here in Civic, for a number of years up until the recent spurt of activity.

And let us not forget that it was this federal government that unilaterally took from us \$5 million in annual funding for corporate affairs compensation in 2005-06, a payment that all the other jurisdictions continue to receive. Moreover, this federal government in 2006-07 abolished the national competition payments, worth \$14 million each year to the ACT, even though the cost of those reforms is still being met by the states and territories and the benefits are being reaped by the federal government. As I have said, the federal budget has clearly been framed with the looming national election in mind. As a big spending budget, it will add to the current strong position of the ACT economy.

This budget comes at a time of significant private investment spending in the ACT, eclipsing that recorded during the construction of new Parliament House. Confidence in the retail sector continues unabated, as evidenced by the extensive additions to the Canberra Centre and the continuing redevelopment of a number of suburban shopping centres. This demonstrates that activity in the ACT is not just a public sector spending phenomenon. In fact, strong growth in the surrounding region is leading to the ACT's position as an important regional centre.

The expansion of a number of commonwealth departments will increase job opportunities in the ACT. There are approximately 5,200 additional jobs budgeted for nationally, with the most optimistic estimates being that 2,000 will be located in Canberra. The ACT government is always grateful—as is, of course, the community—for the additional labour market stimulation provided by the commonwealth budget. However, it can be a mixed blessing at a time when the housing market is tight both for renters and buyers and when we are experiencing essentially full employment. In relation to additional employment, I would be pleased if we could manage to achieve a significant centre of employment within Gungahlin, and that is an issue which we must all continue to pursue. Further announcements of the kind made by the commonwealth continue to place pressure on all of us to ensure that workplaces are provided within all of our major town centres.

I am also concerned about the impact—and I say this as an aside—of this jobs growth on the territory's ability, with our limited budget capacity, to attract and retain its own public servants, and this is an issue which the private sector, too, is facing more and more. It is becoming increasingly difficult for alternative employers within the territory to compete with the federal government in respect of recruitment.

I said at the time of the last budget that big spending by the commonwealth was likely to put upward pressure on interest rates. Since that time Canberrans have faced a 50 basis point increase in interest rates. That means, of course, that a typical house buyer in the ACT is having to find an additional \$60 a month. To put it another way, a \$300,000 loan is now costing Canberrans over \$100 more every payday than it cost them two years ago during the infamous “no interest rate rises in this term” campaign conducted by the Prime Minister. Senator Humphries enthusiastically embraced the campaign that a vote for the Liberals in the ACT was a vote for no interest rate increases in the term of this particular parliament.

While this past commonwealth budget has spent \$52 billion coming on top of the \$17.5 billion spent in the preceding six months, there are, of course, as we all know, a number of areas that have not been addressed. Of great importance to the ACT currently, of course, is the drought. It is to be noted that the federal budget is based on an assumption that we are on the verge of a return to more normal long-term climatic conditions and, in particular, more normal rainfall patterns. Indeed, those are predictions which the Bureau of Meteorology continues to maintain, and I hope that we are on that verge. But it is a big risk. And it is a big risk to be taking particularly for communities like ours that are confronting historically low water inflows—communities that are looking at considerable investments in infrastructure in the years ahead. The drought, if it continues, will not be without significant cost to communities

throughout Australia and may impact not just on industries directly reliant on water but extend throughout entire communities—for example, from less electricity capacity.

We cannot avoid the fact that the Howard budget also failed to fund a range of services which we had identified, and which I think the community has identified, as important. These represent real missed opportunities for the Australian government to improve the quality of life around the nation, let alone, here within the territory. In particular, I have already identified as a priority the restoration of the commonwealth dental program. I think we would all remember that on entering office the coalition simply wiped away \$100 million from dental health in this country. While the states and territories have attempted to compensate the community for this loss, public dental waiting lists nationally have blown out shamefully.

I think almost any thinking Australian would consider this cut to be the most spiteful of decisions taken by the federal government. The budget announcement that Medicare funding will provide \$378 million over four years for patients whose dental health is impacting on chronic medical conditions hardly compares with the value of the program with funding of \$100 million in 1996 dollars. We appreciate the funds devoted to providing regional training for dental students and the creation of a regional dental school, and it would be good if that came to Canberra.

Another opportunity missed by the commonwealth lies in early childhood education. While all levels of existing educational sectors received increased funds from the budget, the vital role of early literacy and numeracy training before reaching school age has been ignored. This point has been picked up and emphasised by our federal colleagues.

Turning specifically to matters affecting the territory, I am pleased that the Griffin legacy continues to be developed, and there is agreement between the ACT and commonwealth governments on this. Quite a substantial amount of commonwealth money—approximately \$72 million—has been set aside for developing roadworks in accordance with the legacy's plan. It concentrates on a small piece of Canberra; namely, Constitution Avenue and Parkes Way. We look forward in the future to continuing to cooperate with the commonwealth on the completion of other aspects of the legacy, particularly in West Basin and on City Hill.

Even since the announcements of the commonwealth budget, a range of industry groups have called for developments that are provided in planning for the Griffin legacy. In particular, the Australian Hotels Association has expressed its disappointment that the budget contained no provisions for a new national convention centre provisionally to be sited in West Basin. The announcement that the Australian government at least would assist in creating such a wonderful facility would have been welcomed by the territory and no doubt by the industries that would seek to utilise it. I am hopeful and I will continue to work with business within the ACT to seek support from the commonwealth for a convention centre as part of the celebrations of our centenary in 2013.

There are a whole range of initiatives that will certainly boost workforce participation, and anything that can make incremental improvements here in Canberra, where our participation rates are already by far the highest in the country, has to be good news.

There were, however, I believe some significant missed opportunities and some catch-up being played by the Prime Minister and the federal Treasurer in relation to this. I refer to catch-up in relation to issues around climate change that are being pursued and—

**Mr Mulcahy:** So you are not doing badly? Where is the strategy?

**MR STANHOPE:** Well, where is yours? Why don't you table yours after I table mine?

**Mr Mulcahy:** We have one.

**MR STANHOPE:** Why don't you table yours? I will move a motion for the suspension of standing orders on the day I table mine to allow you to follow me.

There was a missed opportunity by the commonwealth in relation to climate change. It was an issue in respect of which the Prime Minister has clearly dropped the ball. The polls are showing the response of the people of Australia to the fact that he has ignored this most important of all issues. He has ignored it to his peril and he is now paying the price through the polls as he struggles along to clear defeat in months to come. (*Time expired.*)

**DR FOSKEY** (Molonglo) (4.37): The Howard-Costello 2007 budget was certainly not about dealing seriously with the environmental and social challenges confronting Australia. Certainly the allocations relating to improvements in Canberra's institutions and roads are welcome but this budget fails to deliver on the most significant issues for many of the people who live here. Instead, it was about providing very short-term sweeteners to give the appearance and the illusion that several important groups of voters that the Howard government thought were important were being helped. It was a budget that completely lacked vision—that is, at least, beyond the coming federal election.

Priorities for a Greens' federal budget would include halting climate change, conserving water resources and protecting the environment, ensuring that the 650,000 Australians on dental waiting lists received the care they need, reducing the 17-year gap in life expectancy between indigenous and non-indigenous Australians, increasing education funding to meet the OECD average education spending levels, increased funding for public housing and house affordability, and increased foreign aid that actually leaves the country and is used for poverty eradication and development.

The Howard-Costello budget failed to tackle the greatest threat to this nation's future, which is climate change. The Howard government clearly does not get climate change, and the Canberra people are not hoodwinked by its desperate and belated attempts to catch up on the issue. It is obvious that for John Howard the need to be seen to be doing something about climate change is a political necessity, but not because our future depends on taking decisive action now. Under Howard-Costello's latest budget the allocation to the environment has barely moved. It increased by only \$281 million, or just two per cent of that unprecedented budget surplus of \$15 million.



We note that the focus around transport in the ACT was on roads, but it is very evident that what we need to do is to move people out of cars and into public transport. I suggest that it is the federal government that has the funds to invest in light rail, perhaps with the cooperation of the airport group, as a first light rail system could be placed between the airport, Russell, the parliamentary triangle and Civic. We are always talking about the problems with the roads along this route.

The budget even fails on water, Australia's most immediate challenge. The Howard-Costello budget outlines a \$10 billion federal-state rescue plan for the Murray-Darling basin, including a buyback of over-allocated irrigation licences which have stressed the rivers. But, for some reason or other, the plan to buy back those excessive licences will not start until the budget of 2009-10. Astoundingly, John Howard has put off this critical so-called "rescue plan" for another two more ruinous years. As the ACT sits fairly and squarely in the Murray-Darling basin and is the largest urban centre in the region, this is of great interest to us. A Greens' federal budget would immediately fund measures to address over-allocation in the Murray-Darling basin.

The Treasurer has, however, decided on an immediate \$31 billion in tax cuts over the next four years. This comes after the \$25 billion largesse, including tax cuts to the rich, in last year's budget. Howard claims that this year's \$31 billion will go to salaried workers. But careful analysis shows once again that the rich get much richer at everyone else's expense. In fact, just 10.5 per cent of people will get 44 per cent of the money. People who are so poor that they do not pay tax, including Australia's 1.2 million pensioners, get a one-off \$500 payment and then, after the election, nothing. Carers, who save this government billions of dollars, get a meagre \$1,000 and, after the election, nothing. The Australian Greens in the Senate will support the across-the-board tax cuts, even though they are regressive. But, unlike Labor, the Greens will vote against the provisions for huge special cuts—some \$10 billion over three years—for the highest income earners, beginning next year.

On the issue of health, the government continues down the path towards an American style two-tiered health system, leaving again the less well off behind. Under the Howard government, the health and wellbeing of too many Australians has been placed at risk because they cannot access health care. In the ACT we continue to have the lowest bulk-billing in the country.

The Greens would abolish the health insurance rebate scheme and divert that \$3 billion directly into the public health system. The current scheme serves the nation so badly that the taxpayer top-up for this private exclusive system blew out by \$283 million last year. The Greens' policy is to have a denticare system paralleling Medicare because no Australian child or adult should have to live with poor dental health, which, of course, is associated with other health outcomes. The Howard-Costello government torpedoed the \$100 million concession cardholders dental care program in 1996. So now there are an estimated 650,000 Australians on dental waiting lists—and try getting a job with bad teeth! Some elderly or disabled citizens wait two to three years to have their dental problems cared for. That is unforgivably heartless—an outrage by a government with a \$15 billion surplus. Australia can afford to provide dental care to all who need it but this government does not want to.

Once again, Aboriginal health and housing is grossly underfunded and misdirected in this year's Howard-Costello budget. It will go nowhere near addressing the 17-year life expectancy gap between Aboriginal and non-Aboriginal Australians. Health experts agree that \$500 million a year is needed to lift the Aboriginal health standard to that of non-Aboriginal Australians. Taking this figure, Tom Calma, the social justice commissioner, has proposed a plan to address the gap in life expectancy within a generation, and the Greens back him fully. But, shockingly, the Howard-Costello budget allocates only about \$30 million per annum to this nationally urgent responsibility—a responsibility it admits is urgent.

The Howard-Costello budget did nothing to address the national housing affordability crisis. And here in Canberra the pressure on housing is very obvious. The announcement that the public service will be increased did not offer anything to help the ACT cope with the housing needs of these people. But all around the country people are struggling to pay rent or mortgage repayments. People on low incomes are worse off because they are paying more than 30 per cent of their income on rent. There are many options open to the Howard government to alleviate the situation, such as bringing together a range of Australian government policies and subsidies that affect housing affordability. The Greens would support changing the tax policy on rental properties to encourage investment in low-cost housing. And with a \$15 billion surplus, we can afford to increase our investment in affordable housing and help low income earners to pay the rent. Above all, the Greens' budget would substantially increase capital investment in public housing.

On education, the Greens have called for a \$7 billion boost in public education from the commonwealth. Arguably, ACT public secondary schools need attention but this needs to be done in a fair way and not in response to toeing the federal government's line, which is how most funding is now being offered to schools. The Greens have a national investment plan from preschool to university. The Treasurer's \$5 billion one-off trust fund for universities will provide less than \$400 million per annum, and that is nowhere near the investment that is needed from the commonwealth for the whole Australian education system. There is no single more important and far reaching education measure that the nation's government could take than the Greens' vision for public education, and Howard and Costello failed on this.

I believe that the Greens are the party with values. In government we would implement triple bottom line accounting, and that is that our budgets would measure and allocate the nation's wealth as well as its social and environmental wellbeing. Good environmental policy is fundamental to good economic and social policy, and that truth is clear as we confront the challenge of climate change. Sweeteners from the federal Liberal government do not provide the building blocks for a sustainable and socially equitable future. It is quite obvious that Australia needs Greens members in all its parliaments to ensure that we have that future.

**MR MULCAHY** (Molonglo) (4.46): I welcome the chance to speak on this matter of public importance because I believe that the ACT economy will benefit greatly from the 2007-08 federal budget. I always love hearing the Greens talk about budget matters: as I interjected earlier, they can confidently know that they will never have the responsibility of having to deliver a budget at the commonwealth level.

My most vivid memory of the Greens' contribution to the budget was when Alan Evans, who used to run John Dawkins's office, said to me back in the early 1990s, "Richard, this will give you the idea of their priorities. The two Greens senators up there said they would support the defence budget, which ran into billions of dollars, providing he could arrange to get a doorway carved between their two offices." The whole of Australia's defence budget was swinging on the vote of these two Greens senators, and that was their priority: self-interest. That is where the nation's needs ran. They are just extraordinary. I always find it entertaining, though, to hear the Greens talk on economics.

But let me go back to the federal budget and the main stream of this discussion. The federal government provides a great many benefits to Canberra. Cuts to personal tax rates mean that Canberrans will now have more money to provide for their needs, and the expansion in the commonwealth public service in Canberra means that there will be more money coming into the territory.

On 9 May, the Chief Minister said: "The biggest other investment really is in jobs. The prospect of another 5,000 following on from the significant number of jobs last year is great for us, it's great for the ACT economy." I could not agree more with the Chief Minister's sentiment. More people moving to Canberra to join the Canberra community is a great thing. These are people who will be well paid and have income to spend.

There has been some confusion about the number of additional public servants that will be coming to Canberra, though I think the Chief Minister today indicated that he has probably got across that. Although the federal budget provides for an increase of 5,244 public servants, including military personnel, many of these will be stationed outside the ACT. The *Canberra Times* reported on 10 May 2007 that the Public Service Commissioner, Lynelle Briggs, expected that there would be an increase of 1,000 to 2,000 Canberra-based public servants. This is still up to 2,000 people—plus, in many cases, their families—who will arrive in Canberra. These people will join the Canberra community and enjoy and contribute to the best that Canberra has to offer.

Much of the impact of the federal budget will be whatever the ACT government makes of it. There are tremendous opportunities for prosperity, but the ACT must deal properly and sensibly with these opportunities. Indeed, this was the message from the Property Council of Australia. On the release of the federal budget, they said, "The 2007—08 Federal Budget is positive for Canberra but the ACT Government will have to move quickly to take full advantage of what's on offer." The Chief Minister also recognised the positive effect of the federal budget when he greeted it as "a good, attractive budget for the vast majority of Australians"—you would think it was a Liberal speaking—and, as I mentioned earlier, "great for the ACT economy".

Unfortunately, the Minister for Territory and Municipal Services, Mr Hargreaves—the mentor to Mr Barr, our colleague opposite—had a different view. He complained that there could be problems with infrastructure due to an influx of public servants. On Thursday, 10 May, Mr Hargreaves commented to the *Canberra Times* as follows:

What do we do to cater for the extra people? We will have a crisis on our hands if the federal government gives us an extra 5000 employees ... They are going to flood the market with 5000 public servants and we can't catch up with housing for them and all the work we've done on affordable housing goes down the drain.

I would be reluctant to compare Mr Hargreaves's approach to a Greens' approach to life. He would be about the last person in this place that you would say that about. But I am worried that these speeches have started to sink into Mr Hargreaves and that he has started to actually embrace this back-to-basics, no-development philosophy. They are disappointed—

**Mr Seselja:** Negative growth.

**MR MULCAHY:** Negative growth, as Mr Seselja points out, seems to be the new direction for Mr Hargreaves. I hope that his colleagues can bring him back in line and let him understand that the Chief Minister's comments in welcoming the budget are in fact in order.

**Mrs Burke:** Mr Gentleman says he can't.

**MR MULCAHY:** I can understand the difficulty in managing that cabinet over there. It would be like herding cats indeed. But the comments from Mr Hargreaves are disappointing, and not just because he misunderstands the federal budget figures. Indeed, this is not so much a commentary on the federal budget as a sad commentary on the feeble nature of the government's housing plan, a diagnosis coming straight from the horse's mouth. The woeful attitude of the minister to some good news for the ACT is a sad commentary.

Of course, there may indeed be an issue in accommodating these extra people. But, firstly, it is a very welcome issue and, secondly, it is one that would not have occurred if the government had moved to address the housing crisis at any stage in the last five years while they have been in control. After all, this is not an influx of some poverty-stricken group that is going to be panhandling for change in the streets. They are well-paid commonwealth public servants who more than likely will be earning more than the average wage for Canberra workers. They will indeed need places to live, food to eat, and so on. But they will bring with them a great deal of money to buy these things.

Does a restaurant owner complain about the lunchtime rush? Does he cry out in despair that he now has to cook more food? Does a publican complain about St Patrick's Day? Of course not. But this is precisely the attitude of the Minister for Territory and Municipal Services: "Bad news. Businesses are going to prosper. We are going to have more money spent in Canberra. There will be improved employment. Good heavens! What is this John Howard doing to the ACT?"

The federal budget, of course, is welcome news. As I said, this is a very welcome development. The federal budget provides great opportunities for Canberra, but the benefit that this budget provides will be whatever those opposite choose to make of it.

I would be doing a great disservice to the Australian government if I did not highlight some of the other benefits to the ACT from the recent budget. The Australian government will provide \$71.8 million over four years to develop Canberra's infrastructure and provide ongoing maintenance funding in accordance with the Griffin legacy plan. The Australian government also provided an initial \$14.1 million for the construction of the National Portrait Gallery, \$12½ million for the Australian War Memorial—one of the greatest attractions in the city: not the arboretum, and it probably never will be the arboretum—\$8 million for the Royal Australian Mint, \$3.5 million for the High Court of Australia, and funding for a scoping study for a new building for the Australian Federal Police. The Australian government will also provide a range of funding initiatives, including family payments and payments under its new higher education endowment fund, which will greatly benefit ACT universities.

And let us not forget the initiative of the Australian government that continues to provide revenue for the ACT at a greater and greater rate—the GST. In 2007-08, the ACT will receive \$823 million from the GST—

**Mrs Burke:** How much?

**MR MULCAHY:** \$823 million from the GST—\$55 million more than last year and an incredible \$83 million more than we would have received under the previous system of assistance grants and inefficient territory taxes abolished under the intergovernmental agreement.

There is an example of the economic short-sightedness and ineptitude of the Chief Minister, and the Labor Party in general, in relation to GST. In this place, on 29 February 2000, the now Chief Minister pledged to work with his colleagues to facilitate the roll back of the GST. He mused over how much transitional payment would be used to cover the GST revenue of the ACT and the amount the territory would have received under the old system. Chief Minister, you have your answer: the territory is receiving \$83 million more this coming financial year because of this allegedly regressive tax that your own party has now embraced.

In addition to the revenue from the GST, the specific purpose payments have increased by \$42 million from last year. I have looked into some of the other payments in the intervening period. You can play around with the figures, of course. The Chief Minister tried to find a negative side in the growth of GST. He said that it was a small part of the GDP now. But in fact GST and total payments to the states for 2007-08 are 7.3 per cent of GDP—in the order of about \$72.6 billion, I believe.

Reference was also made to payments for health. It is worth noting that in 2007-08, from the figures we have as of today, for health the increases for 2006-07 were \$471 million, compared with \$758 million for 2007-08, \$918 million for 2008-09 and \$1.02 billion for 2009-10—the figures for the extra spent. This is on top of existing expenditure. Total health spending for 2006-07 will be \$40 billion and for 2007-08 will be \$43 billion. Something in the order of 6.8 per cent of GDP is being distributed to states.

My time has run out, but there is no doubt that all Australians are better off thanks to the Howard government and the budget that has been presented.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (4.56): I thank Mrs Burke for raising this important matter today. Looking at the overall impact of the 2007-08 federal budget, I think the one clear impact that the Howard government was hoping for would be as recorded by a number of institutions such as Newspoll, Morgan, Galaxy and AC Nielsen. When you assess the impact as measured by those organisations, it is perhaps not as the federal government might have wanted.

It is undoubtedly the case that, as the election nears, the current 20-point gap between the parties will narrow. We will probably see—as we traditionally do in Australian elections—an outcome somewhere along the lines of 51-49 by the end. Those on this side of the house are hoping that the mood for change that is clearly there—and has just been, perhaps belatedly, picked up by the federal government—will continue. The efforts that they put forward in the federal budget were interesting.

Despite the temptation to be broad ranging, I will restrict my comments to the education and tourism portfolios. There were a number of quite welcome initiatives in the budget. The interesting thing is why they have taken so long to deliver. It is fascinating that in last year's budget education rated one mention—one. Now, in his 11th or 12th budget, the Treasurer decides that he wants to do a lap of honour on education—wants to devote a considerable part of his speech to education. There has been 11 years of neglect in that portfolio—11 years of neglect. It has not been a priority for the federal government. It has not invested in the economic wellbeing of our country through our education system.

Let me give a classic example. The Howard government has promised Queanbeyan an Australian technical college. It has completely overlooked the ACT. We do not mind. We are very proud of the VET programs that are run in our high schools and colleges. But those opposite like to tell us how much help we have received from the Howard government. They should remember that Canberra was overlooked for an Australian technical college, though it does seem that it was possible to help our friends over the border. Queanbeyan sits in a marginal seat. Funny that, isn't it? Perhaps we should not be too upset, though, because Queanbeyan is still waiting for its technical college.

It is worth looking at the funding for education overall. Education spending has fallen from 7.7 per cent of total spending in the 2005-06 budget to 7.4 per cent in the outyears through to 2010-11. Overall investment in education in Australia is now 5.8 per cent of GDP. We are 18th in the OECD. Our public investment in tertiary education in universities and TAFE has declined by 7 per cent over the period of the Howard government's term in office, compared with a massive 48 per cent increase by our OECD competitors. Despite all of the new measures in the budget, funding for education as a proportion of GDP has declined from 2 per cent when the Howard government took office in 1995-96 to 1.6 per cent in 2007-08. It is of great concern that over a decade we have seen such a decline in funding for education.

One initiative is welcome, although I do not believe it goes far enough, and Dr Foskey was correct in picking this up. It is the university endowment fund. It is an interesting way of budgeting. I think that Ross Gittins in the *Sydney Morning Herald* referred to it as “jam jar economics”: the Treasurer puts a little bit of money aside, puts a label on it and then says, “Look, this is fantastic”—

**Mr Seselja:** Can you get through a whole Ross Gittins article? It is so boring. You did well not to fall asleep.

**MR BARR:** Mr Seselja, you would do well to take the time to read a bit more of what Mr Gittins has to say. He is one of the more objective economic observers, and he is someone who does not have a particular party political barrow to push. He has made the observation that in this type of economic policy we hive off—hypothecate—particular amounts of money, put them in our jam jars, give them a label and say, “This addresses all of the issues.” The great concern is that, having established the university endowment fund, the federal government will wash its hands of any further funding for the higher education sector. That is going to have a dramatic impact on productivity in this country.

I move to the next point. Perhaps the next disappointing aspect is the continuing decline in productivity on the federal government’s watch. They have failed to act on the critical link between long-term prosperity, productivity growth and investment in education. Human capital investment is at the heart of economic reform—the economic reform that is necessary to position Australia into the future as a competitive, innovative, knowledge-based economy.

Following the launch of the education revolution from the opposition leader, we are starting to see some catch-up politics. The federal Treasurer wants his lap of honour on education before he ebbs out of office. It has taken 11 long years—11 long years before we saw anything in substantial investment in education. The proportion of GDP was two per cent when they came to office but has fallen to 1.6 per cent even with this investment.

One of the more disturbing trends over the period has been the decrease in support for public education. Whilst I argue that we should have more investment in education overall and that that investment should be shared between public and private schools, we are seeing a massive shift in the proportionality of the funding. Public schools educate 70 per cent of Australians and 60 per cent of Canberrans. It has always been the case that this jurisdiction has had a higher proportion of people in non-government schools.

There has been a massive increase in funding for non-government schools. I understand that from this budget, across the nation, non-government schools are set to receive a \$1.7 billion increase in funding over the next five years. That is welcome; that additional funding for education is welcome. The unfortunate part is that public schools will receive only \$300 million a year extra in funding. There is a 30 per cent increase to non-government schools—a welcome investment—compared to only a 10 per cent increase for public schools. Ten per cent is better than nothing, but it is

disappointing that the investment for the 70 per cent of students nationwide and the 60 per cent—still the vast majority of students—was not there.

Another failure was in early childhood, as the Chief Minister has indicated. All of the international and national research highlights the importance of early childhood education. It is the foundation for lifelong learning. The federal government has failed to acknowledge that in this budget. It was the one area that was not funded, and that is disappointing.

But let me look at the detail. What was particularly concerning was the little bit of detail that was slipped in as a one-liner in the budget papers in relation to the next funding agreement between the states and territories and the Commonwealth. The Commonwealth seeks to put in that a contingency that the states and territories must have external exams for years 11 and 12. Let me make this very clear: this puts in jeopardy the college system of continuous assessment in the ACT, a system that we have invested in in this jurisdiction. It has had bipartisan support for 30 years.

Our college system is the envy of every other jurisdiction. We continue to believe that continuous assessment of students in the ACT is a better way of assessing students' abilities and knowledge and that a set of exams like the HSC are high stress and do not effectively measure a student's knowledge. That the federal government is seeking to put at risk the ACT's outstanding education system—and our year 11 and 12 assessment system through our colleges—for the sake of national uniformity is very disappointing. Let me make it clear that the Stanhope Labor government will defend the ACT's education system. I look forward to receiving the support of those opposite in defence of our college system and our continuous assessment in years 11 and 12.

In the remaining time, I want to turn to the tourism portfolio. Some of the investment in national institutions in the territory is welcome. It is very important. As we continue to build on our efforts to promote Canberra as a tourist destination, we cannot ever underestimate the role of the national institutions. My concern—and it was put in stark relief at the Australian Tourism Exchange, which I had the opportunity to attend in Brisbane over the weekend—is that, whilst the ACT government and Australian Capital Tourism was well represented, with a very impressive display as part of the Australian Tourism Exchange, there were only two national institutions who partnered with us.

The issue that needs to be addressed is promotional budgets for our national institutions. The commonwealth government appears not to be interested in providing that additional resource to promote these institutions to the rest of Australia and the rest of the world. There is a great opportunity to bring more tourists to the city, if only the money were there.

**MR STEFANIAK** (Ginninderra—Leader of the Opposition) (5.07): It is interesting to hear Mr Barr talk about his portfolio areas; sadly, it just shows the difference between what the federal government is doing and what the current local Labor government is doing.



In tourism we had, in a small budget, huge cuts—3.5 million. We saw that reflected in much lower visitor numbers in the latest survey. We have seen unprecedented cuts in the sports budget. It is a very small budget, but \$400,000 was taken out of it. That really hit a lot of grassroots sportsmen incredibly badly. Then we had 23 schools and preschools closed. Again, I cannot recall the federal government doing anything in relation to closing schools.

Since the federal Liberal government came to power in 1996, Australia has managed to weather a number of rather extraordinary crises in the region. Through all of these, including the East Asian meltdown, Australia has sailed through unscathed. That is not a matter of good luck; it is good judgment. It began with the federal government working to pay back \$96 billion in debt incurred by the Hawke-Keating government, which was costing Australians \$10 billion in interest annually. That \$10 billion can buy quite a few schools and quite a few social services.

The Howard government created the conditions in which economic enterprise could flourish in Australia. Business flourished. Indeed, Mr Rudd's wife's million-dollar company was just one company that flourished spectacularly in a climate created by tax cuts and industrial relation reforms—without which we would not be enjoying such boom times.

Through successive international downturns, Australia has performed brilliantly. That point seems to have been forgotten by many in the population who, if you go by the opinion polls, think we can afford to have a change just for change's sake. If they think this, part of the reason may well be that they have ceased to be aware of Labor's very poor track record on economic management, both nationally and at a state and territory level.

Our system of federation makes it possible for states and territories to fail rather ignominiously on things like hospitals, government schools and public transport, but never take responsibility for it. Indeed, Labor governments around the country have been able to squander money without delivering the necessary improvements to goods and services to the community. That is what has happened here.

Our last budget slashed community services and hiked taxes and charges across the board. We are seeing that come home to roost now. I have seen some figures which scare me in relation to the latest hikes in the cost of water for the ACT. If they are correct, that could add up to \$848.29 per year even for a two-person household—rising to over \$3,000 for water bills for a six-person household. Our economy is booming, but it has very little, if anything, to do with the current government and occurs despite its efforts to squeeze both business and individuals.

The federal budget this year heaped considerable largesse on the ACT. It has delivered to the ACT more affordable childcare, new capital works, increased GST revenue and more public service jobs. Another 5,244 Australian public service jobs will be created, a large number of those in Canberra. We are looking at about 2,000. If you add the families who come in, you are talking about 5,000 extra people. That might scare people like Mr Hargreaves—he says, “Oh my God, where do we put them all?”, but that is basically this government's fault—but it is good news for our local

economy. It brings the number of extra APS jobs created since the 2002-03 budget to around 20,000.

Unfortunately, the ACT government has not created circumstances in which these new workers can be easily accommodated. Due to such factors as slow land releases by this government and huge imposts on landlords—including land tax, a possible illegal water abstraction charge, and hikes in other rates—we are experiencing a rental crisis. Median house prices rank amongst the highest in Australia.

The federal budget had a number of goodies for the ACT. There is \$71.8 million through the Griffin legacy. That will be spent on transforming Constitution Avenue into a four-lane quality landscape by 2010. The budget set aside close on \$480,000 for maintenance of the Barton and Federal highways and \$602,000 for fixing four yet to be disclosed crash hotspots around Canberra. There is \$3 million for planning for the duplication of the Barton Highway between the ACT border and the northern end of the proposed Murrumbateman bypass. Money has already been allocated for the duplication of Lanyon Drive at Hume; that is expected to be spent soon. The federal government is providing an extra \$21.2 million for the new National Portrait Gallery to enhance services, exhibitions and educational programs.

Compare that with what the federal Labor party is promising. It has announced that it would slash the budget of the NCA. There is also concern that it has not abandoned its policy of merging cultural institutions such as the portrait gallery.

Changes to the childcare rebate and increased childcare benefits will also benefit families in Canberra. Going to another area, the federal government's spending on disability services this financial year is a huge \$12.8 million. There are increases there for the ACT. There is an extra \$500,000 increase from the federal budget which will go to us.

Mention has been made of education. The ANU stands to benefit hugely from the government's higher education endowment fund. In the federal government budget environment initiatives, the solar panel rebate has been doubled—spend \$14,000 and you get \$8,000 back. The ACT will also benefit from federal government initiatives which provide eligible first and second-year apprentices with a tax-free payment of \$1,000 plus a \$500 voucher. All in all, it is an excellent budget for the ACT.

**MR DEPUTY SPEAKER:** The discussion is concluded.

## **Utilities (Energy Industry Levy) Amendment Bill 2007**

Debate resumed.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (5.13), in reply: As we all know, energy is essential to maintaining the ACT economy and the quality of lifestyle Canberrans have come to enjoy and expect. Electricity and gas fuel all of our

domestic, commercial and industrial activities. Without a secure supply of electricity and gas, Canberra could not maintain its excellent standard of living.

The Utilities (Energy Industry Levy) Amendment Bill we are debating today is seeking to protect and enhance the provision of electricity and gas services by ensuring that technical safety and consumer protection activities are adequately funded. Over the past four years, the ACT has been actively participating in the national energy market reform program, which is aimed at streamlining the regulation of the generation and supply of electricity and gas. In June 2004, the commonwealth and all the state and territory governments agreed to the Australian energy market agreement. This agreement defines the objectives, key structure and timing of the national energy reforms.

Earlier this year, COAG supported an amendment to the agreement to formalise state and territory funding obligations to the national energy market rule-making body, the Australian Energy Market Commission. This rule-making body and its functions are necessary for the reform to be successful, as the ACT alone does not have the power or resources to undertake the duties this body performs. In accordance with the agreement, most state and territory energy market regulation functions will be progressively transferred to a national regime. This will also see the phasing out of associated jurisdictional licensing regimes from the fiscal year 2007-08.

In the ACT, the Independent Competition and Regulatory Commission currently undertakes these economic regulatory functions. In the amended agreement, states and territories have agreed to fully fund the commission on the basis of the cost-sharing arrangements agreed to by jurisdictions and embodied in the commission's funding agreement. The ACT contribution averages 1.78 per cent of the total estimated Australian Energy Market Commission costs. The ACT's contribution is therefore estimated at \$240,000.

This bill is very simple and straightforward. The proposed legislation will overcome the funding issues associated with the phasing out of jurisdiction-based licensing regimes as part of the national energy market reform. It provides a levy that will mirror and ultimately replace the current licence fees on a strictly cost-recovery basis. Funds collected under the new regime will continue to support ACT financial requirements in relation to local and national energy regulatory activities. Currently, the services of supply and distribution of electricity and gas are regulated by state and territory regulators. As part of the national reform process, most of these regulatory functions will be transferred to a national regime with a single national regulator.

That is at the heart of this legislation. The issues in relation to national electricity and reform of the energy market and the decisions and positions that states and territories have taken always sound very technical. The legislation today is essentially machinery legislation designed to change the regimes under which we currently operate to a National Australian Energy Market Commission that will accept overarching regulatory responsibility for the regulation of this very important industry in Australia. It will essentially take functions that to date have been performed by the Independent Competition and Regulatory Commission and vest those functions in a national regulator.

There are technical aspects around payment by states and territories. I have mentioned the formula that has been developed. It needs to be understood, however, that this is a transferral essentially of funding from the Independent Competition and Regulatory Commission to the national regulator. There will be no extra burden on the ACT or on the ACT ratepayer as a result of this legislation. It is simply transferring the function, as agreed by all jurisdictions, to a national regulator and removing that functional responsibility from our Independent Competition and Regulatory Commission. So, to the extent that this legislation provides for a payment regime, it does need to be understood that it is not imposing an extra burden or a further burden on the ACT. It is simply that the cost of the resourcing of the regulatory function now will be directed, not to our independent regulator, but to the national regulator.

I thank members for their support. It is a very important piece of legislation. It is very technical in nature, but it is essentially a machinery bill which, I just wanted to make the point, does not impose an additional financial burden on the people of the ACT. It is important, I think, that we understand that and I thank members for their support.

Question resolved in the affirmative.

Bill agreed to in principle.

### **Detail stage**

Bill, by leave, taken as a whole.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (5.18): I seek leave to move together amendments Nos 1 and 2 circulated in my name.

Leave granted.

**MR STANHOPE:** I move amendments Nos 1 and 2 circulated in my name [*see schedule 1 at page 1150*]. I table a supplementary explanatory statement to the amendments.

The purpose of these amendments is to rectify a typographical mistake in proposed new section 54C (5) and to ensure consistency with proposed new sections 54H (1) (a) and 54I (2) (b). The purpose of the second of the amendments is to add an explanatory note to enforce client legal privilege under new section 54J (3).

Clause 1 changes the date which is referred to in the definition of the proposed new section 54C (5) from 1 October to 15 September. That is to rectify the mistake and to ensure consistency with the proposed new sections.

Clause 2 adds a note alerting the reader to the Legislation Act. The amendment adds a note about privilege against self-incrimination and exposure to civil penalty and about client legal privilege. This is an amendment which was recommended by the scrutiny of bills committee. Clause 9 changes the reference from section 4 (ka) of the Utilities Act 2000 to section 4 (ka) of the Taxation Administration Act.

The new section provides that the new part 3A energy industry levy of the Utilities Act is taxable under the Taxation Administration Act. The amendment is to rectify a typographical mistake and to ensure consistency. These are machinery matters of no particular moment.

Amendments agreed to.

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

Bill, as amended, agreed to.

## **Standing orders—suspension**

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

That so much of the standing orders be suspended as would prevent order of the day No 13, Private Members' business, relating to the Gaming Machine Amendment Bill 2007, being called on forthwith.

## **Gaming Machine Amendment Bill 2007**

Debate resumed from 2 May 2007, on motion by **Mr Stefaniak**:

That this bill be agreed to in principle.

**MR STANHOPE** (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (5.22): The government will be supporting this amendment to the Gaming Machine Act 2004. I note that the amendment was to be considered by the government later this year. It was proposed to include this change with a number of other small amendments to the act to enhance the legislation's operation and to clarify a number of ambiguities.

In relation to the specific amendment which the opposition has brought forward, I understand that the original purpose of having the 12-month waiting period as part of the eligibility criteria for the holder of a general or an on-liquor licence when applying for a gaming machine licence was to provide additional comfort that the proposed gaming machine licensee was operating the business in a satisfactory and compliant manner. Upon reflection, the other eligibility criteria in the act are considered to sufficiently provide adequate scrutiny to assess prospective gaming machine licence applicants.

I can assure the Assembly that my government is not interested in having restrictions on businesses that do not serve a useful purpose. We are committed to a reduction in red tape where it is appropriate to do so. In this specific case, as I said earlier, the government was intending to include this proposed amendment at a later date with some other amendments which it has identified, but in this particular case to remove the 12-month waiting requirement for general and on-liquor licence holders. This will

allow the other strict eligibility criteria in the act to determine the success or otherwise of an application for a gaming machine licence.

The Leader of the Opposition has spoken to me in relation to a particular circumstance which this particular amendment will address in relation to a member of our community. I am pleased to be able to support the Leader of the Opposition to resolve an issue of some distress and concern to a member of our community, and the government is happy to support the amendment at this time.

**MR STEFANIAK** (Ginninderra—Leader of the Opposition) (5.24), in reply: I want to place on record my appreciation of the prompt response that the Chief Minister has brought to this bill since I introduced it in May. Our officers have worked well together in relation to this sensible amendment which has some very real connotations for several small businesses in the ACT: the purchaser, who is very keen to buy the business, and the person who is selling the business and who has effectively done so but has incurred a considerable additional weekly expense because of a move in relation to another business. So there are some very real personal issues in relation to this matter.

I thank the Chief Minister and I thank his departmental officials for the prompt response and the assistance that they have given to the opposition to resolve this issue, which is of real concern to some people in our community. The amendment is a very sensible one which will have further ramifications, and sensible ramifications, in reducing red tape and will affect a number of other small businesses from time to time in the ACT in a very positive way. I thank members for their support.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

## **Adjournment**

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

That the Assembly do now adjourn.

## **Industrial relations Canberra Raiders—players**

**MR SESELJA** (Molonglo) (5.26): I would like to say a couple of words, firstly, about the hypocrisy of the Australian Labor Party. We have all witnessed in recent times the Labor Party's quite incessant attacks on businesses because of their workplace arrangements, yet it seems that when it is one of their own, when someone very close to the Labor Party has sought flexibility in their workplace arrangements, they are being given the benefit of the doubt in a way that many other businesses have not been given by the Labor Party.

We have had complete silence from the Labor Party in response to the issue around Therese Rein's business dealings. Kevin Rudd, after some time, came out with his explanation, but we have not had the usual shrieks from the union movement about evil employers looking to exploit workers and we have not had the usual hysteria from the deputy opposition leader, Ms Gillard, on this issue. In fact, she has been virtually silent on the issue.

Mr Temporary Deputy Speaker, in the past you have been very quick to criticise particular businesses for their business arrangements. It is, in fact, for that flexibility that they have been seeking that they have been criticised. It seems that it has been the very same flexibility that Ms Rein was seeking, although it appears that she may have done it in breach of the law. Mr Temporary Deputy Speaker, I draw attention to one of your motions in the Assembly noting that the recent WorkChoices changes announced by the federal government are designed to reduce workers' entitlements, particularly in relation to a number of areas, including family-friendly provisions, annual and long service leave, rest and meal breaks, leave loadings and penalty rates.

The workplace changes were not designed to reduce those. The workplace changes were designed to bring flexibility, and it is that very flexibility that Ms Rein was obviously seeking in her common law arrangements. It seems that, under the Labor Party's policy, that would be acceptable. Under common law arrangements, there will be no fairness test there. So it is quite a conundrum for the Labor Party.

I look forward to members opposite, including you, Mr Temporary Deputy Speaker, getting up and criticising these arrangements in the same way that you would have criticised other businesses. We know that your federal colleagues, in their disgraceful attack on the Lilac City Motor Inn, gave absolutely no opportunity to those business owners to respond and clarify what the arrangements were. That highlights the absolute double standards that the Labor Party has shown on this issue, and its hypocrisy has been shown up.

I want to touch on another issue now. It relates to Todd Carney. I noted with interest reports today that Steve Irwin, the other player who was allegedly involved with Todd Carney, is to be released by the Canberra Raiders as a result of his role in the affair. I do not know whether those reports are true, but I would be concerned if they were because that would demonstrate a bit of a double standard. We had the Chief Minister and we had Mr McIntyre coming out and saying that Todd Carney should not be sacked. I think that is the right thing.

Todd Carney is a young fellow who has done some pretty stupid things and is alleged to have done some pretty stupid things, but I think it is worth giving him a second chance. It is interesting that Mr McIntyre came out and said that it would be like getting rid of a family member. It seems, if the reports today are to be believed, that the same consideration is not going to be extended to Mr Irwin. It seems that they may be looking to get rid of that family member, which would be a disappointing double standard. If Mr Carney is to be given a second chance, clearly Mr Irwin should be as well.

I hope those reports are wrong. If those reports are correct, I think that the Canberra Raiders should justify why they are choosing to get rid of Mr Irwin and treat him in a very different way from how they are treating Mr Carney. I think that would be disappointing and I think it would undermine their argument that they are really doing it out of the best of motives. It may suggest, if it is true, that it is really about the fact that Todd Carney is a very valuable player, rather than any sort of loyalty that they may have to him. I will give them the benefit of the doubt at this point, hoping that they will clarify that, but I would put on record that, if it is true, it is disappointing and it is a disappointing double standard.

### **Death of Malietoa Tanumafili II**

**MR HARGREAVES** (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (5.31): On behalf of the Assembly and the ACT community, I would like to extend condolences to the family of the late Head of State Malietoa Tanumafili II, the people of Samoa and the Samoan community in Canberra, following his funeral on Friday, 18 May 2007. The late Head of State Malietoa Tanumafili II was fondly referred to as the father of Samoa by speakers at his funeral service in the capital, Apia. He died on 11 May 2007 in Tupua Tamasese National Hospital, aged 94. He was the oldest head of state in the world.

The king inherited his royal title in 1940 and was made a special adviser to the New Zealand governor in Samoa following the death of his father, Malietoa Tanumafili I. He was a key figure in Samoa's drive towards independence and was made joint head of state for life, alongside Tupua Tamasese Meaole, when Samoa became the first Pacific Islands country to achieve independence from New Zealand in 1962. The king became sole head of state when Tupua Tamasese Meaole died in 1963. Under Samoa's constitution, Malietoa's successor will be appointed for five-year terms and will be decided by the country's legislative assembly, which is elected from mainly customary chiefs every five years.

Reverend Oka Feolo, Chairman of the Samoan Council of Churches, told mourners, "While this means the passing of our dearly beloved father, he is a hero who has put the sword in the sea and God calls him forward forever." Prime Minister Tuilaepa Sailele Malielegaoi praised the late head of state as "the personification of Samoan peace and unity". As a sign of that respect, the Samoan community, which comprises two major organisations, held a special church service for the late king at the Uniting Church in Civic at 7.00 pm on Wednesday, 23 May 2007.

The Samoan community in Canberra numbers some 500 people. As a new and emerging community in Canberra, the Samoan community is among those that the ACT government is supporting through the provision of office accommodation within the Theo Notaras Multicultural Centre. I need to say that the Samoan community have been stalwarts of our National Multicultural Festival over many years. I know members have enjoyed the presentations that they have made.

Head of State Malietoa Tanumafili II will be sadly missed by the Samoans in Canberra and throughout the world as well as in the broader Pacific Islander



community. I would like to convey to the Samoan community, on behalf of all Canberrans, the sentiments of profound sadness that we all feel. The Samoan community are significant members of our wider community and their loss is felt by us all.

### **Aboriginals and Torres Strait Islanders**

**DR FOSKEY** (Molonglo) (5.34): Last week we marked the 40th anniversary of the 1967 referendum. This referendum symbolised the acceptance of indigenous Australians as full citizens of their own country. It represents a milestone in the struggle for respect and social justice.

Few who were living in Australia at that time could forget the sense of hope and euphoria in the aftermath of the vote, the optimism and the faith that it created. It seemed inevitable that some day we could re-establish our relationship, based not on paternalism and hegemony but on respect and empathy. Indigenous and non-indigenous Australians felt that we could now enter into a new conversation with one another. Many Australians regarded the referendum as an opportunity to create a new era of respect and social justice in Australia. Mick Dodson once said:

Social justice is what faces you in the morning ... It is the ability to nourish your children and send them to school where their education not only equips them for employment but reinforces their knowledge and understanding of their cultural inheritance. It is ... a life of choices and opportunity, free from discrimination.

A number of Australians have spent the last week wondering whether we have made the most of the opportunity that the referendum afforded us. I suspect Australian Aborigines do not simply want to be assimilated into mainstream society, whatever that may be. Indigenous Australians want power and respect for their unique heritage. They want to live in a hygienic, safe and culturally appropriate home. They want access to an inclusive education. They would like a clear relationship with government. They would like respect from government. Indigenous Australians want and are entitled to these things.

We must acknowledge today, as we did in 1967, that the journey of Australia is only as important as the experience of every community. Every community is valuable, and we cannot dismiss the very real alienation and rejection of people because we feel they must assimilate.

Crucially, we must stop trying to solve the Aboriginal problem. Imagine how it feels to be called a problem. Indigenous Australians are nobody's problem to solve. To the contrary, right under our nose are rich indigenous cultures that have existed in this country for tens of thousands of years. They can and would like to offer their own solutions to any of the challenges that we face. Any government would be arrogant to think that it has everything to teach Australian Aborigines and nothing to learn from them.

Many of our leaders deny the importance of symbolism in strengthening our relationships. The referendum is my answer to this. What we did in 1967 was more than resolve a problem within our constitution. We created a symbol that has lived on

for decades. We did not vote yes and move on. We voted yes, and we celebrate it to this day. The symbolism of what we did lives on and continues to drive and inspire us in the spirit of social justice and reconciliation.

Forty years ago, the world watched as Australians collectively spoke the language of social justice. We acknowledged that day the respect and dignity to which each person is entitled. We acknowledged that, if this is denied to any one of us, it is denied to all of us. To do justice to the referendum, we must now live social justice every day in our relationships, in our interactions and in our approach to reconciliation. We must fully embrace reconciliation, accept our history maturely and forge forward in a relationship based on respect. We owe this to the legacy of those who fought hard for the 1967 referendum. They did it without email, without websites and without the ability to catch planes and travel around the country.

### **KairosCare**

**MRS BURKE** (Molonglo) (5.39): I bring to members' attention the Kairos Prison Ministry's work in Australia. Many members may know I hold from time to time Assembly breakfasts. In particular, the speaker at the May breakfast was a gentleman by the name of Ian Pavletich. He is the marketing promotions manager, I guess, for the Kairos Prison Ministry. He told us a little bit about Kairos and their involvement with our soon-to-be ACT prison. I was quite interested to hear him.

What is Kairos? In a nutshell, Kairos reaches out and says to men and women in prison, "You have a choice." It says to women, family members, and friends, "You are not alone." It says to juvenile offenders, "There can be a better way ahead."

I guess many of us would know some of the facts, but I will run through a few of those. It costs society between \$55,000 and \$75,000 per annum to have someone in custodial care. All those in prison will be back in society one day, but over half, men and women, will re-offend within two years unless something changes in their lives.

However, over 80 per cent of the sentences given are for a period of less than five years, including parole time; so most are not big-time crimes, in other words. Eight to 10 per cent are serving time for traffic offences. Most re-offending inmates are a result of the environment they grew up in or had to live in. Most women in prison suffered major abuse as children. Most do not know how to take action to permanently stop the cycle.

In Australia, Kairos is currently active in over 16 correctional centres for men and women with more coming on board—eight regional centres for women and one torch program for juveniles. It has been said that Kairos is widely recognised as the most effective program available to positively change basic attitudes of the incarcerated and re-establish the self-belief in affected family members. That is what we know. We hear the catch-cry: "they have done the crime; they do the time". This is where Kairos can really reach out.

Kairos is a not-for-profit, Christian-based ministry governed in Australia by the national board of Kairos Prison Ministry Australia, or KPMA. It is interdenominational, meaning that volunteers come from all arms of the Christian

faith—from traditional denominations to modern Pentecostal or Charismatic, Catholic or Protestant, large or small. It certainly is not over the top, preaching based; it is action based. That sounds very positive in terms of really being able to rehabilitate people back into society. It simply is not about locking people up and throwing away the key; it is about working with these prisoners inside to make sure that when they re-enter life they are able to contribute.

The proportion of unsentenced or unclassified prisoners to the total prisoner population in June 2006 was an amazing 22 per cent. Why is that scary? Because these people are in limbo, remand or holding and are all in maximum security together, whether for murder, break and enter, white-collar or traffic offences, until something is done, some for a year or more. That may vary in the ACT, but it is quite concerning.

Seventy per cent of those serving time have literacy skills of 7th grade or less, with over 50 per cent of them being classed in the illiterate levels. Why is that important? If you cannot read, you spend your time watching TV, working out at the gym, mixing or trying not to mix, looking at picture magazines, deadening the head and staying at the same level. And if educational activity programs are cut due to funding issues et cetera, the chances of any rehabilitation or changing minds about the cycle they are in is reduced. Seventy-five per cent of convicted criminals doing time are doing so for drug-related crime in one form or another, with the majority being petty crime levels. Most women in prison come out of extremely abusive environments.

The Kairos organisation are to be commended for the work they are doing. I look forward to talking with them more in terms of the humanitarian and community approach that we can take to people incarcerated. As they say:

It's very easy to breed better criminals in that environment than better members of society—which leads to the final fact ... unless they die in there—all people in correctional centres in Australia will be back out in society one day!

### **Environment—volunteer projects**

**MS PORTER** (Ginninderra) (5.43): All of us in this place are concerned about our environment and climate change. If there are members who are not, then I suggest it is time that they did. Fortunately we have organisations harnessing considerable volunteer effort and, through the support of the ACT government, they are working hard to retain, repair and restore our environment.

One such organisation is Greening Australia. I enjoy being able to join with other volunteers, through that organisation, on weekends in propagating, planting and protecting many thousands of young trees in the ACT. There are many tasks to be undertaken. Thanks to people like Toby Jones and Haydn Burgess from Greening Australia, since January 2006, 67 events have been organised, including planting and maintenance days, seed-collection and propagating workshops, community presentations and field days.

Some 2,880 people or 10,096 volunteer hours have been involved in the program, including 18 different community groups, businesses and government departments.

Together they have contributed to the establishment of 20,462 plants, at the same time growing a community.

I have attended a number of Greening Australia's field days this year. This work has involved pruning pine wildings at Mount MacDonald. The removal of pine wildings is important as it helps restore the site to a native woodland and reduces competition for precious moisture and nutrients. Volunteers have planted 14,000 native trees, shrubs and grasses on Mount MacDonald. Despite the prevailing weather conditions, the survival rate is in excess of 75 per cent, a truly remarkable result.

On Mother's Day, I joined 400 volunteers in planting 2,000 trees on Narrabundah Hill, and last Sunday morning we planted another 1,300 natives on the lower Cotter catchment, another 120 volunteers being involved on that day. Hopefully this week there will be some more rain; there was rain after the Mother's Day event. We are looking for rain this week. That certainly helps the young plants get established. It is particularly satisfying to plant trees that you know you have helped propagate the year before. It is also important to recognise the work of the Rivers and Molonglo rural fire units who are on hand to help with watering the new plants.

I put on record here my appreciation of the efforts of all the volunteers, including the many families and young people, as well as those of us who are not so young. I thank the many businesses, the many community groups and the government departments that also regularly participate. I thank the hard-working staff of Greening Australia for organising the day so successfully. I also thank the cooks that give us the barbecues on a regular basis.

We can all wax lyrical about the need to protect our environment and how important trees are to our planet's health, especially in light of climate change. However, it is important, I believe, to get our hands dirty and put our words into action. I encourage all members who can go along next weekend, which is World Environment Day, to log onto the Greening Australia site and register. I unfortunately have prior commitment for my weekend-long mobile office at Belconnen Markets, which I hold regularly on the first weekend of the month. I am unable to join them, but I am hopeful that other members will put their shoulders to the shovel, as it were, and make a practical contribution on World Environment Day.

### **Budget estimates**

**MR SMYTH** (Brindabella) (5.47): The estimates process and the estimates committee are a valuable tool for both the government and the opposition. It is the opportunity for the government to defend its critical decisions in its annual budget. It is an opportunity for the opposition and the community to examine and evaluate these decisions.

An essential component in this process is to understand the context in which the budget is being considered. Clearly in this case context is important. That was acknowledged by Ted Quinlan, the former Treasurer in the Stanhope government, who stumped up on day one or day two every year when he was the Treasurer, to put his budget in context. For his first year as Treasurer in 2002, Mr Quinlan opened the batting on the very first day. Subsequent to that, in 2003, 2004 and 2005, the

Treasurer turned up on the second day. That was to give the community an opportunity to inform the committee of the questions they wanted asked of the Chief Minister, the Treasurer and his ministers. For 2005 and 2006, that continued.

But the interesting thing is that when Mr Stanhope became Treasurer last year he appeared on day three. Now, as we all know, he will appear on day eight. For a treasurer to appear on day eight of the estimates committee is to say that he is afraid of the committee, he is contemptuous of the committee or he is unwilling or unable to defend his decisions in his budget. It is like missing the first scene or the first act in a Shakespearean play; you have got to work it out for yourself. If that is the Chief Minister's intention, then his contempt for the committee is even higher.

I seek leave to table a chart showing the appearance of Treasurers in estimates processes.

Leave not granted.

**MR SMYTH:** Again, leave is not granted. Yes, I would be embarrassed too, Mr Corbell, by the Chief Minister's failure to appear.

If we turn to 2007, we see the Chief Minister now renegeing on his responsibility as Treasurer. It is a fascinating tale, with some murky elements. We initially learned that the Treasurer would not appear at estimates until day eight. We did not know about that until we received the estimates program. People were genuinely surprised. Some questioned the Treasurer's commitment. Some questioned his arrogance and his contempt for the committee.

I emphasise the importance of the Treasurer establishing the context for the budget. It is like the captain of the cricket team. The Chief Minister is not only the captain, he is the chairman of the board and chairman of selectors; yet he has picked himself to bat at eight. At least Ted Quinlan had the guts and the courage to bat at No 1. He might have batted a bit like Geoff Boycott; he was uninspiring, with an occasional four or a six. But what we get from our Chief Minister is a poor demonstration of leadership. That is a quality that Mr Stanhope emphasised in March 2001, when he said that leadership will be one of the values that shape the vision that Labor has for Canberra. Unfortunately, we are not seeing leadership now—leadership in the No 8 position in the team's batting order.

Then we learned that there was an apparent reason for the Treasurer not appearing—because there is an overseas trip. As the committee noted, the Chief Minister would not be available in the first week. It is quite interesting, because even the Committee Office acknowledged that they began negotiating the draft timetable in February and that it was appropriate to have the Chief Minister start the proceedings, but it was not possible.

Then we have the Chief Minister contradicting this. A spokeswoman for Mr Stanhope said to AAP that the claims that Mr Stanhope had planned an overseas trip were baseless. Somebody's office told the committee secretariat that they were on an overseas trip. AAP went on to say that an email obtained by AAP which was sent by the Legislative Assembly committee secretariat to committee members confirmed

a trip was planned. Then we get another contradiction on ABC radio from Mr Stanhope. We have an extraordinary set of events. Today we find out that he will not come to the first week of the estimates process because he now seems to be not in Canberra.

You have to ask the question: “what is so important that the Chief Minister and Treasurer cannot appear to deliver his budget and discuss it with the estimates committee? The Treasurer should make himself available at an early point in the estimates hearing.

I emphasise two matters. As a member of the opposition, I will always seek to make the estimates process as effective as possible. I will always seek to hold the government of the day to account, in spite of the unmerited abuse from the Chief Minister. What he should do in return is extend to the community, the committee members, the visiting members and the Assembly the same courtesy and be available early so that we all gain a better and fuller understanding so that we can get an accurate picture of his budget. (*Time expired.*)

### **Motorcycle Riders Association—blanket run**

**MR GENTLEMAN** (Brindabella) (5.52): Today I talk about a couple of important events for the ACT motorcycle community. This Assembly is well aware of my long-term interest in motorcycling and my affiliation with the Motorcycle Riders Association. I am proud to be part of this organisation and was pleased to see Kate Lundy and Gary Humphries as well as some of my fellow Assembly members—Mary Porter, Bill Stefaniak and Jacqui Burke—out in the crisp, fresh autumn air for the latest 2007 MRA blanket run.

For those unaware of or who perhaps missed my toy run speech last December, the MRA is an organisation formed to protect and further the interests of motorcycling in the ACT. The MRA of Australia, founded in Melbourne in May 1978, is a non-profit organisation and is aimed at providing a link between riders, the government and the general public. It is an organisation designed to work towards improved road safety, driver training and rider education and to raise and improve the image of motorcyclists and motorcycling in the ACT. Members may have read today’s *Canberra Times* article reporting an immediate response by the MRA to the most recent tragedy on Canberra’s roads.

Just as important is the MRA’s role in participating actively in charity and community service events. It was through this organisation and event that the motorcycle riders of the ACT came together a couple of weeks ago to raise awareness for two worthwhile causes, St John’s care and the Smith Family appeal. I do not think we need to go into details about the organisations, as I am sure members are aware of what they strive to achieve. It is important that we continue to recognise this and use our position to help raise awareness.

This event, the MRA’s blanket run, has been running for 26 years and has a proud history and association with these two charitable organisations. In 2007, it again had a terrific turnout—roughly 200 riders this year. Thanks again to our wonderful, giving

Canberra community, they helped raise much-needed money and goods for these two charities and for those less fortunate.

It is important also to mention that St Johns care and the Smith Family appeal rely on organisations like the MRA to host events like this one. Just as important, I note that these organisations rely on all of us, not just the MRA and motorcycle riders of Canberra, to donate what we can to help those less privileged so that they can receive much-needed help.

Winter is fast approaching, and we must do all that we can to help those in need. While the 2007 blanket run was a success, we should all try to help throughout the year. It is along this line that I wish to mention a coming event, Sophie's Ride4Difference on Sunday, 17 June. The Canberra motorcycle community, led by Girls on the Move, or GOT'M, have joined forces to support burns victims and their families through the Day of Difference Foundation. Together GOT'M, the MRA and Ulysses Canberra are providing a motorcycle-led show of support. This issue is close to many people, with burns related illness responsible for more than 20 children's deaths each year, not to mention the thousands more attending hospitals across the country for treatment.

The Day of Difference Foundation, created by Ron and Carolyn Delezio in honour of their daughter Sophie, is a charity focusing on the prevention and control of burns-related disease. I ask all of you here today to help promote both these causes and, where possible, make some donations yourselves. For those that wish to make a donation or want to know more, please contact my office and we will gladly assist.

I thank the organisers of the blanket run event this year, Malcolm Stewart and Dave Payne, along with Peter and Robyn Major. I encourage all of you to attend Sophie's Ride4Difference and the annual toy run, as I mentioned earlier, at the end of the year. In closing, I remind everybody that motorcyclists are the only people in the world that understand why a dog sticks its head out of the car window.

**MR SPEAKER:** The time for the debate has expired.

**The Assembly adjourned at 5.57 pm.**

## Schedule of amendments

### Schedule 1

#### Utilities (Energy Industry Levy) Amendment Bill 2007

Amendments moved by the Chief Minister

**1**

**Clause 5**

**Proposed new section 54C (5), definition of NC**

**Page 6, line 15—**

*omit*

1 October

*substitute*

15 September

**2**

**Clause 5**

**Proposed new section 54J (1), proposed new note**

**Page 13, line 4—**

*insert*

*Note*           The Legislation Act, s 170 and s 171 deal with the application of the privilege against selfincrimination and client legal privilege.

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