



Debates

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Thursday, 7 June 2007

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Thursday, 7 June 2007

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

Legal Affairs—Standing Committee Statement by chair

MR SESELJA (Molonglo): Pursuant to standing order 246A, I wish to make a statement on behalf of the Standing Committee on Legal Affairs (performing the duties of a Scrutiny of Bills and Subordinate Legislation Committee).

The Land Tax (Interest and Penalty) Amendment Bill 2007 would amend the Land Tax Act 2004 to regulate the levying of interest rates and penalty tax where an owner fails to notify the commissioner that their property is rented. The committee has examined this bill and offers no comment on it.

Postponement of notice

Ordered that order of the day No 1, executive business, relating to the Revenue Legislation (Housing Affordability Initiatives) Amendment Bill 2007, be postponed until a later hour this day.

Domestic Animals Amendment Bill 2007

Mr Hargreaves, pursuant to notice, presented the bill, its explanatory statement and a Human Rights Act compatibility statement.

Title read by Clerk.

MR HARGREAVES (Brindabella—Minister for Territory and Municipal Services, Minister for Housing, Minister for Multicultural Affairs) (10.33): I move:

That this bill be agreed to in principle.

I present the Domestic Animals Amendment Bill 2007. The need to amend the act arose from the government's wide-ranging review of the act, which was undertaken in 2005-06, five years after the original act commenced. The amendments will ensure the ACT's domestic animals laws reflect contemporary best practice, bringing them up to date with Victoria and New South Wales.

This bill amends the act, introducing a number of new provisions for domestic dog and cat management in the territory. They highlight my government's continuing commitment to promoting responsible dog and cat ownership and, taken together, they offer a more integrated, cost-effective approach to domestic animals management in the territory.

The bill was released as an exposure draft in December 2006 until 28 February 2007 to allow comment by stakeholders and the general public. In total, 61 written

submissions were received. Overall, submissions received showed there is widespread support from the Canberra community and stakeholders for the government's proposals.

This bill, as presented, includes three amendments made in response to submissions received, showing this government's willingness to respond to issues raised. I will deal with these further amendments as I summarise each of the government's proposals.

The first proposal is for lifetime registration of dogs. Following the New South Wales example, the bill will make lifetime registration of dogs compulsory, replacing annual registration renewal for all dog owners, taking effect immediately for the 2007-08 financial year. During 2007-08 only, owners of currently registered dogs will be eligible for lifetime registration at the cost of an annual renewal—a significant cost saving for most dog owners over the life of their dog. Overall, throughout an average dog's life, lifetime registration will be cheaper for the dog owner than annual registration renewal. The government will be saved the recurrent administrative cost of processing annual dog registration renewals, freeing staff for other duties.

The government is not introducing cat registration. Cat registration is regarded as not necessary for the territory, given that compulsory identification of cats by means of microchipping has already been introduced. Cats currently demand only a limited range of services from the government's domestic animals rangers, at a significantly lower unit cost than for dogs.

The second proposal is for compulsory microchipping of dogs. Following the example of both Victoria and New South Wales, the bill introduces compulsory microchipping of dogs for the first time in the territory. This follows the government's initiative in May 2006, which introduced compulsory microchipping for cats in the Gungahlin cat containment area. Microchipping will be compulsory for all cats in the territory by 1 July 2009.

Similar to cats, compulsory microchipping for dogs is being phased in gradually over a three-year period. The bill makes the implanting of microchips compulsory immediately for all dogs over 12 weeks of age when they are sold and for dogs which have been declared dangerous under the act. However, microchipping will not be compulsory for all dogs kept in the territory until three years after the amended act commences in 2010. The cost of microchipping is borne by the dog and cat owners, not by the government.

Microchipping allows a dog's or cat's ownerships details to be permanently kept in a central database which is immediately accessible by the animal's owner or the authorities, provided the animal can be scanned by a microchip reader when it strays or is lost. This allows for rapid retrieval of animals and reuniting with their owners. Unlike in New South Wales, this will be a service provided by privately run domestic animals registries operating in the territory, not by the government.

Making identification of dogs and cats compulsory by means of an implanted microchip is a significant and beneficial outcome of this reform package overall. Microchipping delivers tangible benefits for dog and cat owners and animal control

officers who have access to ownership information linked to a permanent means of identification, enabling owners to be rapidly reunited with their lost or straying animals. Microchipping also provides a firm basis for the government's policy of promoting responsible pet ownership in the Canberra community.

The third proposal is for improved regulation of attacking and dangerous dogs. I am sure that Mr Mulcahy and particularly Mr Pratt will be interested in what we are doing to contain attacking and dangerous animals. The bill restricts applicants for dangerous dog licences to adults. This change will remove any doubt that minors can be held responsible for the behaviour of a declared dangerous dog before a court. A court may order a dog to be destroyed if it finds against a dog and its owner for harassing or attacking a person or an animal. The bill gives the registrar power to seize the dog to give effect to the court's order.

The maximum penalty for a person found guilty of allowing or encouraging a dog to attack or harass a person or an animal is currently 50 penalty units, or \$5,000. I hope the Deputy Leader of the Opposition is listening to this, because she may be interested to know the penalties for animals which attack other people. The bill introduces a new offence and a more severe penalty for a person found guilty of the same offence where the dog had previously been declared dangerous under the act. In these cases, the maximum penalty has been increased to \$10,000 or six months in prison.

The fourth proposal is for tightening dog seizure and return provisions. In line with similar measures under New South Wales law, where escape of a dog has resulted in impoundment, the bill amends the act to allow return of a seized dog to its owner to be delayed until the premises where the dog will be kept are secure enough to prevent the dog escaping.

This measure has wide community support and will apply to offences leading to dog seizure committed on both public land and on private premises. Extending the power to restrict return of a seized dog until the premises are secure to offences committed on public land is the first of three amendments to the exposure draft bill that the government has agreed to. Further, to allow more time for such conditions to be met, the bill will amend the act to allow the statutory 28-day return period for seized dogs to commence from the date of seizure, not the date the offence was committed.

The fifth proposal is for compulsory cat desexing before age of first breeding. Given that cats can breed at four months of age, the bill will make cat desexing compulsory by three months of age, rather than at the current desexing age of six months. Data from the RSPCA-ACT shows that the number of unwanted cats surrendered during the breeding season has not declined, but has increased in recent years. In 2005-06, 14 per cent of cats going to new homes required desexing and 45 per cent overall had to be euthanised because new homes could not be found.

Submissions received from informed and experienced vets, RSPCA-ACT and information provided by Victoria's cat protection society shows that young kittens recover quickly from a desexing operation carried out by a skilled vet and are less stressed by desexing than older cats. Under corresponding Victorian law, two Victorian councils, with the support of local vets, have introduced similar laws making cat desexing compulsory by three months of age.

I call upon the local veterinary profession in the ACT to support this government initiative, which is in line with Australian Veterinary Association national policy, which supports increasing desexing rates in dogs and cats and acknowledges the importance of desexing for animal population control purposes. I am advised that Victorian vets are willing to provide workshops for ACT vets to train in early age cat desexing procedures.

The government is confident that reducing the compulsory desexing age for the ACT from six to three months will contribute positively to controlling the overall cat population by reducing unplanned cat breeding, reducing the number of cats that must be euthanised each year and the numbers of stray and feral cats that prey on native wildlife in Canberra, particularly endangered bird species.

The government has accepted the retail pet industry's argument that the sellers of dogs and cats should be exempt from the requirement to sell desexed dogs and cats because it is the new owner of a young puppy or kitten who should decide whether it should be kept sexually entire for breeding purposes, not the seller. However, sellers of undesexed, or entire, dogs or cats will be required by law to notify the Registrar of Domestic Animal Services of the name and address of a new dog or cat owner within three working days of a sale. This will allow domestic animals rangers to advise new owners of sexually entire animals of their responsibilities and obligations under the act. This exemption for sellers is the second amendment to the exposure draft bill that the government has agreed to.

The sixth proposal is for the introduction of guidelines for determining animal nuisance. Responding effectively to dog and cat nuisance complaints from the public continues to be an important demand on domestic animals rangers' time and resources. Declaring guidelines for determining animal nuisance will document standard operating procedures, encourage best practice and provide certainty for both domestic animals rangers processing complaints and for the general public.

The seventh proposal is for the establishment of codes of practice for keeping animals. Domestic animals rangers are regularly required to advise the public regarding the keeping of animals, including animals other than dogs or cats, such as pigs, horses, pigeons, rabbits, goats, geese et cetera. Where regulatory gaps exist, providing the general power to declare codes of practice for keeping animals provides a means to address any shortcomings.

The eighth proposal deals with the licensing the keeping of multiple cats. This new provision, requiring cat owners who wish to keep more than three cats to apply for a multiple cat licence has been introduced in response to repeated requests from members of the public for several years. It is strongly supported by the written submissions received on the exposure draft bill, with 47 per cent in favour and 11 per cent against.

This licensing requirement does not limit the total number of cats which can be kept. It simply requires a cat owner to apply for a licence to keep more than three cats. This brings the cat keeping laws in alignment with a similar provision that already applies to dogs, so that dog and cat owners are treated fairly and equitably. Requiring

multiple cat owners to be licensed will help ensure that cats are kept under hygienic conditions which do not compromise the animals' welfare and which minimises the number of nuisance complaints from neighbours.

The government received submissions from cat owners arguing that a multiple cat licence fee would be too costly and act as a disincentive to cat owners. Given that the cost of processing applications to keep multiple cats will generally be less than for processing similar licence applications for dogs, I have agreed that the cost of a multiple cat licence will be set at a lower level than for dogs. ACT Domestic Animal Services has advised it will adopt a complaints based approach to policing this new provision initially. This will allow cat owners time to adjust to this new requirement.

The ninth proposal goes to extending AAT rights of appeal. The government has agreed to advice from the human rights office that AAT rights should be extended to cover decisions by the registrar regarding return of seized dogs to premises and ensuring that they will be secure enough to prevent a dog escaping. This amendment is the third and final amendment made to the exposure draft version of the bill.

The tenth proposal is the declaration of dog prohibited areas by disallowable instrument. This change is an improvement over current practice because declared dog prohibited areas will be required to be mapped, not just identified by signs. This will mean the location and precise boundaries of these areas will be better known and understood by the public and the rangers enforcing the act.

My department will fund the cost of implementing these amendments within the priorities already established in the 2007-08 budget process. Following the passing of this bill, I intend to table the Domestic Animals Amendment Regulation 2007, which makes the necessary consequential amendments giving effect to the amended act, including amendments to the regulation bringing the ACT's microchipping legislation up to date with contemporary practice based on the corresponding law in Victoria and New South Wales.

Under the amended Domestic Animals Regulation 2001, microchipping procedures for both dogs and cats will be regulated by three new instruments that I will declare and table. These are:

A notifiable instrument Identifying Microchip for Dogs and Cats (No 1) and two codes of practice: Implanting Microchips in Dogs and Cats Code of Practice 2007 and Operation of Domestic Animals Registry Services Code of Practice 2007.

Compliance with these three instruments will be made mandatory to simplify the compliance regime and enforcement.

The amendments to the act and the regulation and microchipping instruments have been drafted in parallel as an integrated whole. It is therefore my intention that this legislation will commence and take effect on the same date.

These changes usher in new era of cost-effective domestic animals management and regulation in the territory. They also demonstrate the government's continuing

commitment to promoting responsible pet ownership in the Canberra community. The changes also require a new level of awareness and cooperation between government and the community to achieve these aims. A comprehensive communication strategy has been developed by my department to guide introduction, implementation and communication of these changes to Canberra community. I commend the bill to the Assembly.

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

Revenue Legislation (Housing Affordability Initiatives) Amendment Bill 2007

Mr Stanhope, pursuant to notice, 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) (10.49): I move:

That this bill be agreed to in principle.

The Revenue Legislation (Housing Affordability Initiatives) Amendment Bill amends the Duties Act 1999, the Rates Act 2004 and the Land Tax Act 2004 to implement a number of recommendations contained in the affordable housing steering group report. In August 2006, the affordable housing steering group was formed to advise the government on initiatives to increase the supply of affordable housing in the ACT.

Changes in the housing market over the last five years have made the dream of owning a home harder to attain for many Canberrans. There are members in our community currently struggling to enter the ACT housing market, whether it is into home ownership, finding affordable rental properties or securing supported accommodation. Today I am introducing changes to implement a number of important measures. This is the first in a series of bills to implement the government's housing affordability action plan.

This bill amends current ACT legislation to allow eligible households to defer duty payments for up to five years and pay the duty in instalments over the next five years. This will significantly reduce the up-front costs first home buyers currently face and help more ACT residents to enter the housing market. The deferral of duty for home buyer concession scheme recipients and certain eligible first home owner grant recipients will ensure that assistance is provided to those households most in need. The deferral of stamp duty payments will significantly help those ACT residents entering the housing market for the first time and make housing more affordable in the ACT.

Social housing is vital to any community. Community Housing Canberra, CHC, is a small but important element of the housing sector, meeting important social needs by providing critical support to a range of people. The Duties Act 1999 currently requires

that CHC pay duty at a concessional rate on any transfers or grants of leases. This bill introduces new provisions in the Duties Act, the Rates Act and the Land Tax Act that provides for certain organisations such as CHC, while remaining liable for rates on their properties, to be exempt from the payment of duty and land tax, consistent with Housing ACT. The government will continue to work with CHC to enable it to maintain its position as a key provider of housing in the ACT for those on low incomes. These legislative changes will help to transform community housing and provide greater assistance for those in need in the ACT to access affordable rental properties.

This bill also addresses the taxation treatment for people choosing to defer payment for land for affordable house and land packages until a certificate of occupancy is issued. This is the first step in the introduction of this new affordable house and land product. This means that home buyers will only have to pay for the deposit on the land and can defer full payment for the land and duty until their home is ready to occupy. This will further alleviate the up-front financial pressure facing households when purchasing a home. This bill will ensure that households do not have to pay off a mortgage and pay for rental accommodation as they wait to move into their new home.

Access to affordable and appropriate housing is a basic need for everyone within our community, and the government remains committed to addressing that need as one of its main priorities. This bill is a practical step in addressing the issue of affordable housing in the ACT. I commend the bill to the Assembly.

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

Water use—proposed select committee

DR FOSKEY (Molonglo) (10.52): I move:

That this Assembly:

- (1) resolves to establish a Select Committee on Water Use to consider the best options for ACT Government investment in maintaining a sustainable water supply in the ACT with particular reference to:
 - (a) likely impacts of climate change on water resources available to the ACT;
 - (b) the extent to which demand reduction strategies outlined in Think Water, Act Water have been implemented;
 - (c) international best practice principles and priorities for urban water management suitable for the ACT;
 - (d) the role of Canberra as Australia's national capital and provider of water to the largest population in the Murray-Darling Basin;
 - (e) the relative merits of staged water restrictions as compared to a permanent water conservation strategy;

- (f) maintaining the health of trees and gardens and the city's Bush Capital character;
 - (g) the relative financial, environmental and potential health impacts of water capture and reuse practices; and
 - (h) any other related matters;
- (2) the Committee be composed of:
- (a) one Member to be nominated by the Government;
 - (b) one Member to be nominated by the Opposition; and
 - (c) one Member to be nominated by the Crossbench;
- to be notified in writing to the Speaker by 4 p.m. today; and
- (3) the Committee report by the last sitting day in March 2008.

Water is an essential of life. We cannot do without it, and most of us have never had to. Few of us have been thirsty for more than a few hours. I wonder how many people here have gone for weeks at a time without a full immersion wash. Yet right now we are staring down the barrel of that possibility. I do not mean to the extreme of perpetual thirst. We are not yet in Third World straits. If we ever did reach dire straits with our water supply, we are a rich enough community to be able to extract water from other people's aquifers and rivers—sustainably or not—and consume it from plastic bottles, which will then become a waste problem.

In my opinion, we are not grappling with the problem. The government is now saying that it expects it to rain this year. The government and the community are not yet prepared to accept that water is a scarce resource and that climate change, in all likelihood, will make it scarcer. Apparently we are not prepared to change the way we live or the way we design our houses, our suburbs and our commercial buildings to reflect the reality of scarce water—a reality that farmers and indigenous people, people whose only water resource is the rain that falls on their land or runs through their land have always faced. Those who can afford them do not want to go without private pools, and their voice appears to be a very loud one in this community. The only question about water that ever seems to get serious attention in this town is how to secure more of it for our use.

Because the expectations of government and those of many in the community merge on this issue, we are currently considering very expensive, very new and very complex technologies so that we can cycle our water around and around—from rivers, through us, to ponds, through membranes, pumped uphill, piped downhill, resting for a while in a 10 times enlarged Cotter Dam and then off again through us and our plants. And the journey goes on. It is not that water is not already recycled. There is no such thing as a new drop of water. Even rainmaking works only if there is already moisture in the clouds to be convinced to fall to earth as droplets. Because water cannot be made, it must be reused to the nth degree, forever.

The difference between Actew's water2WATER scheme and nature's water recycling is that the engineered scheme allows us to keep a great deal of our water here rather than sharing it with other people and species downstream. There is no doubt that the water2WATER proposal is a bold move. Intuitively, it seems a good idea. But whatever scheme we choose has to be drop-proof. One mistake, one breakdown and we are looking at an environmental and health disaster. Of course, there is no reason why it should break down, but the possibility exists.

How much does it cost to insure against such a contingency, remembering that insuring midwives assisting with home-births is too dangerous for every insurance company in the world, according to the ACT government. How much more would it cost to insure against a fault in a water recycling scheme? I am sure that all these things are under consideration at the moment, but in a litigious world a breakdown in a system which turns our waste into our water will be very costly.

Last week this seemed to be the only option that Actew and our government were interested in exploring. This week I see that we are also looking at a pipeline up from the coast to transport desalinated seawater. Again, this seems to me to be rather a pie in the sky idea, but this is how desperate we are to make sure that we never have to go without water. By going without water, I mean going without our swimming pools and our green grass and all those other things that we have come to expect in this community.

Actew, I was told by Michael Costello, must find ways of supplying water to the ACT government's desired population of 500,000 people by 2030. That 500,000 people is just the ACT. Let us not forget Queanbeyan and the townships and villages that also depend on the ACT's water supply—developments that were often built with streetscapes and houses indicating that their designers were oblivious to the need for water and energy efficiency. This is the wrong way around, if you ask me. We should be looking at the number of people a sustainable water supply for the ACT can support, and at what level of water use. Instead, I fear our planners, our governments and many businesspeople go for the numbers and try to figure out later how to provide water for new houses, sports fields, parks and towns.

In 2003-04, the government and Actew conducted an extensive process labelled think water, act water. This involved community consultation and the commissioning of many research papers. At the end of this process, there was a good basis established for taking water from the Murrumbidgee River to augment our supply, and the Corin and Bendora dams were brought into the process of water supply to Canberra. The augmentation of the Cotter Dam was seen as a least damaging option, as it was built on a reliable and, prior to the 2003 fires, high-quality water supply. Yet, for some reason, in the last three months we have leapt to a scheme that was way down Actew's own list in its future water options for the ACT region implementation plan.

There was no mention of recycling our sewage among those options. The concept of water farming, which is another form of recycling our sewage, was earlier considered but was dismissed or put on the shelf for later. However, we are not looking at water farming in this proposal.

One of the comprehensive studies done for think water, act water was on potential strategies for demand management. I have heard no talk of measures to encourage reduced water use beyond the excellent WaterSmart tune-ups, which I believe should be provided free and promoted to real estate agents for landlords of private rental properties, because at the moment they are just happy to hand the bill on to tenants. ACTPLA's water-sensitive urban design principles are promising, but how will we ensure that private developers, given whole swathes of land to turn into a suburb under the in globo principle, will include sustainability in their bottom line?

The Greens believe that if \$350 million is to be spent on shoring up our water supply, then, as responsible elected representatives, it behoves this Assembly and the community to consider how that could be best spent to sustain our water supply without harming the environment and reducing the quality and quantity of water for people downstream.

I am not suggesting that we do another Think water, act water, which was very comprehensive and investigated many supply options. But I am suggesting that we look down a track given too little attention in that document, and that is coming up with strategies to reduce water use in ways significant enough to allow us, at the very least, to give ourselves a few years before embarking on this highly expensive technological scheme.

Beginning the process of making our lives and our landscapes less hooked on plentiful water will be necessary first steps in drought proofing our city, as far as that is possible. Meanwhile, new engineering and chemical processes will be tried by other municipalities more desperate than ours, and we can learn from their experience. This option of thoroughly investigating how we can reduce our water use while maintaining our bush capital qualities is not even being offered for consultation by Actew, but that does not mean that a prudent government or, failing that, a prudent Assembly, should not consider it.

Today I am moving to set up a select committee to investigate a number of issues around water that I believe remain inadequately implemented after the think water, act water process and to consider options beyond those put forward in 2004, when we had more faith that our reservoirs would refill.

The terms of reference that I suggest to the committee are broad in order to ensure that the committee's investigations are thorough and to encourage input from a wide range of people. This is not the inquiry to tell us we need a new dam and where it should be. There was plenty of opportunity for that in the 2003-04 process. I believe that think water, act water gave very good reasons why the new dam, in a drought, was not a particularly good idea.

Setting up this committee provides the Assembly with the opportunity to investigate likely impacts of climate change on the ACT and our region. I have been told that Actew is having this work done, and there are certainly a number of CSIRO studies which provide a reasonable basis for extrapolation. In other words, this part of the inquiry can rely upon a literature search and the views of climatologists and other natural scientists.

Setting up this committee would also give the Assembly the opportunity to investigate the extent to which demand reduction strategies outlined in think water, act water have been implemented. A number of the targets set by think water, act water may have been achieved. We need to know which, and to what extent. Targets may need to increase and new strategies devised to meet them. It could be time to go much further than the steps already in place. The ACT, for instance, could follow Queanbeyan's example and ensure that every toilet is a dual-flush toilet, subsidise grey water recycling schemes and have a really good look at schemes such as water rewards.

It is time to revisit and expand upon the work of Turner and White, who provided information for think water, act water. We need to look at international best practice principles and priorities for urban water management suitable for the ACT. Other cities have done this work. We need to look at what they have done and whether it works for us.

We need to look at the role of Canberra as Australia's national capital and provider of water to the largest urban population in the Murray-Darling Basin. We have to see ourselves as embedded in the biggest food producing area of Australia at a time when that food production may be in crisis. The commonwealth benefits very much from the management by the ACT of the water it uses. We need to quantify that use and bring it into process, and perhaps the commonwealth needs to pay.

We should compare the relative merits of staged water restrictions with a permanent water conservation strategy. At the moment, we are looking down the barrel of level 4 restrictions. That has the potential to kill our trees and certainly to make it very difficult for people who grow food and so on. At a time when we need to be thinking about the miles that food travels as part of our climate change impact and also as a recreational activity, there is every good reason why people should be allowed to continue to maintain gardens. Let us not take that option out of people's lives.

We need to maintain the health of trees and gardens and the city's bush capital character. We know that trees and shrubs can reduce local temperatures by more than four degrees. We must not sacrifice our trees. They play a role as a carbon sink. There is every good reason for making sure that trees survive.

We must look at the relative financial, environmental and potential health impacts of water capture and re-use practices. Let us compare other kinds of recycling schemes with the water2WATER proposal. It may be that it is absolutely the best thing to do, but the community needs to know about the issues. Here I include governance issues. We need effective arrangements for integrated catchment management to ensure that our rivers and riverine ecosystems are resilient and a body that monitors and proposes strategies to ensure progressive water efficiencies. It is all about governance. Billions of dollars have been spent on the whole Murray-Darling scheme, but we have got nothing out of it. Governance arrangements are the problem.

Finally, I believe that the committee should be a select committee. I believe that referring this matter to the planning and environment committee would be a kind of death for this proposal of mine because the planning and environment committee is already very, very busy. I have designed a short time range for the committee and, of

course, I would like to be involved in it. I am not on the planning and environment committee. I can sit down and write a submission to the committee, but I do not have the time. This is an area in which I have expertise and a great deal of interest. I am very sorry that the government, by its amendment, does not support my proposal, and Mr Corbell is going to tell me why.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services) (11.08): I seek leave to move amendments Nos 1 and 2 circulated in my name together.

Leave granted.

MR CORBELL: I move amendments Nos 1 and 2 together.

(1) paragraph (1), omit the words “resolves to establish a Select Committee on Water Use to consider”, substitute “resolves that the Standing Committee on Planning and Environment inquire into”; and

(2) paragraph (2), omit the paragraph.

The government will be supporting the proposal by Dr Foskey to establish an Assembly inquiry into these matters. The government will also be supporting the terms of reference. We believe that they are comprehensive, are adequate and are the issues that an Assembly investigation should consider.

The amendments that I have just circulated in my name propose that, instead of a select committee being established, the existing Standing Committee on Planning and Environment conduct this inquiry. The reason for that is that the Standing Committee on Planning and Environment is a committee which has these matters directly within its existing terms of reference. And, as I understand it, the committee stands ready to do this very important body of work.

Obviously, the committee already has a level of understanding and knowledge in this area from the work it has undertaken—for example, in looking into issues around the biosphere proposal, and also through its understanding of urban water use and planning issues from its work dealing with the ACT Planning and Land Authority. I understand that the committee has looked at issues around water-sensitive urban design and a range of other issues which will stand it in good stead in undertaking this important body of work.

The government believes that an Assembly inquiry will be of assistance in establishing a strong knowledge base—not only for the government as a whole but also for the Assembly and the broader community—on the issues that need to be legitimately addressed when it comes to the development of future water policy and water supply options for the ACT.

We face quite a serious situation. I think that the impending imposition of stage 4 restrictions will, more dramatically than at any other time since the current drought commenced, bring home to the community the social as well as the economic and environmental impacts of reductions in water supply. Our sporting groups and our

recreational users—as Dr Foskey says, even people’s own home gardening activity, whether for food production or simply the more aesthetic elements of home gardening—will be directly impacted, not to mention businesses, whether they are car washing, nursery or other activities that rely on significant water use.

The issue is a pressing and immediate one, and one that deserves proper inquiry. The terms of reference which Dr Foskey has proposed are supported by the government. Clearly, there is a range of options and issues that need to be explored. The government certainly supports scrutiny of its activity through think water, act water. We believe that that is an effective way of getting a broader debate on what has been done to date and what are the assumptions that underpin existing levels of water supply.

The term of reference on “international best practice principles and priorities for urban water management suitable for the ACT” is equally important. It is important that we look at the broader issues around how we manage our water supply. We have a large water supply which is treated to a very high level. Is that necessary? Are there other issues that need to be considered in terms of treatment of some parts of the water supply for potable use and other parts of the water supply for non-potable use? Does that help us manage our water supply better?

There are examples of this in Canberra at the moment. The sewer mining facilities at Southwell Park in Lyneham are an excellent example of the use of non-potable water being treated to a level that permits it to be used for non-potable uses. That means that less pressure is placed on the potable water supply. We have a situation where potable water is provided for potable uses and, in that circumstance at Southwell Park, non-potable water is being recycled and reused to augment the existing supply.

Those are important issues. Certainly, gray water use, the water recycling proposal, rain water capture and a range of other issues should properly be investigated. That will be done through the government’s existing processes. A prudent and cautious approach will continue to be adopted in that regard. If this motion is agreed to, the approach proposed by Dr Foskey will complement those existing strategies and approaches.

The government supports this proposal. It is one that provides for a complementary assessment and one that involves the public—again—in a process which allows them to put their views to another group of people to look at this issue, in addition to the views that they are able to put through the existing consultation processes being run by Actew and the government. The government is happy to support these terms of reference and happy to support the reporting date, but believes that the Standing Committee on Planning and Environment is the best avenue forward in terms of the existing knowledge base and the ability to implement these terms of reference in a timely manner.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.15): The opposition will be supporting Dr Foskey’s motion. I will be moving the amendments that are being circulated in my name.

MR SPEAKER: You cannot move them yet. We have to deal with the amendments that are being put forward by Mr Corbell first.

MR STEFANIAK: I foreshadow those amendments and I will speak in relation to them now to save some time. I indicate, too, that we will be opposing the government's amendments.

This is a crucial issue. Given the amount of work that the planning and environment committee has, this issue is far too important just to be put in a queue of matters that that committee is looking at. Dr Foskey ranged fairly widely in the terms of reference. That is sensible. It is sensible that this Assembly does consider the various issues in relation to water supply, how water is used and what we need to do in the future—including worst-case scenarios. We need to look at what we can do in the short term, the medium term, and the long term.

The government has only recently come up with any ideas at all. It concerns me when I see places in the surrounding region such as Queanbeyan doing better than us in terms of their water usage. In terms of domestic usage, I think they have achieved an 18 per cent reduction. The latest figures I heard in relation to the ACT were that it was only some 13 per cent. Other parts of the region are actually doing it tougher than us. There is a lot that we can learn from how they are doing it in Yass and Goulburn.

In my foreshadowed amendment, I propose to add sporting fields to paragraph 1 (f). It would then read “maintaining the health of trees, sporting fields and gardens and the city's Bush Capital character”. That is crucially important. One thing that I would hope this committee would consider—the government certainly should be considering it, if it is not already—is how to maximise the use of water on our ovals: the use of potable water and, indeed, non-potable water. Non-potable water is ideal if you can actually do it. There are at least some ovals being watered in that way at present.

In Goulburn, with a mix of couch and kikuyu grass, they have a series of playing fields which use about 20 per cent of the amount of water used by the normal grasses in our region. That is a sensible thing to do. The playing fields look a bit brown in winter, but after a bit of rain they spruce up very nicely. They provide an excellent playing surface for contact sports. Currently, I think they are only playing touch on it while it grows, but, if you compare it with the patchy grass of an oval that has not been watered next door, you can see the difference. These are the things we need to look at.

I also propose to add to Dr Foskey's motion “the provision of adequate water storage facilities to drought-proof the ACT”. Again, finally, the government has come up with a proposal that does include effectively a new dam. Its proposal is to utilise the site of the existing Cotter, build a dam wall downstream and extend the capacity of that dam from about four gegalitres to, I think, 78.

It is crucially important that we look not only at the medium term—it is going to take at least five years or so to build any dam here—but also at the long term. What water storage facilities do we need to drought-proof the ACT? What other ideas do we need? There is a plethora of possibilities which we have to look at.

I was interested to see that Dr Foskey even mentioned a report from Actew on the absolute worst-case scenario—the stage we would get to if we had to close up shop in Canberra because we had become like some US prairie town when the water ran out or like Fatehpur Sikri in India, where effectively the water ran out, the court had to move and a big city is now just a very interesting historical site in the desert.

That, of course, is the proposal. Even to do desalination down at the coast and push the water up here, probably into something like Googong dam as storage, is incredibly expensive. It might be pie in the sky, but if we continue to suffer the ravages of climate change in a way where we get very little, if any, rain, something like that becomes a real possibility. We are at crisis.

Dr Foskey: It is a way of keeping the sea-level down!

MR STEFANIAK: I thought the sea level would rise due to climate change and global warming. There are all sorts of issues that need to be looked at here, starting from very basic things like how we can do things better as individuals in our household, encouraged by the government—and there is not much of that occurring—through to the wider issues of just how we secure our water supply: what steps do we need to take to ensure adequate water for our population and the necessary growth we need to have in the ACT and the region?

This is a timely motion. It is worthy of a select committee. It is too important to send over to a hardworking committee. Perhaps the government wants to do that just to duckshove this most important issue and have it lost in a plethora of work that that very busy committee has to do.

I encourage members to vote for Dr Foskey's motion and my amendments, which I foreshadow. I indicate that, because we think that the committee is the correct way to go, we will be opposing Mr Corbell's amendment.

MR GENTLEMAN (Brindabella) (11.20): Clearly there are important issues raised in this motion brought by Dr Foskey to the Assembly. I commend her for bringing it on today. As we have heard, currently there are three main water treatment plants operating for Canberra: Googong and Mount Stromlo water treatment plants for drinking water treatment and the lower Molonglo water quality control centre for waste water treatment. Additionally, there is the smaller Fyshwick sewage treatment plant, the north Canberra water reuse facility and the Southwell Park sewer mining facility for treating wastewater that Minister Corbell has already mentioned. That water is then recycled for watering recreational areas such as sports ovals and golf courses.

There are some differing views in the community on how we should be using our water and how we should store it. Some of the terms of reference in Dr Foskey's motion are being inquired into at the moment through the Water2WATER expert panel, but several other issues raised in her motion should be looked at. One is water use. And, as outlined in the motion, there are the likely impacts of climate change on water resources available to the ACT, the extent to which demand reduction strategies

in the ACT are implemented and the role of Canberra as Australia's national capital in providing water to the largest population in the Murray-Darling Basin.

Whilst Water2WATER does look at restrictions, there are other things which are very important—such as maintaining the health of trees and gardens, as in Dr Foskey's motion, and maintaining trees and sporting fields, as outlined by Mr Stefaniak in his amendment to come to the Assembly. There are quite a few important things to look at there.

As I said, there are differing community views on how we should be providing water for the ACT, and those views need to have a forum for allowing input before government makes any decisions on a new dam or any recycling. I would like to quote one of those views from Terry Kiernan in his position paper for Water2WATER. He calls it "Canberra's inconvenient truth". I will not read the whole lot but some of the points are very valid. He says:

With stage four water restrictions just around the corner, the water2water debate so far seems disinterested in discussing the inconvenient truth of water loss due to climate change and bushfire regeneration.

In 2003 the ACT Government warned that as a result of the Firestorm, the Cotter catchment could be reduced by between 25 and 50 percent. The ACT Government also said in the same year that Canberra had more water than it did under the previous Water Resources Management Plan.

Three years on, we now have less water and within the next three to five years the combined impacts of climate change and catchment regeneration will commence their spiralling impact of reducing Canberra's potable water resource.

The Ngunnawal Native Title Claimant Group recognised this approaching water crisis and developed a water conservation plan to cut Canberra's domestic water consumption by replacing tap washers with pressure reduction tap valves ... converting ALL single flush toilet cisterns to dual flush (saving up to 7 percent) ...

The paper also talks about efficient showerheads et cetera. It continues:

Sadly, enlarging the Cotter Dam and filling it with treated sewage effluent simply does not make sense because the Cotter Catchment of 146 billion litres is set to lose up to 65 percent of its water resource. The addition of between 9 or 11 billion litres of treated sewage effluent may only be a drop in the bucket when compared to the expected resource loss of around 95 billion litres some time in the not too distant future.

Clearly, there are differing views on how we should be using our water resources. As I said, people need a forum and need to be able to come back to the Assembly before the government makes any decisions.

The planning and environment committee will have completed and reported on its very busy inquiry into ACTION buses in the not-too-distant future. We understand that, with the new changes to the Planning and Development Bill, there may be less

work for the committee through inquiry into draft variations in the future. I think there is an ability for the committee to take on this role.

Speaking personally, I would be pleased to see Dr Foskey take a very active role within the committee through hearings on water issues and the impacts of climate change. It would be good to see her down there for those hearings and have that input. I commend the amendment to the Assembly.

Question put:

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

The Assembly voted—

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

Question so resolved in the affirmative.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.29): I seek leave to move amendments Nos 1 and 2 circulated in my name together.

Leave granted.

MR STEFANIAK: I move:

(1) paragraph (1)(f), after the word “trees”, insert “, sporting fields”; and

(2) after paragraph (1)(g), insert:

“(ga) the provision of adequate water storage facilities to drought-proof the ACT;”.

I have already foreshadowed these amendments. I think they are sensible. I understand that Dr Foskey has no problem with them and I think they add to the terms of reference.

DR FOSKEY (Molonglo) (11.30): I would like to accept one of Mr Stefaniak's amendments, while rejecting the other. I am perfectly happy for “sporting fields” to be added after “trees” in paragraph 1 (f) but I do reject the other amendment. I explicitly said in my speech that I gave a great deal of thought to why the terms of reference that I proposed—and that are very likely going to be adopted—did not include the substance of Mr Stefaniak's amendment No 2: adding “(ga) the provision of adequate water storages to drought-proof the ACT”. That discussion is being had—and was had very extensively in the lead-up to the production of the think water, act water strategy. There are many documents in the folders. Perhaps only I have them, because I

explicitly asked Actew for them. They are all the technical papers for the think water, act water strategy. We should explore those things. If we discuss—

Mrs Dunne: I have read the material.

DR FOSKEY: I beg your pardon. If this inquiry is to do what I planned for it to do, it will look at options for demand reduction and using our water more efficiently. That is what all those terms of reference are about—not about increasing supply; that is what this inquiry was not to be about. You may propose another inquiry if you wish to do that, but this is not the inquiry for it. This inquiry already has a huge amount of work to do.

MR SPEAKER: Dr Foskey, perhaps you should not have given leave for the amendments to be moved together if you want to deal with them separately. You will need to move for the question to be divided.

DR FOSKEY: I move:

That the question be divided.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services) (11.32): The government agrees with Dr Foskey's proposal. I will speak on the amendments separately, but in terms of dividing the question they are two quite distinct and separate matters, and the government agrees that the question should be divided.

Ordered that the question be divided.

Amendment No 1.

MR SPEAKER: The question is that Mr Stefaniak's amendment No 1 be agreed to.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services) (11.33): Mr Speaker, the government will support Mr Stefaniak's amendment No 1, which proposes the inclusion of sporting fields in the terms of reference—to look at the impact on sporting fields. That is quite clearly a very legitimate issue in our community. As I said in my comments earlier when speaking to my proposed amendment to this motion, the impact on sporting fields is potentially very significant, both socially and economically. It is a very significant matter for our community that affects thousands of people in our community. We support its inclusion in the terms of reference.

Amendment No 1 agreed to.

Amendment No 2.

MR SPEAKER: The question is that Mr Stefaniak's amendment No 2 be agreed to.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services) (11.34): The government does not support amendment No 2. The

government agrees with Dr Foskey in this regard: issues around the provision of additional water supply—in particular, additional water storages—are quite a separate question from the issues around demand management and the examination of ways in which we can better utilise our existing sources of supply. We agree that that is the most appropriate course of action for this inquiry. I know that the Liberals have a view about the provision of water storage and the adequacy of water storage facilities, but that is quite a separate question from the matters proposed to be dealt with in this inquiry. The government does not support the amendment.

MRS DUNNE (Ginninderra) (11.35): Mr Speaker, the whole issue of water storage is integral to all of the other aspects of this bill. Dr Foskey needs to—

Dr Foskey: It is not a bill.

MRS DUNNE: This motion. Dr Foskey needs to be congratulated for her emphasis and bringing forward the things that she is concerned about—about water efficiency, essentially. But in the whole equation of the future of water in the ACT, these things cannot be effectively separated. The issues of our future water security are all linked together. Whether we have adequate and appropriate storage, and the situation of that adequate and appropriate storage, goes hand in glove with the issues about how we effectively have management of water efficiency measures.

This is why the policy that the Liberal opposition took to the last election covered all of these aspects. It was about water security; it was about water efficiency; it was about all of the means that we need to take to ensure that in the future the people of the ACT have some satisfaction that we will not be left literally high and dry. It is only the Liberal Party that has a comprehensive approach to these matters. Some of the policy initiatives that we took to the last election are up for debate in the community at the moment, and they should be. The matter that we have here today is part of that debate. It was the Liberal opposition that really started that debate back in 2004 by developing courageous and adventurous policies in relation to water storage and water efficiency—putting together a policy in relation to our water security. No-one else in this Assembly is prepared to have the debate that we initiated in 2004.

What we see here today is the government and the Greens unprepared to have the full debate. I am quite prepared to have the debate that Dr Foskey wants to have; I think it is very important. But if we are doing it, we are having half a debate. Mr Stefaniak's amendment is absolutely and utterly to the point. This community needs to have a conversation, a debate, about our water security. If we are talking only about efficiency, we are having half a debate about water security. That is why we need to have a term of reference for this inquiry to look at the provision of adequate water storage facilities so that we drought proof the ACT.

It being 45 minutes after the commencement of Assembly business, the debate was interrupted in accordance with standing order 77. Ordered that the time allotted to Assembly business be extended by 30 minutes.

MRS DUNNE: In conclusion, let me say this: if this community is going to have the whole debate—a debate which is, in some sense, overseen by this Assembly, the people who make the final decisions about these matters—this inquiry should be

looking at water storage, not just water efficiency. Many other elements of the community are having this discussion. Actew has run inquiries and investigations and has published substantial papers on this matter, but at no time has this Assembly dwelt on this subject. Until this Assembly dwells on this subject, this community cannot go forward.

Question put:

That amendment No 2 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.

Motion, as amended, agreed to.

Planning and Environment—Standing Committee Report 22—government response

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

That the Assembly takes note of the paper.

DR FOSKEY (Molonglo) (11.43): Mr Deputy Speaker, this order of the day No 1 needs to leave the notice paper because it has been dealt with. We are now into the final draft of the Planning and Development Bill plus some amendments. It is my wish that the Assembly agree to have this notice removed from the notice paper.

Question resolved in the affirmative.

Health and Disability—Standing Committee Report 4

MS MacDONALD (Brindabella) (11.44): I present the following report:

Health and Disability—Standing Committee—Report 4—*Appropriate Housing for People Living with a Mental Illness*, dated 31 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.

This report focuses on people with a mental illness who can live and work in the community with appropriate support. The committee found that, while accommodation is crucial to managing a person's condition, the provision of accommodation cannot be looked at in isolation from early intervention and support services. Diversity of needs of people with mental illness means no one model suits all. A variety of housing options are required.

The committee found that the demand for public and community housing exceeds the supply and that this impacts on people with a mental illness who do not have suitable accommodation. The committee also found that spending on mental health services in the ACT had increased significantly more than the national average of the last decade. Housing ACT is the major provider of accommodation for this group. The committee has made specific recommendations for Housing ACT, including working closely with ACT Health to develop training in mental health issues for Housing ACT staff.

The committee heard that the resources are currently focused on acute care services. We also heard that early intervention services aimed at keeping people well out of acute care would relieve pressure on acute care facilities. Step-up, step-down facilities were strongly supported by witnesses to the inquiry. These services provide community care, as well as support, for people who have been discharged from acute care services. I note that in Tuesday's budget there is a recommendation for a step-up, step-down facility for adults living with mental illness. I think that is a terrific thing, and I am sure that the rest of the committee will echo that sentiment.

The committee found that discharge planning from acute care services was not always appropriate and recommended that it be reviewed. This is one recommendation that will certainly be received by Mental Health ACT without any problem; it was something that they acknowledged was an issue.

The committee heard evidence that there were too many community-based organisations providing similar services to people with a mental illness. Communication between these services is not always open. The committee recommended an audit of government-funded services to reduce duplication and improve service delivery. One of the things we found about that duplication of services was that this actually added an additional layer of confusion for people living in the community with a mental illness or supporting somebody with a mental illness.

The committee found that there was broad agreement on what should be done in relation to providing appropriate accommodation. The question now concerns providing the implementation and the resources to make this happen.

This report has 15 recommendations attached to it, one of which has been superseded by Tuesday's budget. It is the intention of the committee that this report be a useful document in assisting the government to deal with this issue, which is a troublesome issue for people living in the community who have mental illness and those who support people living with mental illness. It is troubling and often a challenge. However, as I say in my foreword, none of us would choose to have a mental illness or choose to have somebody living with a mental illness, but it is something that does occur in our society and therefore it is something that members of the community and the governments that they elect need to deal with.

In finishing, I want to give my personal thanks to the community groups and individuals who took the time to put in submissions and appear before the committee. We often do not appreciate the amount of time and effort that it takes for community groups and individuals to do that—and also sometimes the amount of courage that it takes for them to do that. I certainly appreciate people taking the time to do that—to put their thoughts and experiences on paper and appear before the inquiry.

This inquiry has been running for quite a while now, and some things have been overtaken over the length of the inquiry. But we found that the more that we talked about it out there in the community the more people stuck up their hands and said, "We would like to come and have a conversation with you about this because we have also got something to add to this inquiry which we think is of value." The committee did not want to turn people away if they wanted to appear before it.

My thanks also go to the committee secretaries who were involved with the inquiry and the staff of the committee office. These included Linzi Lamont and Lydia Chung, who provided secretarial support; and the list of committee secretaries: Trish Carling, who was there at the beginning; Ellie Eggerking, who did a lot of work with the visit down to Victoria that we made and was there when we were doing most of the hearings; Derek Abbott, who came in when Ellie got a better offer and who has done most of the writing; and finally Grace Concannon, who came in after the committee did all of the hearings and Derek had written the report. Grace went through the report and formed it into the readable version that you find.

Mr Speaker, I commend the report of this inquiry to the Assembly. My hope is that it is of great use.

MRS BURKE (Molonglo) (11.51): Mr Speaker, I will be fairly brief. Ms MacDonald has covered most of the key points of our inquiry, an inquiry that has been thoroughly educational, I think, to all of us. We have a better insight into the needs of people in our society with mental health problems, and hopefully the 15 recommendations will be of use in guiding and directing the government and in highlighting out there in the public eye the real needs of people with mental health problems and the appropriateness of their accommodation. The chair has already said thanks to all. Lots of people were involved in the preparation of this report and the last secretary, Grace Concannon, certainly had a mammoth job to pull everybody's ideas together; so well done to Grace.

I would like to thank my colleagues on the committee—the chair, Karin MacDonald; and the deputy chair, Mary Porter—and the people who made presentations to the committee. It was quite traumatic for some of the people who came. I think they showed great courage in actually appearing before our committee and baring all, as it were, to help us better understand their situation and that of their families and people with whom they are in contact. I also thank the people who took time to make written submissions, which were really appreciated. We can certainly see from this report that there is a challenge for any government. I think Ms MacDonald covered that.

Without a doubt, we are becoming more aware of people being diagnosed and, with diagnosis now being so much better, we are identifying the needs of people, whereas before, perhaps, we just let them go in the community and were not really sure that they had a mental health problem. But now we are able, in terms of diagnosing people, to specifically help them at their point of need. It will be a challenge for the government. The challenge is one of implementation. The challenge will be to fund places for people to go and get the right accommodation.

We looked at alleviating the burden not only on the people with mental illness problems, but also of those people on the community. That sounds awful, but it is a two-way thing. We really need to look at all those aspects when dealing with people with a mental health problem. Also, we talk about appropriate accommodation as opposed to adequate accommodation. We can say that if somebody has a roof over their head that is adequate. Nobody would argue with that. But is it appropriate? We learned from many people about what happens often in some of the settings that we send people to. Perhaps they have come out of a rehabilitation situation from a schizophrenic-type attack or episode. If we send a single person, for example, to something like a multiunit complex, often that can complicate their full rehabilitation. A one or two bedroom unit in a multiunit complex may be classed as adequate, but we have to ask ourselves whether that is a particularly appropriate place to put such people, not in terms of isolating them but in terms of those people actually being a burden on those living around them.

Also, we need to concentrate on the support. I note that the government sees itself as a junior partner in the system. I was thinking about that after we wrote the report. I submit that they do play an extremely important and integral role in the provision of accommodation and in recognising the needs of people with a mental health problem. I note that the government is trying to work on that aspect and congratulate it on that. We really need to make sure that our people on the front line are fully trained, that they have adequate qualifications to deal with the complex needs of many tenants that are now presenting to them.

Finally, is the system working for people with a mental health problem? I think that at this stage we would have to say that we have a lot more work to do. There is a long way to go before we get it right. I would encourage the government to up the ante a little and work more closely with Mental Health ACT, which does an absolutely brilliant job. I commend the CAT team. At times I have called them to recommend that they call on people with a difficulty, and they have been just marvellous. I cannot say enough about the people who work in the system.

This report really needs the attention of all members who have an interest in this area. Please do not let it be a report that gathers dust on the shelf. I implore the government to look at the recommendations very closely; in particular, the Minister for Health. If there is an opportunity for us as a committee to work with her and identify some specific areas, that will be helpful. I concur with the chair of the committee and commend this report to the Assembly.

MS PORTER (Ginninderra) (11.57): I would like to endorse the comprehensive recommendations contained in this report and, along with Ms MacDonald and Mrs Burke, commend the report to the Assembly. Before my election to this place, as members are aware, I was the CEO of Volunteering ACT. One of the programs that I managed in that role was the program known as connections. Connections is a program that I helped establish when it was first funded as an ACT Mental Health service over a decade ago. When it was decided that this program would be more appropriately managed in the community sector, Volunteering ACT was the successful tenderer for the program and still operates it very successfully. This program provides volunteer support for people with a mental illness living in our community.

It was through my management of the connections program that I realised that policies which were implemented as a consequence of reports such as the Richmond report had resulted in unforeseen consequences. The Richmond report had at its core the dismantling of mental institutions, with those institutions being replaced with opportunities for people to live in the community, for them to return to the community with appropriate levels of support. The aim was to deinstitutionalise those who were suffering from a mental illness and reintegrate them into the mainstream. I am sure that no-one here would argue with that aim.

However, we now know that for many the appropriate level of support was not forthcoming. My grandmother and my grandfather on my mother's side and my mother's sister all worked in such an institution in England many years ago, and as a child I well recall seeing patients from this institution being taken out on outings in the town where I was born, where this particular institution was located. My grandfather, a mental health nurse, eventually suffered a breakdown himself. This was caused, we believe, by the pain of working in such an environment.

Mr Speaker, through my work with connections, I discovered that many of those in our community living with a mental illness experience difficulties with their accommodation from time to time. That is why I was pleased that, when I became the Deputy Chair of the Standing Committee on Health and Disability, I was able to suggest that the committee inquire into this major area of concern and the chair, Ms MacDonald, and Mrs Burke saw fit to support the suggestion.

It is no surprise that there is no simple answer to this very complex problem, otherwise we would have found it a long time ago. Members will see from reading through this excellent report, with its wide-ranging recommendations, that the committee consulted widely, as those before me have said, with government and non-government agencies both here and interstate, as well as examining overseas models. The result, as Ms MacDonald has said, is that this report contains very

comprehensive recommendations that I and other members of the committee commend to the Assembly.

I join my fellow committee members in saying how very pleased I am that the step-up, step-down recommendation in this report is now redundant because of decisions made in the current budget. We are very pleased that the government has been able to do that. Obviously, we would like a lot more of the recommendations looked at in the same light, and we are hopeful that many more of those will be able to be instituted. I would also like to add my congratulations to the government on the many initiatives it has taken in the health area, particularly in the mental health area. I am very pleased to see those.

As Ms MacDonald and Mrs Burke have just said, many people who came before the committee and provided submissions to us did so with great courage. Also, not-for-profit organisations spent a lot of time putting in very comprehensive submissions. We do congratulate them and thank them for their time and courage in doing that.

I would also join with everybody in thanking Grace Concannon and all the committee secretaries who went before her, as well as the committee office staff, for their work. To say that I enjoyed being part of this inquiry would not be quite accurate, as many times the stories we heard were very difficult to listen to, but a lot were very affirming. It was good when we heard those affirming stories. I would like to thank particularly Ms MacDonald and Mrs Burke for being willing to go through all that with me. I guess we knew that it would not be an easy subject for an inquiry. I thank the committee for their hard work with me on that. I would obviously commend the recommendations and the whole report to the Assembly today and thank everyone for their valuable work.

Debate (on motion by **Dr Foskey**) adjourned to the next sitting.

Public Accounts—Standing Committee

Statement by chair

MR MULCAHY (Molonglo): Pursuant to standing order 246A, I wish to make a statement on behalf of the Standing Committee on Public Accounts relating to the committee's recent participation in the ninth biennial conference of the Australasian Council of Public Accounts Committees. The ninth biennial conference of the Australasian Council of Public Accounts Committees was hosted by the commonwealth's Joint Committee of Public Accounts and Audit and held in Canberra from 11 to 14 April 2007.

One hundred and twenty-six Australian and international delegates and observers attended the conference, including members and staff of public accounts committees, auditors-general, academics and professional bodies. In addition to Australian delegates, the conference had representatives from the countries of Fiji, Indonesia, Papua New Guinea, Singapore, Solomon Islands, South Africa and New Zealand. The Standing Committee on Public Accounts and its secretary represented the Legislative Assembly for the ACT at the conference.

The theme of the conference was “challenges facing contemporary public accounts committees”. The Hon David Hawker MP, Speaker of the House of Representatives, opened the conference. The conference then proceeded with a number of keynote addresses and the presentation of papers covering four themes. The first was the relationship between the public accounts committees and the executive: ensuring that public accounts committees are able to access independent and reliable information—this, for example, can encompass how PACs deal with claims of public interest immunity by public sector agencies; the role of PACs in enhancing public sector reporting standards, including performance reporting in the public sector; and how PACs ensure that their recommendations are implemented.

The second was the impact of devolution of financial, project and risk management in public sector agencies, which addressed how PACs, together with central agencies and auditors-general, can encourage better practice in contract management and risk management compliance with financial frameworks as responsibility is devolved to individual agencies.

The third was the role of auditors-general and PACs as government functions are outsourced to the private sector. In this area we addressed the issue of public-private partnership models to fund major infrastructure and how to ensure an appropriate balance between risk and reward in PPPs, and adequate scrutiny by auditors-general and parliaments of contract management and project delivery.

The fourth was the matter of the relationship between PACs and the auditors-general, and the topics addressed included the appropriate role of PACs in reviewing the work program of audit offices, and the role of PACs in safeguarding the independence of auditors-general.

The keynote addresses and papers presented were informative, varied and of current interest to those working to promote and ensure strong and effective public sector reporting standards and professional accountability. As part of the paper presentations, I presented a paper about the powers of public accounts committees to set their own work program and the subsequent influence on their resources. The paper highlighted and discussed that public accounts committees have substantial powers to set their own work program. However, the extent to which these powers are fully utilised is significantly influenced by both committee and institutional capacity.

Worthy of note were the following: a keynote address from Professor Kerry Jacobs on behalf of La Trobe University’s public sector governance and accountability research centre; and Tom Moloney from KPMG, providing a summary of the recently published report *The parliamentary public accounts committee: an Australian and New Zealand perspective*. This address presented the results of a baseline study conducted by La Trobe University and KPMG aiming to identify the range of structures, responsibilities and working practices adopted by public accounts committees across Australia and New Zealand. The committee commends the report to those interested in understanding the nature and work of PACs in Australia and New Zealand.

There was also a paper presented by the auditor-general of Tasmania, Mike Blake, entitled *The role of auditors-general in relation to outsourced government activities/functions*. This paper presented the view that auditors-general have a role to play in ensuring that activities and functions outsourced to the private sector or to other public sector agencies are managed effectively and efficiently and that the outsourcing agency retains accountability for the activity of the function outsourced. As a matter that has generated significant interest, the paper concluded that government cannot outsource its duty of care. While a government agency can outsource an activity to the private sector and the private sector body provides the service to the taxpayers or ratepayers, they do so ultimately on behalf of the government agency.

A hypothetical was presented to this conference by the chair of the Tasmanian parliamentary Public Accounts Committee, the Hon Jim Wilkinson MLC. The theme of that hypothetical was "how PACs deal with claims of public interest immunity by public sector agencies". The hypothetical format, whilst not a paper presenting a particular view, provided a well-facilitated scenario whereby a number of conference delegates participated in an active, informative and entertaining discussion of the possible actions and strategies available to public accounts committees when dealing with claims of public interest immunity by public sector agencies. My colleague the deputy chair of the ACT standing committee, Dr Foskey MLA, participated in the hypothetical.

The committee, as part of the conference program, hosted a pre-dinner social function at the Legislative Assembly for the ACT. Conference delegates and observers were officially welcomed by the Assembly's Speaker, Mr Wayne Berry MLA. Mr Speaker, I thank you for signing off on having that event. I believe it was well received and I thank our committee secretary, Andrea Cullen, for going above and beyond the call in making sure that all came together so well.

The Australasian Council of Public Accounts Committees was formed in 1989. ACPAC meets every two years in conference, with a mid-term meeting to discuss and agree on an agenda for the forthcoming conference and to discuss issues specifically pertaining to Australasian committees. In terms of ACPAC general business and resolutions, as part of the conference program the Solomon Islands public accounts committee made a presentation, and it was an excellent presentation, expressing their interest in full membership of ACPAC. At the ACPAC general business meeting, members considered amendments to the ACPAC constitution to admit the public accounts committee of the Solomon Islands as a full member of ACPAC. The ACT Standing Committee on Public Accounts moved the proposed amendments to the ACPAC constitution admitting the public accounts committee of the Solomon Islands as a full member of ACPAC. The 10th biennial ACPAC conference is to be hosted by New Zealand's finance and expenditure committee.

In conclusion, the committee sincerely thanks the commonwealth Joint Committee of Public Accounts and Audit, its secretariat and the commonwealth parliament for their welcome and outstanding efforts in hosting the ninth biennial ACPAC conference. Meeting papers are available for perusal in the Committee Office. I thank my colleagues and the committee secretary for their assistance with this matter.

Planning and Environment—Standing Committee Amendment to resolution

MR GENTLEMAN (Brindabella) (12.10): I seek leave to move a motion concerning the reporting date for the Standing Committee on Planning and Environment's inquiry into ACTION buses and the sustainable transport plan.

Leave granted.

MR GENTLEMAN: I move:

That the resolution of the Assembly of 15 March 2007 which referred the matter of ACTION buses and the sustainable transport plan to the Standing Committee on Planning and Environment for inquiry and report be amended by omitting the words "30 June 2007" and substituting "30 August 2007".

I have moved this motion this morning in my capacity as Chair of the Standing Committee on Planning and Environment. The committee seeks this extension because it is yet to receive several significant submissions which it has been advised will be forthcoming. The ACT government, the National Capital Authority and the ACT Human Rights Commission have each advised the committee that submissions are being prepared, but these have not yet been received by the committee.

Most members of this Assembly will be fully committed during June and part of July to review of the government's 2007-08 budget. This means that the committee's deliberation meetings for its inquiry into ACTION buses and the sustainable transport plan have to be postponed. The committee has already received and is considering 64 submissions and the committee is particularly grateful for the work done by organisations, peak bodies and community councils in submitting their analysis of the views of their members and associates.

The committee also welcomes the interest taken in the issues underpinning this inquiry by the media, particularly the *Canberra Times*, the *Chronicle* and *City News*. The committee will be holding more public hearings next week for the inquiry and looks forward to hearing from the Minister for Territory and Municipal Services on the morning of Friday, 15 June 2007. The committee will also be meeting with community groups and a sustainable transport behavioural change expert next week. Of course, everyone is most welcome to attend these hearings.

Question resolved in the affirmative.

Leave of absence

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

That leave of absence be given to all members from 8 June to 20 August 2007.

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

Debate resumed from 29 May 2007, on motion by **Mr Barr**:

That this bill be agreed to in principle.

MR MULCAHY (Molonglo) (12.13): Mr Speaker, the opposition will be supporting this bill. At the outset, I would like to thank the minister for making his adviser and public servants available for a briefing on this bill. That said, I reiterate that having such a short turnaround to assess and analyse legislation is far from ideal and should only occur when absolutely necessary and unavoidable.

I have been quite frustrated in my attempts to prepare a response to this bill by the government's decision to prevent direct discussion with the ACT Construction and Cleaning Industry Long Service Leave Authority. Following the briefing that my office was provided, my staff member was handed a business card from the chief executive of the authority and told to contact him if there were further issues. However, I was subsequently advised and my office was advised that all inquiries had to be directed through the minister's office.

Mr Speaker, this is an authority and the government should not be exercising this level of control over what occurs within it and its relationship with the opposition. That does not happen when I deal with Actew, for example. There is a very clear delineation. That is the whole point, I thought, of having an authority. We respect the fact that if government departments are involved we do not go directly to public servants, but I think that the policy that was established in this case was inappropriate, and I certainly want to put my concerns on the record.

The difficulty of analysing legislation so quickly arose on this occasion. Although the Liberal Party will be supporting this legislation, I feel it is worthy of mention just how hard the quick turnaround makes things. I understand we are having this debate now because the legislation has to be passed before the end of the financial year and, of course, this is effectively the last day before the end of the financial year in terms of Assembly sittings. The mind does turn, however, to all of those sitting days when we have broken early and wonder whether the government could not be a little more organised in introducing legislation. On the face of it, it reflects poorly on the management of this authority, and it is an issue that I will now take up in estimates, given this experience.

This bill will change the reporting requirements for employers in the building and construction and contract cleaning industries. It appears to make the requirements for employers easier to comply with. However, that being said, at 7 o'clock last night when I spoke with a senior executive of the master builders association he knew nothing about this legislation. He said that it may have been that somebody else was consulted, but it troubles me when now I have contacted two industry groups which express their concern over the handling of this legislation. If there are issues to be ironed out, this is the whole point of giving this Assembly appropriate notice and not

springing things on it at the last minute because people do not have their act together in the areas that are responsible for the management of this bill.

A welcome component, however, of this amendment bill is that it makes the reporting requirements of employers in the affected industries quarterly, rather than every two months. Under the original act, employers were required to report to the schemes and pay a levy every two months, and were fined if they failed to pay within 15 days. This amendment changes the requirement of both reporting and payment to every quarter and increases the time to pay from 15 days to one month. Furthermore, the reporting requirements have been simplified by this legislation. Whereas previously employers had to report on the name, address and remuneration and list the days, part days and leave days on which the employee was employed, this bill will remove the requirement to list days, part days and leave days. Employers will now just have to list the name, address and total remuneration paid of their employees.

A concern has been raised by an employer in the cleaning industry about the use of information by the board of the Construction and Cleaning Industry Long Service Leave Authority. This employer has this morning raised concerns with me which I need to address. He has expressed disquiet that privileged payroll information could be used by either competitors or union representatives who are sitting on this board. From my hasty inquiries that literally occurred in the last hour or so, I understand that board members have to sign a code of conduct document, but I am conscious that the potential for inappropriate behaviour remains, as we have seen in other areas of administration.

I have been informed that the authority is conducting an independent audit of its governance procedures. I would urge the minister to table this document when it is finalised and to demonstrate that either this concern has been addressed or there is no basis for the concern. I cannot support a contention that there may be a problem. It has been expressed to me. I have not been given sufficient time to make my own inquiries in a thorough fashion, and so I am in no position to make judgment from this side of the Assembly as to whether the apprehension on the part of employers in that industry that information is being relayed to parties is soundly based or whether it is fictitious. I do not want to pass judgment on that.

The problem I have, of course, is that I have had inadequate time to speak to the two major affected industry groups and I think that the minister needs to ensure that he gets on top of these things and take whatever steps he has to take to ensure that we do not get a repeat of this. This is not crisis legislation, Mr Speaker. This is legislation that somebody has left until the 11th hour and then has suddenly tried to rush it through this place, failing to show the appropriate courtesies to the Assembly to ensure that issues that emerge in consultation can be thoroughly investigated.

The other major facet of this legislation is to make it easier for employees in the two named industries to obtain payment in lieu of long service leave. Under the original legislation, employees had to have at least 55 days of recognised service and have reached the prescribed retirement age, which was the earlier of 65 years of age or the age at which the worker first becomes entitled to a pension under the Veterans' Entitlements Act 1986. Under the changes this legislation introduces, the prescribed retirement age is amended to the earlier of 55 years of age or the entitlement age. This

change reflects the difficult nature of the work and the retirement age in the building and cleaning industries.

I have also expressed some concern or interest in relation to the possible cost impact of these changes. Again, I received a rather brief response from the minister's office saying that the latest figures indicate improved benefits of around \$20,000 for workers retiring after reaching age 55, representing less than one per cent of the total benefits paid. I would have liked to have had more comprehensive information on the cost implications. I have in my office an actuary who would be happy to analyse information they could send me but, again, I am running here by the seat of my pants in terms of advising my colleagues on the elements of this legislation, and that is not something that I particularly relish. Although that will not prevent us from supporting the bill, it would have been appropriate for this information to be provided and would have made analysis of the impact of the proposed changes easier. I will not dwell on this point. The fact that we could not obtain this information in the level of detail I was hoping for will not alter the opposition's position on the bill.

The bill also allows employees to receive payments for contributions made on their behalf by their employers even if they have failed to register with the scheme at the time of the payments. This is relatively simple legislation and creates new conditions in the building and construction and contract cleaning industries. Accordingly, as I have indicated, the opposition will support the bill.

DR FOSKEY (Molonglo) (12.21): This bill brings the two portable long service leave bills into alignment. It has been a rushed process which is unjustified and unjustifiable. It is easy for government officers to believe that the imperative of new commonwealth legislation, compounded with the end of a financial year, on top of a drafter who is unfortunately ill, makes it entirely acceptable to put a large, supposedly non-controversial, bill into the Assembly and push it through around the edges of the budget debate. Of course, a majority government can do whatever it likes, and members and their staff, I am sure, get used to seeing their imperatives as the only imperatives in that context.

In different circumstances, all the problems would have been dealt with and members of the Assembly would have had a longer period to assess the bill for what it does and does not do, and that is the basis of parliamentary democracy. I am not aware of any concerns being held by those people most affected by this legislation, although I would have to add that there is probably a whole mob of people whose practices or entitlements are affected, mostly for the better we hope, and who do not know the bill even exists. That is all well and good. One could simply argue that the government is competent and well intentioned and that, in reassuring us that there are no controversial aspects to the bill, we should relax. I remind the Assembly of the Tharwa special amendment to the Education Act last year that used a fine general argument to scuttle one small community group's plans to keep its local school. It will be a while before my office takes on face value the explanations of ministers' staff.

The portability of long service leave was one of the commitments once made by this government to the community sector. This bill, which cleans up or better organises the two existing schemes, could have been an opportunity to consider amalgamating them completely and expanding the scheme to include workers in the community sector. In

my opinion, there has been long enough for the government to do that work. I see it as the responsibility of ministers to look beyond the immediate concerns of the officers in some sections of their departments to link initiatives so that they are effective and purposeful across the community. Staff in my office might have managed to explore these options with the government if they had had some more time. It is conceivable that the government would not have been interested, but in this case there was not even an option for such an endeavour. The opposition and the Greens are occasionally criticised by government for being too negative. This approach to managing legislation would seem to be designed to ensure that retrospective criticism is the only role open to us.

MR BARR (Molonglo—Minister for Education and Training, Minister for Planning, Minister for Tourism, Sport and Recreation, Minister for Industrial Relations) (12.24) in reply: I thank the opposition and the Greens for their support.

Dr Foskey: Such as it is.

MR BARR: Indeed; such as it is. The amendments that the government has put forward in this legislation have indeed been approved by the governing boards of each of the schemes. They do simplify and streamline the administrative arrangements for both schemes, making them more equitable not just for employees but also for employers in the cleaning and construction industries. I simply restate that the 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 unnecessary red tape. These amendments and this legislation are a clear demonstration of this commitment. I thank the Assembly for its support.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Sitting suspended from 12.25 to 2.30 pm.

Visitors

MR SPEAKER: I welcome an adult migrant education group who are with us today in the chamber.

Questions without notice

Budget—superannuation

MR STEFANIAK: My question is directed to the Treasurer. In 2001 Labor made the following commitments in its “Labor: a charter of financial integrity” priority statement. Your predecessor, Mr Quinlan, promised to “ensure that budgets and financial reports clearly show the operating performance of the territory net of the

results of invested superannuation cash reserves”. Why does your 2007-08 budget still include the results on invested superannuation cash reserves, when you promised in 2001 not to include them?

MR STANHOPE: The government very much looks forward to listening to Mr Stefaniak this afternoon deliver the alternative budget—the Liberal Party’s alternative to the ACT government budget. What Labor promised in 2001 was that Labor will “ensure that budgets and financial reports clearly show, in some form, the operating performance of the territory”. It is interesting that the most significant of the words of the charter of financial integrity were omitted from the question.

We talk about integrity. It is interesting that the Leader of the Opposition says, as he just has, that Labor will “ensure that budgets and financial reports clearly show the operating performance of the territory net of the results of invested superannuation cash reserves”. What the charter of financial integrity says is that Labor will “ensure that budgets and financial reports clearly show, in some form, the operating performance of the territory net of the results of invested superannuation cash reserves”—“in some form”.

And what do the budget papers show on pages 8 and 15? The financial reports on page 15 of the budget papers show, in some form, the operating performance of the territory net of the results of invested superannuation cash reserves. There it is—page 15 of the budget, quoted on a number of occasions over the last two days by the shadow treasurer, Mr Mulcahy. Mr Mulcahy has been out there quoting, out of context, precisely what we promised in 2001 that we would do. There it is: “GFS net operating balance (UPF statements)”. It is shown in a clear line on page 15 of the budget.

We have met the promise, the commitment that we made in the charter of financial integrity. It is there for all to see. Not only is it there for all to see; it has been quoted on a number of occasions over the last two days by the shadow treasurer. What the shadow treasurer has been quoting in the last two days is the financial report showing the operating performance of the territory net of the results of invested superannuation cash reserves. That is precisely what he has been talking about. They are precisely the figures he has been quoting.

Mr Gentleman: They don’t talk to each other.

MR STANHOPE: It is not a question of their not talking to each other; it is that neither of them understands the basics. It is remarkable to me that Mr Stefaniak yesterday shared a platform with the shadow treasurer—not very comfortably, but nevertheless shared a platform with the shadow treasurer yesterday—during which the shadow treasurer referred to the ACT government’s financial reports, namely the budget, which clearly showed the operating performance of the territory net of the results of invested superannuation cash reserves.

Yet today, the Leader of the Opposition, who is about to deliver the alternative budget, did not know that that is what he was doing. He did not know that, repeatedly over the last two days, the shadow treasurer has been giving prominence to the ACT’s

position—the operating performance of the territory net of the results of invested superannuation cash reserves.

What is intriguing about this is that—as the shadow treasurer stood there and gave this information to the community about the position net of superannuation reserves—Mr Stefaniak, who is delivering the alternative budget, did not have a clue that that was what he was doing. Mr Stefaniak asked the question today—a question one assumes would have been written by the shadow treasurer because it relates to the budget.

Perhaps Mr Mulcahy did not let Mr Stefaniak know that what he has been doing for the last two days, in quoting the GFS net operating balance, has been in fact and precisely what Mr Stefaniak has just asked: why are you not doing that? Do we not need to ask: why is it that Mr Mulcahy actually let Mr Stefaniak make such a goose of himself in asking this question today?

MR STEFANIAK: I have a supplementary question, Mr Speaker. I refer the Chief Minister to his own fact sheet No 10, and my supplementary is: why have you abandoned your predecessor's commitment to show the operating performance net of invested superannuation cash reserves in your budget and financial reports when you said you would ensure that budgets and financial reports clearly showed the operating performance of the territory net of the results of invested superannuation cash reserves?

MR STANHOPE: I must say that one thing I admire about Mr Stefaniak—it is admirable, but I do not know whether I admire it about him—is that he is such a sucker for punishment. I have just answered the question. I have just answered it quite clearly and I would have thought quite unambiguously that the charter of financial integrity, just referred to and the basis of this question, provides that Labor will ensure that budgets and financial reports clearly show in some form the operating performance of the territory net of the results of invested superannuation cash reserves.

On page 8 of the budget papers there is some explanation for why we present the budget papers in the form we do, and indeed we provide an explanation against three different standards: against the Australian accounting standard, which is there in the budget papers; against a net operating balance position in relation to GFS, which is there in the budget papers; and against pure GFS, which is there in the budget papers. Pure GFS, of course, incorporates the operating performance of the territory net of the results of invested superannuation. Why do we do that? We even explain why we do it that way. We explain why it is that we meet the commitment we made in that charter of financial integrity. It is explained in these terms:

In order to ensure that the ACT's Budget is measured on a consistent basis with state governments, it is necessary to adjust the GFS net operating balance reported in the UPF statements in Appendix F, for expected capital gains on its superannuation investments.

The budget papers go on to explain:

It should be emphasised that this adjustment is not simply required to ensure consistency with the GFS results reported by state jurisdictions, it is also

required to provide an accurate assessment of the longer term sustainability of the budget position.

We said we would do it and we have done it. What is remarkable in this question is not so much that we have done what we said we would do. What is remarkable is that, despite hearing the shadow Treasurer quote—I have heard him on a number of occasions so I presume it has been discussed in the Liberal Party party room on a number of occasions, particularly when they were drafting this question—that is precisely the figure or the result that Mr Mulcahy has been talking about, in some ignorance I do admit. It was quite clear yesterday, for instance, that he did not have a clue what he was talking about and we see it again today in the asking of this question.

The numbers are there in the budget for all the world to see. We did precisely what we said we would do. We have shown in three separate configurations the budget position against the Australian accounting standards, against an operating balance consistent with GFS, and GFS consistent with the UPF statements. There are three variations in the presentation. There are three presentations here of the operating position.

You have not got a clue what you are talking about, and this question illustrates the fact that you have not got a clue what you are talking about. The wonder Treasurer of the century has shown himself to be incredibly brittle over the last couple of days in relation to his understanding of these sorts of basic accounting treatments and indeed in his suggestion that the way to deal with issues in relation to the health portfolio is to simply cut \$61 million out of the Canberra Hospital and Calvary Public Hospital. We all heard it yesterday: \$61 million to be cut, not out of health but out of the public hospitals—\$61 million to be cut, under the Liberal Party under Richard Mulcahy, from health.

Nurses—enterprise agreement

MS MacDONALD: My question is to Ms Gallagher in her capacity as Minister for Health. Minister, could you update the Assembly on the progress of negotiations on a new ACT public sector nursing staff agreement?

MS GALLAGHER: I thank Ms MacDonald for her question and for the opportunity to inform the Assembly of the fact that the government has reached in-principle agreement with the Australian Nursing Federation on a new union collective agreement for public sector nurses and midwives. I would like at the outset to acknowledge the efforts of the ANF to work in a spirit of cooperation throughout the negotiations between ACT Health and the union to deliver an agreement which I think is historic in the sense that not even the threat of industrial action was raised throughout this process.

It has been quite a lengthy process. It has been ongoing since October and the negotiations have been difficult, as they always are when you are trying to deliver outcomes that suit the government's priorities as well as the union's priorities. But I am pleased to say that we announced to staff today by email through a joint communique by ACT Health and the union that we have reached agreement in principle. Importantly from the government's point of view, we have managed to

achieve significant efficiencies in this agreement. Probably the most significant reforms in nursing are now available through the agreement to ensure that our hospitals continue their drive for efficiency in the delivery of health care services and that we can continue to work towards reducing our costs to within 10 per cent of the national average.

Those conditions, some of which I think many governments before this government have sought, include flexibility around shift arrangements. The approach we have taken has been a bit different, particularly from that of the previous government, which sought to impose a shift regime which was very unpopular with the nurses. What we have done through this agreement is to protect the 8-8-10 roster. We accept that that needs to be the centrepiece of any shift arrangements at the hospital. But this agreement gives us the flexibility to recognise that nursing workloads and the desires of nurses have changed over time and it gives us the opportunity to negotiate shorter shifts. Shifts will now be able to go from four hours to up to 12 hours, depending on management and nursing staff agreeing. That is a significant gain in terms of some of the restraint that there has been previously through agreements which have really only allowed the delivery of an 8-8-10 roster.

The agreement also allows for a new classification of nurses, what we will call assistants in nursing. They will join the classifications of the nursing profession. These will be entry-level positions that will support, say, the enrolled nurse and the registered nurse as well. Our idea is to ensure that our professional nurses, our degree-trained nurses and enrolled nurses that are diploma trained, no longer will need to be weighed down with jobs that may and can be done by others. The assistants in nursing concession is a significant one by the nurses, who have previously not welcomed any diversification of the workforce in this area.

We have also been able to address an overtime payment which has acted as a disincentive to full-time nursing, the overtime rates paid to part-timers who chose to work full-time hours. That has been addressed in this agreement as well. We have reached agreement on workload management and a monitoring regime around nursing hours and patients on particular days.

In total, the savings that will be achieved through the implementation of a number of these new flexibilities in the agreement will allow us to deliver the increases that the nurses have been seeking. We have stayed true to the government's objective of a 12 per cent pay rise. It will be paid in three instalments over a 30-month period. The agreement is shorter than others that have been negotiated, but this agreement pays for itself in the sense of the productivity savings that we have achieved. It has been the government's strategy in bargaining since we commenced this round of negotiations that, if there were to be wage increases above three per cent per annum, they needed to come paid from within. This agreement certainly is one that does that.

There are improved conditions for midwives employed in the Canberra midwifery program. (*Time expired.*)

MR SPEAKER: A supplementary question, Ms MacDonald?

MS MacDONALD: Thank you, Mr Speaker. Minister, you have talked about the hard work of nurses. Could you advise the Assembly how the excellent work of our nurses is recognised apart from through the EBA process?

MS GALLAGHER: The government recognises that the core recognition of nurses is through their conditions of employment, which is why it has been so important to deliver an agreement that will benefit nurses as well as the government. It really has been a win-win to deliver this agreement—not only for nurses but for us as well in terms of how we manage the ever-increasing pressures on the health system.

The agreement now will have to go through the new industrial relations process. It will have to be checked by the Workplace Authority for any necessary evils that it might contain, such as talking to a union official. It will have to go through to make sure it has got nothing offensive.

Mr Mulcahy: It will go through the fairness test, won't it?

MS GALLAGHER: It will now. It will now that there is a fairness test.

Mr Mulcahy: Introduced by the Liberal government.

MS GALLAGHER: A cave-in by the Liberal government for a fairness test. It will be one of the first agreements to go to the new Workplace Authority, which was previously known as the Office of the Employment Advocate. That had a bad taste in everyone's mouth so we have a new name there. It will make sure that it has no prohibited content, so it does not offend any of the federal government.

Once that check has been done, the final agreement will be made available to nurses and midwives for consideration over a seven-day period. A secret ballot for a formal vote will then be conducted. If the agreement is accepted by the majority of the nurses, which is certainly what the ANF is pushing for, the new agreement will be signed by the parties and then again lodged with the Workplace Authority.

The date of lodgement is the date of effect for the agreement except for specific dates that are specified in the agreement. We are planning to pay our nurses from 23 March, which is the date of the expiration of their previous agreement. Once it goes through that process, we will be able to deliver those pay increases to the nurses. They will receive a 4½ per cent pay increase, which no doubt will be very much welcomed by them.

In relation to other incentives and initiatives that we provide to support nurses not just through EBA processes but throughout the year, we have a number of programs and support mechanisms in place. For example, there are scholarship schemes, which started under the previous government and which we have kept going. We provide \$500,000 per annum to assist nurses and midwives to undertake postgraduate studies; \$300,000 of this is provided for mental health nursing and \$200,000 for all other nurses and midwives. It is a very popular program. Some 76 applications were received for the 2007 scholarship funding compared to 50 in 2004.

We have supported the entry of a new tertiary education provider for undergraduate nursing within the territory. The Australian Catholic University has launched a very innovative accelerated program for enrolled nurses to upgrade their qualification to that of registered nurses. That is a fantastic program. There are 50 places available, and the first students commenced the program in February 2007. The ability to upgrade your qualifications cannot be understated. Enrolled nurses have fantastic skills that they have learned in the hospital environment. To fast-track them through a new course to recognise them as registered nurses will go a long way to making sure that we keep enrolled nurses in the health system—upgrading their skills and getting appropriate recognition for that.

For postgraduate nurses, we have a six-month new graduate program for newly enrolled nursing staff. This is where we also provide six weeks paid leave or sabbatical leave per annum for 12 nursing and midwifery staff who are in the final stages of completing higher degrees—that is, masters or doctorates.

In mental health, we work with La Trobe University to offer postgraduate educational programs for both enrolled nurses and registered nurses. We have a refresher and re-entry program, another way of attracting nurses. There is a worldwide shortage of nurses, so we do look at every way we can to ensure that we are trying to entice nurses who may have left the profession to re-enter and continue to work in the profession.

Recently it was Nurses and Midwives Week. There were fantastic awards to recognise the efforts of the nurses in our health system. A number of fantastic nurses won a range of awards this year. (*Time expired.*)

Schools—bullying

MR PRATT: My question is to the Minister for Education and Training. Minister, on radio 2CC at 7.35 am on Monday, 4 June 2007, the harrowing story was told of a professional woman, a mother of two children who have been bullied and seriously assaulted on a number of occasions at school where no police were called to attend. Even more disturbingly, it was reported in that interview that serious assaults and sexual misconduct are occurring across a number of ACT high schools, including at least one alleged case of gang rape, with very little action by authorities being taken.

Minister, why have you allowed the situation to have reached the point where such serious assaults on students and teachers and sexual misconduct have occurred and continue to occur in our schools?

MR BARR: I have not.

MR PRATT: My supplementary to the minister is this: minister, do you have such little regard for the welfare, the safety and the moral development of our school students that you have failed to act in a timely manner on these issues?

MR BARR: The insinuation in that question is fairly outrageous. But for the record, as I have indicated in this place before, the government has put in place a range of measures to address the particular concerns that have had some airing in the media.

In relation to the individual cases that Mr Pratt referred to in his preamble to the first question, I do not have the detail in front of me in terms of the individual school response. Of course, if these are allegations that have been made, they should be appropriately investigated. One would presume that, if the matters have been raised on commercial radio in Canberra and raised with the opposition, they should have been referred to police. I would be most concerned to hear that the allegations have been sitting with Mr Pratt for some time and he has not raised them with the police. That would be very concerning.

However, as I have indicated previously, the government undertook a review of procedures within ACT government schools. That review has been a 12-month piece of work. Changes were made to protocols within the ACT public education system and they came into effect on 15 May following a series of stakeholder meetings with staff, with the parents and citizens council and with a variety of other stakeholders—the principals association, amongst others.

My department has taken a very proactive response to the concerns that have been raised. I reject the assertion from Mr Pratt that there are no moral values in ACT public schools. That is outrageous. To suggest that I, as minister, do not uphold moral values within our public education system is an outrageous slur for Mr Pratt to make. If he seriously believes that I, as minister, am responsible for lowering moral standards within our public education system, let him make that statement outside this place. If that is the insinuation in Mr Pratt's questions, that I, as minister, have failed to uphold moral values—

Mr Pratt: You do not care to find out and to follow these allegations up.

MR BARR: within our public education system, this is an outrageous—

MR SPEAKER: Mr Pratt, Mr Barr has the floor.

MR BARR: It is an outrageous accusation to make, one with no basis at all—only to achieve a cheap headline, clearly. As I said, we have put in place—

Mr Pratt: Andrew, you are letting our kids down. You are not following up.

MR SPEAKER: Order, Mr Pratt!

MR BARR: a new set of protocols that do require immediate reporting to a director of school any bullying or assault issue within a school—a written report within 24 hours. Police are obviously involved in cases of serious assault. What I am concerned to hear in particular in Mr Pratt's question is that allegations are being made on commercial radio and not being referred to the police. It does lead you to question: if these matters have not been referred to the police, why are these allegations being made on commercial radio?

Mr Pratt: They have been referred to the police—

MR BARR: If they have been referred to the police, Mr Pratt—

Mr Pratt: and your department concurrently is not following them up.

MR BARR: It is a police matter, Mr Pratt. If this is a sexual assault that you are alleging and it has been referred to police, it is a police matter.

Mr Pratt: We are talking about a criminal offence.

MR BARR: It is a criminal offence, Mr Pratt.

MR SPEAKER: Order!

MR BARR: It is a police matter. It is not something that I would expect school principals to conduct police reviews of sexual assaults, alleged sexual assaults. It is a police matter.

Mr Pratt: It is a criminal offence for your teachers not to be passing on information.

MR BARR: I am satisfied that the measures that have been put in place that require reporting to directors of schools immediately a written report within 24 hours are appropriate. My concern—and this is something I will be taking up with the non-government school education council—is that similar approaches are taken in every school in the ACT. It is an absolute fallacy to suggest that these issues are unique to the government system. They are not. They occur in both sectors, and it is appropriate that, as minister for education, I am satisfied that both sectors deal with them accordingly. (*Time expired.*)

Dragway

DR FOSKEY: My question is to the minister for sport and recreation, Mr Barr, and relates to the dragway. I note that there is still \$8 million set aside in the 2007-08 budget for the dragway. I ask the minister to confirm that the Majura site is still ruled out and whether any other sites are under consideration.

MR BARR: Yes, I can confirm that that money was rolled over in the 2007-08 budget. I have written to three commonwealth ministers—Jim Lloyd, Brendan Nelson and Senator Minchin—in relation to this issue and have received two responses. Looking at alternate sites, the commonwealth has indicated some willingness to negotiate around some other national land that is available, but a full process would have to be gone through before anything would happen in relation to that. I am still waiting to hear from the defence minister, as I understand that the land that both Senator Minchin and Minister Lloyd referred to is defence property. Negotiations are ongoing. The money has been rolled over. I have no further announcements to make at this time.

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

Appropriation Bill 2007-2008

Debate resumed from 5 June 2007, on motion by **Mr Stanhope:**

That this bill be agreed to in principle.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (3.00): Mr Speaker, this is a “cross your fingers” budget by a flat-footed government with no real economic competence and less vision. It is a budget that really offers no hope to the people of Canberra, slugged as they were, especially last year, with nine increased taxes, two of which were actually new taxes which affected every household in Canberra and every business in Canberra. And there is no gain for all the pain. Sure, there is a slim surplus in real terms, and we will come to that a bit more, of \$13.5 million when you take out the expected gains on superannuation investments, or \$103 million when you do not. But against this the Stanhope government’s revenue has increased to a record \$3.033 billion. It has increased to \$3,033 million, up seven per cent from last year.

Continued pain through high taxes has been built into the system due to the linking of increased taxes to the wage price index. Tax increases above the consumer price index are now on automatic pilot. What it means is that the government can slyly rake in the increased takings without having to change the settings. In other words, the damage from last year has been locked in. The government claim to be taking the territory forward, but they just do not really say where. In fact, it actually sounds like their slogan for the next election. To give them their due, it is a government that is pretty good on slogans. That is one thing they are definitely good at.

This is not a government that knows how to take responsibility, whether it was for the 2003 fires that entered Canberra without any warning from the government until just before the flames burst into Duffy; whether it is the failure to build a new dam or in any way secure the territory’s water supplies for the future in a timely fashion; or, indeed, whether to deal with traffic congestion and parking problems. All of these things are never their fault; it is always somebody else’s.

The Chief Minister has told us again and again after every disaster that he has taken the best advice, and that goes to the heart of the difference between a government that leads and one that is led. To quote a famous British prime minister—their first female prime minister, Margaret Thatcher—“an adviser advises and a politician decides”.

Dodgy economics is something that this government does quite well. This year’s budget is straight out of the snake oil salesman’s bag of tricks. It seems we now have a miracle cure. It is a budget in surplus, after the incredible dire forecasts of last year—after these dire forecasts where the government said that it would just have to take all these draconian actions it has taken, like closing 23 schools and increasing taxes so that every Canberra household last year paid on average at least \$400 extra and some businesses had to face hikes of up to 60 per cent.

The Chief Minister and Treasurer claims that the surplus is \$103 million. This ignores the fact that gains on superannuation investments cannot be counted as income because they are not available for spending by the government. I note that he seems to be making some retraction on that today, but when you look at the budget papers and when you look at the speech yesterday, and then you look at how it has been reported, I do not think that is good enough. More needs to be done there.

His surplus is a phoney one. It excludes expected long-term capital gains from superannuation investments of some \$90 million. But the Chief Minister has failed to adequately explain that these funds are not part of the government's taxing and spending program. Their inclusion in the budget conveys, no matter how he might try to now dress it up, a false picture of the impact of the government's activities on the economy. Moreover, that \$90 million does not belong to the government. It belongs to the public service superannuants. And it is an entitlement that goes to public servants when they retire. You cannot spend it because it does not belong to the government.

I would hope the Chief Minister actually does agree with this and makes it quite clear now and quite clear to all our public servants that he does not intend to spend their superannuation money. The money is in the budget and it is not there for him to spend. If that \$90 million is not revenue available for spending, then it should not be included as so-called revenue to give the budget a headline surplus of \$103 million. The Chief Minister can laugh as much as he likes, but that is how your budget has been trumpeted. That is how it has been trumpeted.

The actual surplus, as you now belatedly say, is in fact only \$13.5 million. You knew that and in 2001 when you were Leader of the Opposition that was, in fact, one of the papers that was put out by you then. In referring to the recommendations of Mr Quinlan's superannuation committee, you spoke approvingly of the recommendations to quarantine superannuation money against use for any other purpose. You said that it should be quarantined for use against any other purpose. You have not made it clear. Clearly, that means that superannuation money, including the yields on the super investments, cannot form a part of the budget funds available for general spending and should not be classified as revenue.

Your presentation, despite how you might put it, is misleading. Indeed, it should be corrected because the only credible bottom line is in appendix F of budget paper 3, which is required by all state governments, the commonwealth, the ABS and the International Monetary Fund as a fair, consistent and accurate statement of the government's taxing and spending program.

That statement, although hidden away in Appendix F, shows the actual budget surplus for 2007-08 is \$13 million and that for the next three years the government expects to have an operating deficit accumulating to \$141 million. That is the most accurate portrayal of the government's activities, and the headline figure used by the Chief Minister is only a confection. Sooner or later that is going to have to change.

You cannot spend it. I remind you that in opposition you pledged not to count the gains on super investments in a document entitled *ACT Labor priorities—financial integrity, Labor: a charter of financial integrity*. That document stated that Labor would "ensure that budgets and financial reports clearly show"—clearly show—"the operating performance of the territory, net of the results of invested superannuation cash reserves".

It is interesting to go back through budget speeches. I read with interest the Chief Minister's one in 2000. In fact, I read several. In his speech as opposition leader in 2000, Mr Stanhope's only real criticism of the Liberal government then was that it

was unexpectedly delivering a surplus. He claimed that this showed that the then Liberal government was a poor financial manager in being surprised by a surplus.

And funnily enough, that is exactly the situation Mr Stanhope as Treasurer now finds himself in. As one newspaper headline puts it, “Stanhope is smiling at surprise surplus”. We had this huge deficit last year that justified the closing of the 23 schools and the huge increase in taxes for ordinary Canberrans and for businesses. Then, of course, we get some more money and we are actually in surplus.

Whichever way you look at it now, Chief Minister—even on the absolute bottom line—we are in surplus again. If you do it properly, it will be \$13.5 million, or if you do it the other way, which you have in your budget, it will be \$103 million. We are in surplus. As that newspaper headline put it, “Stanhope is smiling at surprise surplus”. You used that as a criticism of the 2000 Liberal budget when finally, after a lot of hard work, we were starting to get the territory into real surpluses.

The government want you to believe this is all about having taken the tough decisions, and they have cut services across the board. They have closed in the course of this current financial year the much-loved library in Griffith. They have closed the government shopfront in Civic, causing many people to have to spend either their entire lunch hour, and sometimes still fail, to do such essential things as go and get their cars registered. The streets and open spaces of Canberra have never looked worse. Despite how you might try to dress it up, people are paying more and getting less under this inept government.

A pall of neglect hangs over this city that never did either in the days of the commonwealth administration or during the days of the ACT Liberal government. Public transport services, which were inadequate before the restructuring of timetables, are now worse than they were a year ago. I am pleased to see at least some attempt has been made to recognise that fact. We will see in fact whether the initiatives you are taking in your budget do improve that situation.

But so many people in this community—50 per cent of people in this community—rely on public transport at some stage or another, and invariably they are the ones who are the least well off. They are the students, they are the people on pensions, they are the people on low incomes. It certainly grieves me to hear stories of people who have great difficulty in terms of how they get to work, for example, as a result of your botched timetables. You seem, hopefully, to have recognised the error of your ways there, and we will see whether your improvements work or whether there is still going to be huge problems.

I turn to our bus interchanges. Our bus interchanges are rife with violence and they are utterly unpleasant places to wait for these infrequent buses. We will see too whether any of your minor initiatives in the police budget will do anything there. It would be interesting to tease out when we consider the estimates—if we can ever get a real answer—just how many police we actually have. Quite clearly, that is an area where, measured against any yardstick, we are short of the national average. It is a force that is stretched in terms of the essential job they do for our community.

I think the rest of the country should look carefully at the ACT—as a Labor government in microcosm—for a taste of what we would get at the federal level. I think we should be very, very scared. This government and, indeed, its Labor colleagues interstate I think can stand as a sobering warning to the rest of Australia about how Labor governments are incapable of responsible management of the economy. Without a healthy economy, all the social and community services that are the hallmarks of a civilized society are pared to the bone. You need good economic management to be able to deliver education, health and the essential services. Despite these incredible windfall gains that you have received, our services are worse in many instances than they have ever been since self-government.

We can speak of an elephant in the room or something that we dare not speak its name in Mr Stanhope's budget speech. What is this called? It is the GST. Indeed, in his last speech as opposition leader, he spent considerable time banging on about how this would crush the old and young. Now it is not even mentioned, which is passing strange.

In all the talk about how his government had to put the ACT's finances on a secure footing by slashing and burning in the last budget, he spoke about how the territory had come to rely on the expenditures of our own big brother, the commonwealth, pre self-government to tide us over. He talks as if the commonwealth had never put in place in 2000 a goods and services tax which would pass all the collected revenue to the states and territories so they would never have to cry poor again and be able to manage their finances responsibly.

I said earlier, being part of that last government, we just started to get in our first lot of GST. How wonderful it was to have this injection of money which enabled us to do initiatives we could not do because of the mismanagement of the previous government and the fact that it took us four or five years to get back on track. Some of the initiatives, which to your credit you have continued with, were the result of that. The kindergarten to year 2 initiative in schools, for example, was the result of continuing flows of money. You credibly included and built up the program to kindergarten to year 3. It was a good initiative. It would not have been possible without the GST.

The GST, of course, is one of the better taxation innovations that has been adopted in Australia. It is broad based. It reflects economic growth. It has provided the states and territories with over \$3.2 billion of revenue over and above what they would have received under the financial arrangements that prevailed prior to the introduction of the GST. The windfall GST gains have certainly bailed the ACT Labor government out of trouble.

It was, however, only introduced on the basis that the states and territories would get rid of a multitude of inefficient taxes. These are, or were, taxes that are inefficient and which did impose inordinate compliant costs on the community. These matters were all spelt out in the intergovernmental agreement that was signed by all states and territories and the commonwealth government.

Unfortunately for the people of the ACT and for the people in every other state and territory in Australia, the agreement has not been fully honoured. Certainly, some of those nuisance taxes have been abolished and a timetable has been implemented to abolish most of the balance of the taxes that were identified in the agreement.

There are, however, a couple of significant concerns with this timetable. Firstly, the states and territories had to be dragged kicking and screaming to the negotiating table to start the negotiations on removing the balance of the taxes that were specified in the agreement. What does this tell us? It tells us that all the Labor premiers and chief ministers were more than happy to enjoy the increased revenue being generated by the GST while they continued to double dip by retaining those taxes that should have been abolished.

Secondly, if that was not bad enough, while the states and territories did finally agree to a timetable, they managed to stretch this timetable out as far as they could. This simply means that up until 2012, and 2013 in some instances, the states and territories will continue to double dip into our pockets to fund their profligacy while they continue to rake in additional funds flowing from the GST. Of course, some of those inefficient taxes remain as a millstone around our economic necks.

Indeed, it is quite hypocritical of Labor premiers and chief ministers to do this in relation to this important issue. In the ACT our Chief Minister, along with his colleagues interstate, has not implemented the intergovernmental agreement to its full extent. In doing so, he has denied to ACT businesses and families the intended benefit of full tax reform. You have to ask yourself: is the ACT the most business-friendly jurisdiction in Australia, as our Chief Minister claims? Clearly it is not.

There is great concern in the business community in relation to the business aspects of this budget. Indeed, it would seem that there have been some further cuts in relation to that aspect. Whilst there are a couple of welcome initiatives—and I will be the first to congratulate the Chief Minister on his trips to India and China to get extra business; that is something that should be applauded and encouraged—there is very little else there in this budget for business. All the imposts on business, like all the imposts on families and battlers in the community with the increased taxes and charges last year, remain.

I call on the Chief Minister to honour the spirit of the tax reforms and actually set out a proper agenda to get rid of these nuisance taxes that were set out in the agreement and actually to remove from our economy those taxes which do annoy and are there to the detriment of business. They create very high compliance costs and actually suppress economic activity. By suppressing economic activity you are not having a city that is conducive to investment. If you are business friendly, if you do encourage investment, if you give incentives to encourage business investment or get rid of imposts that restrict it, you will have a continuing growing economy.

What is more, you will have a growing economy and a more efficient and broader economy than simply relying on GST and windfall gains from land sales. When the inevitable downturn comes, you will be in a much better position to weather the storm. It is called building for the future. That is certainly something that we did as the

previous government and we would certainly do again. We would encourage business. It is often a case of spending a few dollars to make a hell of a lot more. The minuscule savings you made from what you did last year and this year in business have effectively, I think, cost you 10 or 20 fold the returns you actually get in financial benefits to the territory.

If the Stanhope government is exposed like the emperor without his clothes, it has to thank the policies and focus of the Howard-Costello government. Mr Stanhope has spoken blithely of Liberal ACT governments having delivered four consecutive budgets in deficit. What he does not tell you is that this was the result of the recession we actually had to have caused by federal Labor ex-PM, Paul Keating, which we certainly got the benefits of, I do not think, in 1995.

In fact, after the Liberal government came to power federally in 1996, it took at least until last year to pay back the \$96 billion black hole left by federal Labor, which entailed Australia paying \$10 billion a year in interest payments. Yet the last ACT Liberal government was able to turn around a very poor economic situation that we inherited. We inherited a deficit of \$344 million in 1995. We left an operating surplus of \$89 million covering the four months to 31 October 2001.

A little history lesson is necessary, because it is not that long ago when times were difficult here. When 10,000 public servants were cut we created 9,990 jobs. It took some time, but we turned it around. The federal economy was turning around too around the turn of the century. The Stanhope government has actually been doubly blessed with a very sizable surplus left behind by the outgoing ACT Liberal government and with the upturn in the economy, brought about by the fiscal prudence, tax and industrial relations reforms of the Howard-Costello government.

It is interesting, though, Mr Speaker, that all the states and territories, including ours of course—governed by Labor—continue to take the credit. They all shout from the rooftops that it is their own economic management that has delivered this prosperity. It has been a convenient election platform to run on, too.

In another area, the Kennett government in Victoria and the last Liberal government here when Gary Humphries was the Chief Minister were taken to task by this Chief Minister when he was opposition leader for not being open to scrutiny. Mr Stanhope, opposition leader then in 2001, referred to the Humphries government's record on matters of disclosure, transparency and accountability, which he opined fell well short of contemporary expectation and its own guidelines, so closely it follows the Jeff Kennett model.

In power the current government has put any perceived faults of these Liberal governments in the shade by its own lack of accountability and its refusal to accept the routine light of parliamentary and public scrutiny. Yesterday at the budget breakfast, the Treasurer stated in defence of his government's abandonment of quarterly capital works statements that it was up to the opposition, or anyone else for that matter, to find out this information.

His government also has consistently refused to release the functional review, on the basis of which this government decided to slash and burn community services, close

23 schools last year, hike taxes and introduce new ones. We still do not know whether the data that the financial review based its conclusions on is even accurate. So far the current government has managed to block access to the Costello report and any other documents requested by the opposition and also by school communities through such things as freedom of information. Indeed, school communities are taking the fight to find out to the courts. Flynn primary school P&C put it like this in appealing to all Canberrans who want to know how this government operates. In a media release yesterday, they stated:

Flynn's legal challenge is not just a fight for Flynn but for all Canberrans who see their rates go up each year while the government strips away schools, libraries, community land and services. It is a fight for all those who have been or will be in a similar situation.

Then there is the small matter in the great scheme of things, but important nevertheless, of the Stanhope government's failure this year to release its budget information to the opposition in a timely way and in very restricted quantities compared with last year. We also have the amazing decision, only announced last week by the Treasurer, not to actually front the traditional chamber of commerce budget evening, appearing alongside the opposition. Again, you would have to say that this demonstrates this government's refusal to be accountable. He chose instead to communicate with the business community at a dinner—

Mr Stanhope: What are you doing tonight? Can you pull one on tonight?

MR SPEAKER: Order!

MR STEFANIAK: where the seats cost from \$250 up to \$1,400 and the money went straight into ALP coffers. Labor in opposition—

Mr Stanhope: What, instead of the chamber of commerce's coffers, you mean?

MR STEFANIAK: Oh, dear; there you go! Labor in opposition—

Mrs Burke: How did the fundraising go, Jon? Did you raise enough funds?

Ms Gallagher: It did very well. An excellent night.

MR SPEAKER: Order, members! Members of the government and opposition cease interjecting. Mr Stefaniak has the call.

MR STEFANIAK: Thank you, Mr Speaker. Labor in opposition affected to be a model kind of government. The code of government released by Mr Stanhope as opposition leader in 2001 made a pledge to the people of the ACT saying, "Labor understands that good government does not bully. It leads. Good government accepts criticism. Good government has the courage to allow itself to be closely scrutinised. It conducts its operations in an open, honest and accountable manner and not in secret."

Clearly, it has failed to live up to these noble sentiments. We still do not know the basis of the Costello report which so much of the previous budget, and this budget

which follows, hinged on. We have those examples of a government that will not give out logical information to communities affected by its budget decisions of last year and effectively enshrined in this year's budget. That is not open and honest government. It is not accountable government. It is a secretive government. It is an arrogant government. It is a majority government that thinks it can do what it likes and snub its nose at the people of Canberra.

Mr Pratt: Yes, look at Albert Hall.

MR STEFANIAK: A good point. With respect to the ACT, economist Henry Ergas found recently in a report that there had been an over \$900 million increase in revenue compared to 1999-2000, most of which was derived from increased current subsidies and grants and other receipts. He also found, and I do not think this is rocket science, that the ACT undertook increased spending on government services, particularly health, general public services and education. This would be laudable enough if we saw the benefit from it. But unfortunately, he also found that much of this spending was on administration and not front-line services. Indeed, there are indications of a significant decline in service delivery productivity, particularly since 2002-2003. He also set out the increase in the cost for the ACT's services. The cost of general public services increased by 128 per cent between 1999-2000 and 2005-06. Indeed, if he saw this year's budget, that would have increased even more.

This government points to targets and funding as if these somehow translate into better services. Canberrans are certainly paying a lot more for government services, but this has not been translated into services that have improved by the same magnitude. Indeed, you would have to ask: have our services improved at all? Let us take health. According to the latest hospital statistics published in May by the Australian Institute of Health and Welfare, the cost of treating patients in Canberra hospitals is 14 per cent higher than in other jurisdictions and administration costs per patient in Canberra hospitals are 26 per cent above the national average. We also find that the ACT was the worst performer on elective surgery waiting times, 10.3 per cent of its elective patients having to wait for more than a year. For elective surgery, the median waiting time across the nation is 32 days. In the ACT it is 61 days.

The ACT health minister explained that the government has been targeting people who have been waiting one to two years for their surgery. In an interview recently on the ABC, her interviewer, Ross Solly, wondered aloud: how well are we targeting, because we still have more than 10 per cent of people who have been waiting for more than one year, which is more than anywhere else in the country. And as Mr Solly remarked, "Looking at these figures; nothing is improving." You would have to agree with him on that.

Mr Stanhope: Do you? We don't.

MR STEFANIAK: I am surprised, Jon. According to the same report, only one in two patients received timely treatment in the ACT emergency departments, which is the worst performance in the country. The number of available beds per capita is also the lowest in the nation. While the initiatives in this budget increase the number of acute beds by 20 and provide for additional intensive care beds, there seems to be no attempt to address the high costs and inefficiencies in delivering services.

The minister interjects that we cut 100 beds. I would go back and have a look at a few of the things your boss, the Chief Minister, said when he was opposition leader in relation to the issue of hospitals. He bemoaned the fact that nothing much had actually moved in terms of waiting lists. The waiting lists then were far better than they are now. Ms Gallagher, I will continue to remind you of an elementary fact of life that we get on a regular basis and that I have seen myself from first-hand experience. It is that people will wait on average about eight hours in emergency services when up until even about 2002 the average wait was about two hours. We constantly hear stories, more so than you would ever get 10 years ago, of how long people have to wait.

Despite the increased money you are throwing into the system and despite some of the initiatives you have taken, it is still a huge problem. It is a worse problem than it was before, and it is not just connected to the ageing population. I think anyone who knows anything about health realises that that certainly is a factor. There are things you clearly are not doing and can do better. Some things—quite minor matters—relate even to administration. Afterwards I will tell you what you can do in terms of streamlining some of the administration, even on the front desk. I am not blaming the staff or anything like that. There are some simple steps I think that you can probably take to improve things that you simply have not done to date. You simply have not done them to date.

Ms Gallagher: Like the ones that came up last night—

Mr Smyth: Listen to the nurses.

MR STEFANIAK: Good idea. My colleague Mr Smyth interjects, “Listen to the nurses.”

MR SPEAKER: Well, your colleague Mr Smyth should not interject. He is out of order.

MR STEFANIAK: He should not interject, but you would have to actually agree with him on that one, Mr Speaker. Even your failed parking scheme has been used by the minister to concede—again I think it was on the ABC—that it would now be more difficult to fix the hospital system. That was a really absurd state of affairs. That botched scheme actually cost us some \$600,000. Talking about policies, we have actually indicated about 10 issues on which we have policies, one of which I am pleased to say you have actually accepted. That is realising the failure and the problems caused by your pay parking scheme at the hospital. That was an absolute farce.

Another critically important area of government is education. On the most basic benchmark, the ACT government is failing in education. The drift to the non-government schools sector has accelerated. It has accelerated and it continues to do so. It has accelerated more because of the closure of the 32 schools. It has accelerated for a number of reasons and it is something that needs to be addressed—

Ms Porter: Where do you get 32 from?

Mr Barr: Where did you get 32, Bill?

MR STEFANIAK: Sorry, 23. It has accelerated due to the closure of those schools, and it something you should be very concerned about. Whilst you have spent money in terms of some new schools—yes, that is welcome—that is hardly the only answer. There are a number of things I think you can do which do not necessarily entail spending any money at all.

While the ACT budget promises a new high school at Kambah and a new senior secondary college in Gungahlin, nothing can compensate for the summary closure of 23 schools at the end of last year with the same desultory consultation after the fact that has been a hallmark of your arrogant government. Many parents whose children lost their schools had salt rubbed in the wound on budget day this week when they learnt that, far from being in this dire economic crisis you presented us with last year, on any way you might account, the ACT now has a surplus.

The Save Our Schools group told the ABC that, on the basis of this year's budget, it seemed that last year's bulk closure of schools could have been avoided. Spokesman, Trevor Cobbold, a man I always found very reasonable to deal with when I was the minister, said the closures program increased the financial burden on families and resulted in emotional and physical upheaval for students, but was all for nothing. Mr Cobbold said that the dire budget position was held up by the government as the reason for school closures, yet surpluses were now being predicted for the next five years.

The Flynn primary school P&C association put out a release last night. Their release said Canberrans were enraged by the budget's revelation that schools did not need to close. They said:

School closures have been totally devastating for families and communities, so now that it is clear that there was no financial imperative, people want to know—well what were the closures based upon?

It would seem, Mr Speaker, savings to date from the school closures have been minuscule. Budget paper 4 on page 389 indicates some \$616,000, and the full effect from reduced wages from schools and school rationalisation appears to be \$1.685 million. If that is correct, that is not much savings for such pain. Having closed a minuscule number of schools myself, compared with you, Mr Barr, I can tell you that you do not actually save a huge amount of money by closing bricks and mortar. It is probably a relatively inefficient way of funding savings. There are other things you can do.

The Catholic Education Commission, which the government forgets about, is part of our school system. It has also reacted negatively to your education budget. The commission said that it is "extremely disappointed that the ACT Labor government has again failed to deliver on most of its 2004 pre-election commitments to non-government schools". The latest budget has allocated no new funding to non-government schools apart from grant supplementation at about half the level of last year's ACT inflation rate. They said this means that per student funding from the

ACT Labor government for Catholic schools is declining in real terms. The commission goes on to say:

The ACT government should be ashamed that it continues to provide the lowest level of per student funding to the non-government schools sector of any state or territory government in the country.

On such things like housing affordability, the ACT also scores badly. I do acknowledge your recent program announced in April, but the Housing Industry Association says that affordable housing in Canberra has hit its lowest level since 1984. The association's latest quarterly survey reveals that if nothing is done housing affordability will not be restored until the year 2022. Canberra is now the third most expensive capital city to live in in the country, with mortgage repayments accounting for about 35.8 per cent of an average first home buyer's income. The Chief Minister tries to explain it away by the fact that the ACT has the highest per capita income in the country.

Much of this can be attributed to the government. Economist Tom Hird, in researching the effects of stamp duty, has found that stamp duty has grown dramatically faster than house prices, with tax payable on the median house more than doubling in all capital cities except Melbourne over the last seven years. That is a major disincentive for moving house. It is a major obstacle to the efficient reallocation of housing stock between generations as people choose to stay in housing no longer suitable to their needs.

He also found that rising stamp duty is a contributing major factor to recent rent increases in major capital cities. He estimated that stamp duty accounts for up to half the increase in rents since 1999-2000. In Canberra, the median stamp duty on a house is \$14,890. The failure of the government to have a large bank of land ready for sale has also been responsible for the dramatic increase in house prices and rents. One would accept that that is just common sense, but it is only recently that the blinding realisation has occurred to the government: "We actually do need to have a land bank. We have got to get moving on this." That is utterly basic.

The government is now, through its belated housing affordability strategy, making some minor changes around the edge. Yes, catch-up but, as usual, it is all too little, too late. This is a government that has received extraordinary windfalls but has failed to save for a rainy day or even for the days it does not rain because the cost of not having secured a safe reliable water supply for Canberra is great and growing. This budget is, as I have said, a "fingers-crossed budget" because it does not even allow for the failure of the drought to break. The relatively paltry sum of \$6 million over four years for climate change to be allocated to a policy that has yet to be announced is also not likely to go far. The Assembly used to have a policy that had targets, but that was too expensive for the ALP. Indeed, I would not have minded a few incentives here in relation to climate change.

One helpful little hint might be solar energy. The ACT has more daily sunlight than anywhere else in Australia. We also have a cool climate which assists greatly in the generation of solar energy. Perhaps a little partnership between business, the CSIRO, the ANU and government would be a good idea. The federal government I am sure

would kick in there because I have actually asked the Prime Minister about that and he is interested. It would be a nice little incentive that could ensure we address climate change, not cost you a bomb and provide a lot of renewable, safe energy for the ACT. We might even be able to sell some back into the grid.

The Liberal Party understood the need for Canberra to substantially increase its water reserves, and three and a half years ago we called for a new dam to be constructed in the Naas Valley. That would increase the water storage available in Canberra. It is only in the last few months that the government has belatedly sought to address the issue and now seems to realise that we do need at least another large water storage facility.

That can be contrasted with Mr Rann in South Australia, who has revealed a plan to double the size of Adelaide's water storage capacity in the Mount Lofty Ranges. He has said that he does not want to be forced to contemplate short-term solutions each time there is a period of extreme drought. He does not want to be caught flat-footed again. We have been to a very large extent. Water security is possible, Chief Minister. It starts with a sense of purpose and direction, closely followed by the capacity to make a decision and carry it through.

This is a government with little vision. It can always find taxpayers' money for its indulgent, ideologically driven follies, like the Al Grassby statue, an arboretum being built during a drought, and the \$128 million human rights prison for what is a small and reducing number of prisoners and for which we still do not have a cost-benefit analysis.

Former federal Labor PM, Paul Keating—I have quoted him twice today—once spoke of “a beautiful set of numbers”. He did not prepare people for the terrible recession of the early 1990s which drove thousands of businesses to the wall when interest rates went up over 18 per cent. Do not be fooled into thinking that this government is a responsible financial manager because it has achieved what is a slight surplus. That surplus has, despite windfall revenues over seven years, only been achieved by dint of taxing the people and the businesses of the ACT. The government have not reined in their wasteful spending. Instead, they have only raised taxes to meet spending, a point I think Mr Mulcahy made very well yesterday.

In keeping with my Orwellian theme of last year, I am reminded of a scene in George Orwell's *Animal Farm* after the great rebellion had taken place and the truth about their new leaders has started to appear to some animals:

On Sunday mornings Squealer, holding down a long strip of paper with his trotter, would read out to them lists of figures proving that the production of every class of foodstuff had increased by two hundred per cent, three hundred per cent or five hundred per cent, as the case might be. The animals saw no reason to disbelieve him, especially as they could no longer remember very clearly what conditions had been like before the Rebellion. All the same, there were days when they felt that they would sooner have had less figures and more food.

The Chief Minister will attempt to make believe that the opposition leader should be delivering an alternative budget. I have given him a few ideas, but that is not true. I

remind the Chief Minister himself what he said in 2000. He said, “I am not here to detail our plans so far out from an election.” Indeed, it is the role of the opposition to make the government accountable. It is our role to examine your proposals, good and bad, which is what I have done today. We have announced a few policies and we will continue to develop them and we will announce them in due time. Suffice to say—

Mr Stanhope: Name one policy. Name one policy, Bill, that you have developed.

MR STEFANIAK: There are about 10. I will send you the—

MADAM TEMPORARY DEPUTY SPEAKER (Mrs Dunne): Order!

MR STEFANIAK: You have actually accepted one already, Jon. Suffice to say, Madam Temporary Deputy Speaker, a Liberal government would be providing—

Members interjecting—

MADAM TEMPORARY DEPUTY SPEAKER: Order, members! The Leader of the Opposition has the floor.

MR STEFANIAK: Suffice to say, a Liberal government would be providing genuinely responsible government, seek to tax the people of the ACT fairly, provide a public service with a focus on front line delivery and a better climate for business investment. There is no social justice, no human rights, in subjecting people to ever-increasing taxes for ever-decreasing services. That this government has been able to fob off so many with talk of gains and surpluses has only been made possible by the strength, at the end of the day, of a very strong, economically competent federal government.

If it comes to pass that Labor takes office federally, I think it will only be a matter of time before we conclusively see both in the ACT and nationally that the emperor has no clothes and that the way forward will be towards an abyss. This government is a steady-as-she-goes government in many respects. It reinforces all the pain and all the problems of the budget introduced last year. It does not take the ACT forward. It is a budget with no clothes. It is rather sad to see the government introduce this budget but it is quite typical, really.

DR FOSKEY (Molonglo) (3.45): I want to start by acknowledging the democratic nature of this place and, in particular, this tradition which allows me as the third party—with one representative—in the Assembly to respond at equal length to the ACT budget. It acknowledges that there are more than two views on the budget, and indeed there are more than three. I happen to think that this year the Green view is particularly relevant, and I feel privileged to be able to deliver it.

This is not a bad budget, as territory budgets go. It gives a bit to health, education and public transport. There is a bit for public housing, and some nods at energy efficiency. I have been told that the disability sector is happy with its share. The community sector gets a bit of a rise to cover wage indexation, and the grant portal is up. There is more funding for volunteer firefighters’ equipment and no-one minds a few dollars going from fines to victims of crime—until they get their next speeding ticket.

There are groups who feel their sector was overlooked: tourism, for instance, and the community sports area. There is not much for music, again, but some bits of the arts did all right. Indigenous people got the big ticket item of a mini ATSIC, and there are some dollars to protect Canberra's children at risk while they are still toddlers. While there is not something for everybody, generally speaking the benefits go to the right people, the ones who need it most. It is a well-meaning budget, and I give the government and its officials credit for the work and the thought that went into it. I also acknowledge the business and community members whose ideas have informed the budget.

But as a Greens representative, it is my job to look at the budget through a Green lens. That is a multifaceted prism, but at the outset it seeks to answer questions about the budget such as: first, how does it further the goals of sustainability and social equity? Second, what evidence is there that triple bottom line thinking has been applied? Third, does it further the visions for Canberra set out in the spatial and social plans, and assisted by the sustainable transport plan, all of which are the result of expert advice and extensive community consultation? Fourth, have the needs of our most vulnerable been taken into account? And, fifth, what is its environmental impact?

This year I have added climate change to that lens, because it is an overarching concern of Canberra's people. Last night I attended a meeting in Chapman with 100 other people who wanted to find out how they could proof their houses against climate change. Mr Gentleman's proposal for legislation to encourage people to feed the electricity grid with solar power was received with excitement—and, may I say, a sense of hope—as were the many ideas that Janis Birkeland suggested for retrofitting houses and for building houses which actually improve our environmental amenity and physical health, not just ameliorate it.

A meeting of similar numbers in Farrer recently decided to work together to make their suburb carbon neutral. The See Change movement, which now has groups all over Canberra, is giving people the sense that they have the power to make their future far more optimistic than it seems at present. Canberra people are way ahead of their governments in acting to mitigate climate change. A climate change strategy will be very welcome indeed, but from now on every item in every budget produced in this place should pass the climate change test.

And now to the detail: first, environment and climate change. If last year's budget was the time for making the tough financial decisions, as we were told, then this year's budget is the time for making tough environmental decisions. The baby steps which are taken with this budget pay lip-service to the serious threats posed by climate change and the drought, but the fact that they are uncoordinated, piecemeal and relatively minor indicates that the government still does not believe its own rhetoric and does not really understand the seriousness of the situation. This is a business as usual budget.

I note that the Commissioner for the Environment has been asking for more funds ever since I have been in this place, did not receive them, and this year the commissioner has the added task of producing the state of the ACT environment report on minimal resources. I note, too, that the Office of Sustainability have more

work than ever and I wonder how they have fared, and I will look at that in the estimates process.

What does worry me is the Chief Minister's discussion on water and the assumption that the drought will break soon. If this is the message the government is giving out, then it will be very hard for the community to take real steps in establishing measures to reduce our use of and demand for water in the longer term. Some of the statistics that the government has been crowing about make me cringe. Some 10,953 showerheads have been provided to ACT residents, yet only 564 double-flush toilet rebates have been given out. Showerheads are offered free through various programs, yet the toilet cistern rebate arrangement is only a subsidy whereby the largest portion of the cost is borne by the house owner. In Queanbeyan, I believe, they gave them away. This shows that people are interested in improving water efficiency, but for it to be meaningful the largest part of the costs need to be borne by the government.

Of course, just like the financial "crisis", the environmental crisis has been gestating over the last 10 years, and any one of the last 10 years or more would have been an appropriate time for tackling either of those "crises". Every year that governments postpone taking serious, whole-of-government action to increase energy and water efficiencies, reduce energy consumption and lower emissions, the larger the problem gets. Never was the cliché "a stitch in time saves nine" more appropriate than when applied to the economic, social and environmental consequences of failing to act on climate change.

This is the reality that Australian governments, at state and commonwealth levels, just do not seem to get. Surely it is economics 1.01 that if the cost of doing nothing—or pitifully little—on climate change is far greater than the cost of taking effective action sooner rather than later, then the prudent, financially conservative course of action is to do something now. This longer term thinking is only evidenced by the Greens.

It is not as if climate change crept up on the government and has taken it by surprise. What has taken it by surprise is the public and media reaction to Al Gore's film, the Stern report and the increasingly alarming reports from the Intergovernmental Panel on Climate Change. Like most Australian governments, it is now scrambling to be seen to be doing something.

The time for action is now, because the public have finally come to an acceptance and understanding of the need for action on climate change, and they are looking for leadership. This budget is weak on leadership; \$4 million is lip-service. It contains handouts and sweeteners for most pressure and lobby groups, without actually setting an agenda for social and environmental responsibility. Nonetheless, I welcome the small steps that the government has taken, and I applaud the lobby groups, public servants and government members who managed to get these measures through caucus.

For instance, I welcome the grey water rebates and the dual-flush toilet initiatives. But where are the incentives for drought tolerant plantings and for reducing domestic and commercial consumption? Price signals may work, if the price elasticities of demand are responsive, but they favour the wealthy, they increase inequality and resentment, and they are potentially inefficient methods of delivering on targets because they rely

on reducing demand rather than calculating sustainable supply and then proceeding to distribute it equitably. Instead, water efficient protocols and allocations are needed.

Where are the ACT government subsidies for solar panelling and for feeding power back into the grid? I called for this measure in last year's budget reply and Mr Gentleman is preparing a draft of legislation to implement it. It makes sense. It saves money, and it helps build the economies of scale that are needed for solar to compete with coal and nuclear.

The most outstanding feature of this budget is what is missing from it. Schemes like the solarisation proposal have been around for a few years, yet no government has taken them up. This is disgraceful and it will be difficult to look future generations in the eye. Perhaps it is contained in the still unreleased energy strategy.

Investment in solarisation would be a low risk and a secure investment. It would also be one of the most politically acceptable ways for governments to reduce greenhouse emissions. It is open to the government to take the lead on this issue. I have suggested before, and I will say it again, that the government should invest our superannuation investment funds in solarisation initiatives.

Actew would be the ideal vehicle to implement solarisation. I will explain what this entails, and in doing so I will borrow heavily from Dr Blakers'—it is Professor Blakers now, I think—submission to the House of Representatives Standing Committee on Environment and Heritage. The turnover of Australia's building stock is low, so even if all new buildings have excellent energy ratings—which they do in the ACT—there is only a slow reduction in average greenhouse intensity. Mass retrofitting of buildings is the only way in which rapid reductions in greenhouse gas emissions can be achieved in the building sector; that is, space heating, water heating and efficient appliances.

Mass retrofitting of roof, wall and floor insulation, draught proofing and solar water heaters to existing buildings will yield large greenhouse gas reductions—solarisation. In a typical brick veneer house the cost of thorough solarisation is about \$8,000. The reduction in energy bills pays for solarisation well within the lifetime of the solar water heater and insulation. The barriers to mass solarisation are the need for up-front capital and the lack of information for building owners.

There is no incentive for a landlord to invest in solarisation because they do not pay the energy bills. There is no incentive for a tenant to invest in solarisation because they do not own the house. The key to an effective funding model is that the debt belongs to the house and not the home owner.

Actew—and the government—would recover its investment at normal commercial rates of return over eight to 12 years through quarterly bills for the house owner. This is equivalent to the way in which electricity companies recover their investment in a new power station. House owners and tenants would enjoy reduced overall energy costs—comprising gas, electricity and the solarisation quarterly repayments—and improved thermal comfort and noise insulation. A much better greenhouse outcome per dollar would be obtained than from charging a premium for “green electricity”.

The government should pass legislation to allow the debt for solarisation to be easily attached to the house, without incurring a second mortgage, rather than the house owner. The act would provide that any solarisation debt would need to be disclosed each time a house is sold. This is similar to the obligation to disclose rates or electricity bills or the house energy rating. This legislation would make the risk of default almost minimal, allowing Actew to charge a low interest rate on the debt.

The government took a bold step in 2000 when it introduced the greenhouse strategy—it might have been 1998—but unfortunately the Chief Minister got confused and thought that Professor Blakers' solarisation proposal involved a \$350 million dollar up-front expenditure by the ACT government. It did not, and Dr Blakers never suggested that it should. This confusion stalled the whole strategy, and seven years down the track we have hardly moved forward and our greenhouse gas emissions continue to rise.

Andrew Blakers' solarisation of 100,000 homes in Canberra over a decade would be worth around \$80 million a year and would lead to the creation of about 800 new jobs in a sector where it is often hard for people to find employment. Electricity utilities will benefit from mass solarisation through a reduction in peak loads, because better insulation will reduce the space heating peak load in winter and the air conditioning peak load in summer while solar water heaters will have gas or off-peak electric boosting.

Initial solarisations could focus on the items with the most clear-cut financial benefit. This would increase the probability that the scheme is commercially successful. In approximate order, this would be ceiling insulation, draught proofing, house zoning and low-flow shower heads followed by solar water heaters and wall and floor insulation followed by photovoltaic systems and double glazing.

Solarisation will create a substantial number of new jobs in the local community. The scheme dovetails with the building energy rating scheme in several states, and early solarisation companies will be well placed to dominate the national solarisation market that is likely to develop very shortly. The government can still take the lead on this issue.

Obviously, the commonwealth bears the major responsibility for taking greenhouse abatement measures. I welcome the Chief Minister's commitment to require, as a minimum, that all electricity retailers source 10 per cent of renewable energy by 2010 and 15 per cent by 2020. This scheme is in line with New South Wales. Like the proposed national emissions trading scheme due to start in 2010, it is a fine example of what the Greens have been advocating, which is that the state and territory Labor governments use their collective power to bypass the bottleneck that is the Howard government and implement climate change and other initiatives by passing uniform legislation and committing to uniform targets.

Of course, while welcoming these proposals, I cannot accept that it must take so long to work out the details and implement these schemes. Australian governments seemed to have no trouble in immediately dismantling basic human rights and legal principles

when it came to implementing the so-called anti-terror laws. What this time line really indicates is a lack of political will and understanding.

In terms of economic development, Canberra's greatest constraint continues to be a skilled labour shortage. Without an increase in skilled labour the ACT will continue to be restricted in its economic growth, despite apparent increases in private and business investment. The government's stated goal for population growth is 500,000 by the year 2030. It is doubtful whether enough potable water can be found to support such a large population. And regardless of whether enough water will be available, with only 23 years to go, this figure seems unrealistic. It is also unclear where this exodus of skilled people will come from. While the government is to be commended on its initiatives of training and education programs for Indigenous and culturally and linguistically diverse women, it is apparent that if we want the much-needed increase in skilled labour more needs to be done.

The current Live in Canberra plan has already spent \$400,000 and resulted in only 100 new people to the region. We are still drastically short of our labour needs. The government's own figures indicate a population growth of only 21,000 from 1996 to 2006. Perhaps it is time we acknowledged that 500,000 is not a realistic or desirable number to plan for. However, if the commonwealth public service continues to expand and the ACT government is successful in attracting so many more people, it does seem counterintuitive not to be increasing services and implementing a user friendly and energy efficient public transport system.

On the topic of public transport, while I welcome the increase in funding for public transport, I am disappointed that there is no commitment to increasing services. This budget has an unhealthy focus on encouraging private car use. A more frequent, more accessible and more sustainable transport plan is what is needed. I am pleased that more funding has been allocated to making buses accessible to people with disabilities, though I would have liked to have seen more targeted public transport options. A robust transport system that caters to the most vulnerable and is part of a broader sustainability strategy is essential. Those who cannot afford to drive or do not own a car should not be penalised for needing regular services outside of peak hours. I look forward to the detail of the government's new bus service and hope it will meet the needs of the community, rather than the demands of the minister.

There has been a huge injection into roads and car parking in this budget, but as usual there is very little action on the sustainable transport front. In terms of spending on cycling needs, there is provision within some of the roads being built for cycle paths to be built concurrently. This is intelligent thinking and I applaud it. I do note that the existing cycle path network is desperately in need of maintenance, spending and upgrading. It used to be one of the best cycle routes in Australia but it is fast losing that reputation. One must be thankful for Pedal Power and congratulate it on its persistent lobbying in this area. Again, we see around twice the spending on car parks over public transport infrastructure. Interestingly, it is about the same ratio as climate change to dragway expenditure. And these figures do not even take roads expenditure into account.

I am glad to see that the government has committed to funding a review and design of our woefully inadequate bus service. Unfortunately, I fear that so much damage was

done in last year's bus service cuts that many people have given up on ACTION as a way of commuting. It will take a large promotions budget to get those people back on buses—or the huge petrol price rises that are bound to come.

Health is a big ticket item. This year's health budget tackles the sharp end of our health system, where it is easy to see the need but expensive to fix—more acute and intensive beds, specialist hospital units and capital works at our hospitals. But the health budget contains no evidence of a plan to continue to reduce the pressure on our hospitals in coming years. The best way to take the pressure off hospitals is to ensure that most people do not need to go to them. That is why programs to promote good health and prevent illness, and to intervene early, before hospitalisation is needed, are so important to the good management of a health system.

The minister admitted yesterday that she would like to spend more on early intervention and prevention but that the very sick come first and they are very expensive. We know the very sick are very expensive. And we know that waiting for an intensive care bed at Calvary when your mum or dad or your child is really unwell is a shocking experience. Waiting for hours on end to be seen at Canberra Hospital's outpatients unit is just awful for all involved—staff included. We also know that these experiences inform government action, because they are real, painful, and frightening.

On the other hand, early intervention and prevention programs aimed at stopping people getting sick and needing hospital care just do not have the same impact on the electorate. It is hard for people to see, for instance, why positive messages about eating well and acting early on health concerns are just as critical to maintaining a viable health system as, say, more acute care beds. But this has to be our priority for funding if we are going to relieve the pressure on our hospital systems in the long term, otherwise we will continue to see increasing amounts of funding going to bricks and beds.

What this year's health budget is lacking is a vision of where the ACT government is going on health. We need to be told: what is the government's vision for our health system in 10 years? Will we still be responding to the constant, ever increasing demand for more acute beds, aged care and mental health services? The government's 2004 social plan states clearly the following health challenges facing the ACT: increasing obesity, drug and alcohol abuse, our changing family structures and the ageing population. The social plan says:

By focusing on prevention and early intervention across the lifespan we can improve the likelihood of positive health and social outcomes for everyone.

One of government's specific goals to improve the health and wellbeing of people in the ACT is a "focus on prevention and early intervention throughout people's lives". Three years later, the government believes that "it has in place strategies to prevent unnecessary hospital admissions". That is a remarkable statement. The government has a long way to go before it could be justified in making such a claim. Where are the new funds in this budget for prevention and early intervention?

Another goal is to "reduce harm from alcohol and other drug use" but, three years later, where are the new funds in this budget for drug and alcohol services? Another

goal for the government stated in the social plan is to “strengthen the health of the community through a whole-of-government approach to health issues, together with community partnerships to develop sustainable social care support”. But this budget left the community sector out in the cold, despite the government explicitly recognising it as critical to improving the health and wellbeing of ACT people. The 2007-08 ACT health budget lacks the courage to make the changes that must happen if the government is to deliver on its promise to the ACT, as stated in its social plan in 2004.

Most worryingly, Mr Speaker, the budget makes no provision to increase access to primary health care. This is despite a looming crisis in access to GPs in Canberra, while at the same time the government is busily trying to attract more people to come and live here. The minister says she is working hard to try and attract more GPs to the ACT, and she has my full support in placing pressure on the Howard government to loosen the MBS purse strings to make GP practices more viable across Canberra. But funding more primary care programs based in the community, staffing them properly, and ensuring that they connect up with each other must be a greater priority for this government.

In mental health again new funds have gone mainly to bricks and beds. As welcome as any new funds for mental health are, given the sorry past, the ACT has still to honour its commitment to meeting the national mental health reform targets set out in the 2006 COAG national mental health plan. But if the minister is to deliver on the COAG targets she will have to ensure that there is major funding for a range of community based mental health services aimed at recovery, to equip people with mental illnesses with basic living skills, and to help them reconnect to families and community.

I understand that the new funds for dental care will help to reduce the waiting list for restorative dental care, and so hopefully reduce the overall public waiting list for dentistry. In turn, this may reduce the number of people turning up in our hospital emergency areas with serious infections caused by poor dental health. And this is good for those people who are eligible for public dental care. But when you look at the bigger picture the new dental funding is just a drop in the bucket. The fact is that many, many people in Canberra simply cannot afford to go to the dentist. And they are not all on pensions or health care card holders.

The government has directed dental care funds to the most needy, and no-one will criticise that. But it has done nothing to assist hardworking, low-income people who just cannot afford to fix their teeth, and they certainly cannot afford expensive health insurance covering dental work. And, unless they fix their teeth, they are unlikely to get the jobs that they need to lift them out of poverty, or the better job they need to lift them out of poverty.

We can place a lot of the blame on the Howard government for the country's bad teeth, but I, like many, are tired of the blame game. The ACT can afford to expand its public dental services and it should do so. This is primary care and if it is properly funded, it will contribute significantly to the health and wellbeing of people in the ACT.

I would like to commend to the minister an article published by the Centre for Policy Development, entitled "A New Approach to Primary Care for Australia". The author, Jennifer Doggett, proposes that integrated primary healthcare centres are the solution to delivering a cost-efficient universal health system. Her one-stop-shop model for accessing a range of primary care services within the community is not a new idea. The arguments are mounting, though, for this sort of approach to delivering health care, moving away from institutionalised delivery of health care, to easily accessible, linked-up services in our local communities.

Interestingly, Ms Doggett argues that the cost of rolling out enough integrated primary health care centres to service the entire population of Australia would be around \$4 billion dollars over 10 years. That is around the same amount that the Howard government hands over in just one year to prop up the private health insurance industry. Without real, courageous reforms to our health system, we will just keep seeing more and more funding going into more and more expensive services to achieve less and less.

I refer to vulnerable people and social policy. In terms of housing, I was looking for a budget that built on the many good ideas put forward by the government in its affordable housing plan. This budget should have tackled housing security by increasing funding for public housing, for transitional housing, and allocating more resources to those providing services to the homeless and more resources for community housing providers. Why does not, for instance, the government commit to a more equitable formula for calculating land tax, which would take account of actual property values, and encourage rental investment in the lower end of the private rental market?

Along with ACTCOSS, we encouraged the government to adopt inclusionary zoning to supplement the availability of affordable housing. We have been critical of the government's abandonment of security of tenure for public housing, and we hoped that this budget would have a strong emphasis on social policy to counteract the changes to public housing and ameliorate the effects of the last budget.

Why aren't superannuation funds invested in a public housing portfolio? The risk is low, returns are solid and the social benefit is obvious. Similarly, why is the public housing stock not expanded and full rent paying tenants encouraged to stay in order to generate revenue and cross-subsidise public housing tenants who are experiencing greater need?

It is disappointing that no funding has been allocated to advocacy services in relation to housing affordability. It is also disappointing that no new policy has been articulated for transitional housing arrangements, as transitional housing represents a significant problem in the ACT. Services to the disadvantaged remain a significant problem. This budget has not presented any mechanisms, for instance, to cater to those unaware of their rights to help them access the services that they need. Services will remain a weak point for this government if it fails to listen to consumers and their organisations. A complaints based system keeps MLAs busy, but it is a squeaky wheel approach.

It is worth noting that the status of the domestic violence assistance manual is no longer clear. The previous budget suggested that a domestic violence manual was being prepared, but no reference to it was made in this year's budget. Such a document would be warmly welcomed, and I sincerely hope that the project has not been abandoned. As well as this, services available to women suffering domestic violence remain under resourced in this year's budget, as they have been in previous years.

The budget papers indicate that \$2.2 million will be allocated to victims of crime over four years. We welcome initiatives that support victims of crime, but we are concerned about the lack of clarity in this policy. I believe the money will go to the Victims of Crime Coordinator. Surely what we need are more long-term support services to victims of crime, particularly victims of violent crimes and sexual crimes. I have a number of questions. Where does the idea come from? Who was consulted about the needs of victims of crime?

There still appears to be a lack of investment in support services for those dealing with gambling and alcohol problems, and for the families of those people. Lifeline is still disgracefully under-funded. A set percentage of gambling revenue has to be directed to minimising the damaging effects of gambling. While I appreciate that the ACT government are trying to make what is seen by them as too small an amount of money to go a long way, the sector itself has ideas about the ways in which the money could be spent more efficiently. As we know, initiatives that relate to the most vulnerable members of society often cross departmental lines between transport, education, justice, health and countless others. An amalgamation of funding for some sectors that causally relate to each other, such as alcohol support and mental health, could be considered a way of stretching those finite resources more efficiently.

Funding and support for the community sector has not been resurrected from last year's cuts. The ACT Greens were hoping to see a significant boost to community projects and initiatives with a focus on advocacy, empowerment, service delivery and primary initiatives. Investment in the already undervalued not-for-profit sector can save the government money. Unpaid carers, for instance, save the government millions of dollars annually. This work is done overwhelmingly by voluntary, or modestly paid, workers. The government has a responsibility to support the people who carry out this valuable work; furthermore, it has a responsibility to support the projects.

We all appreciate the difficult task facing the ACT government having to ameliorate the effects of the federal government's increasingly ruthless policies on very vulnerable people. Problems with inconsistencies in indexation, coupled with WorkChoices, the welfare to work policy and various other federal initiatives continue to affect the ACT. The commonwealth government continues to embody the Margaret Thatcher perspective. I was interested to hear the Leader of the Opposition quote her; that is, that there is no society, only an economy. I trust that the ACT government are united in recognising that they must develop and implement social policy with this backdrop in mind.

Education was savagely attacked last year, but this year it gets new buildings and information technology in return. The new college was expected, and it is welcome. The ICT expenditure certainly helps to ensure that our schools can provide contemporary programs, and there is no doubt that a lot of old buildings need some upgrading. Indeed, many of our schools could be retrofitted, improving our children's health and having a positive effect on the environment and their learning.

I think we need to remind ourselves, however, that the budget last year not only shut schools unnecessarily, and with long-lasting negative consequences, but also cut staff in the department and in classrooms. This budget confirms for me that those cuts are going to impact on student outcomes—new paint or new equipment notwithstanding.

We need to look at education in a national context. In the ACT, as all around Australia, we have high quality school education that serves most children well. However, the system is not equitable. It works best for children who are already advantaged and worst for children who are disadvantaged and who stand the most to gain from a well-resourced public education system.

These are the children who consistently have lower levels of educational achievement than others, and they are almost always children, and especially boys, from low income households, Aboriginal and Torres Strait Islander children, some children who are learning English as a second language and children with disabilities and learning difficulties. Overwhelmingly, these children go to public schools. The federal government, however, has significantly increased funding to non-government schools which are, by their nature, exclusive.

In the context of a sustained and unfounded attack on the literacy and numeracy standards of education, particularly public education, in Australia and in an increasingly intense and complex society which has given rise to anxiety about the social environment of young people, we are seeing a shift away from government schools. The ACT, due to its affluence, is, predictably, near the top of that shift.

That means the interplay between government and non-government schools is happening on an uneven playing field. And that is why, if we are serious about making education more equitable and lifting levels of educational achievement for all students, strengthening our public education system must be a priority. And new schools and equipment alone are not a thoughtful enough approach.

The ACT government does not have the recent history of supporting a teaching practice and a school environment which provide rich and innovative educational experiences. The school communities and individual teachers, have been doing that work themselves, partly because of the inheritance of a framework of innovation that was set up years ago, and partly because there was enough wiggle room in the system for them to do it. Now, in a much tighter and more structured environment, we risk throwing out the baby with the bathwater.

There is not time in this speech to list all the investment in teaching and counselling and support that ought to be going into our schools. Suffice to say that dropping our

commitment to languages other than English and taking out the fundamental learning about the impact of people on our planet are retrograde steps.

There was an important project in the wings to strengthen government high schools, and I am going to quote from Trevor Cobbold's media release today. It was sad to see the minister for education ridiculing an earlier quotation from Mr Cobbold, because I am quite sure that Labor will be seeking his support in the federal election campaign because of his strong and very, very expert work on public education. He talks about one of these projects; it cuts to the heart of the matter. He said:

While the ACT has high average outcomes by international standards, it also has a very large gap in outcomes between the highest and lowest achieving students. The difference for 15-year old students in reading, mathematics and science is amongst the largest in Australia and amongst the high income OECD countries. There is a large gap in outcomes between students from low and high income families.

What matters most in improving school outcomes are more teachers and support staff, improving teaching and reducing the impact of poverty, low incomes and broken families on student learning.

Despite all its rhetoric about social justice, the Government has given up on improving equity in education. In six years of office, it has made only token efforts to reduce the achievement gap in our schools."

Mr Cobbold criticised the government for failing to honour its election promises on high school improvement which, he said, is a key plank in any equity strategy. To my mind, a \$500 a year bursary to eligible students is no substitute for that.

Finally, on education, I would like to remind members that it takes a village to educate a child. Therefore, children, parents, teachers and community members must be central to the development and implementation of all education policies and programs, and I see no real commitment in this budget to that kind of collaboration.

Mr Speaker, there are many aspects of this budget that time constrains me from addressing today. I have talked about them in Assembly debates and I look forward to addressing them in future sittings and in estimates hearings. The budget surplus as revealed and forecast in this budget makes me wonder whether last year's cuts to the community sector and environmental programs were unnecessary in financial terms as well as social and environmental terms. I hope the government does not do what most commentators think it will do and use the budget surplus to fund its re-election campaign. One can only hope.

Every journey begins with the first step. Given the abandonment of the government's original greenhouse strategy it would be fair to say that this government's climate change response journey began with two steps forward, one step back. It now lags behind the community in this regard because they have been moving steadily forward. I applaud the small steps that the government has taken in a forward direction. Hopefully, scientific inevitability and public demand for urgent action will convince it to stop walking and start running in the near future—hopefully, before next year's election budget.

The best way to characterise this budget would be to say that it is reactive rather than proactive. The government has ticked all of the boxes, provided the minimum level of services and done enough to appease the more politically empowered sections of the community after last year's budget.

Mr Speaker, last year's budget cut across the social plan, the sustainable transport plan and the Canberra plan. I was hoping that this year's budget would see us back on track with those plans, because they were worked out over long years, with hard work from the community sector, from individuals and from people in government. Most people believed there was a commitment to that. Last year that commitment and that faith were broken, but this year was the opportunity to reconnect. Those plans showed that the ACT government had a sense of where it was going and that it had goals and that it was using its policies to achieve them. Budgets are the major tools by which governments achieve their policies. We need a way, a framework, for making decisions, and the people need to know where governments are taking them.

The social plan and the Canberra plan were that at the last election. We have not heard a word about them this year. What is missing is the long-term vision, the commitment to that social plan and targeted primary investment. In this budget, the government has seriously failed to implement primary and preventative initiatives. Preventative approaches are the best ways of tackling the problems of homelessness, poverty, crime and disadvantage in the ACT. Quite simply, this budget does not deliver on those critical primary initiatives.

MR MULCAHY (Molonglo) (4.28): Mr Speaker, there is nothing innocuous about this budget. The government has tried to act like it is no big deal. Mr Stanhope has now conceded that last year "I was a bit of a mongrel" but this year is different. This year is no big deal, or so we should believe. But in truth, Mr Speaker, this year's budget is a big deal. It is a poor budget that continues the damage that was inflicted on the ACT community in last year's budget.

It is difficult to assess an ACT budget, because the government has been massively off the mark in its previous estimates. Under the GFS accounting method, and excluding gains on superannuation, the 2004-05 budget forecast a \$356 million deficit for 2005-06. The deficit turned out to be \$196 million, over \$150 million different from the forecast. Similarly, using the same method, the 2005-06 budget forecast a \$147 million deficit for 2006-07. This deficit turned out to be \$29 million, around \$120 million different from the forecast. Even using the AAS accounting method, the 2005-06 budget forecast a \$91 million deficit for 2006-07 and this deficit turned out to be \$120 million, almost \$30 million different from the forecast.

The extraordinary thing is that this keeps happening year in, year out. I seriously wonder, as I said earlier today, why Treasury is getting it wrong so often. I know that they will say, "We rely on the commonwealth for our GST forecast and they are off the money all the time," but I am talking about the entirety of this budget. We have been asked to consider and vote on a budget that we are told is accurate but year in, year out, the three budgets I have dealt with since being elected to this place have borne little relationship from the beginning of the year to the final outcome. One cannot imagine a business that would operate in a way that it is so constantly off the

money year in, year out and seems never to learn the lessons. That raises various questions about the approaches being taken in relation to budget planning.

One thing is certainly clear, that is, that this budget locks in and continues the massive tax increases on ACT businesses and families. There is no hint of any relief. Before the budget was released, Mr Stanhope told the ABC that the budget would not include a repeat of last year's tax increases. What he did not say was that the ACT government had already committed itself to a system of automatic increases in general rates according to the wage price index. In 2007-08, taxes will rise by 4.8 per cent to \$924 million, an extra \$42 million in tax compared to the current financial year. Of course, overall revenues will, in fact, go up seven per cent next year.

Among these taxes will be the following increases: payroll tax will rise by nine per cent to \$239 million; land tax will rise by 14 per cent to \$72.4 million; general insurance duty will rise by four per cent to \$35 million; and the fire and emergency services levy will rise by six per cent to \$21.7 million. I will talk about this levy in greater detail in a moment. The infamous utilities tax on people's home phones, internet services, and gas and power will rise to \$16.5 million and traffic fines will rise by 44 per cent to \$20.4 million.

Especially insidious is the government's policy of indexing to WPI, which ensures continuing increases at a level approximately 60 per cent higher than inflation. That is taxation by stealth, and unsurprisingly the Chief Minister sees no reason to disclose these increases in taxation in media interviews. The budget shows that the government does not have a plan to reduce its costs. It will simply continue to take more money from the pockets of ACT residents. No thought is given to people who may not be able to keep up with the WPI: the pensioners, the unemployed, self-funded retirees, contractors and many business owners. These people will all suffer a fall in living standards. I find it remarkable that the Greens have not seized on that, given their claims to represent this constituency in particular.

The fire and emergency services levy provides an example of how little the ACT government adheres to the principles of good taxation. Of course, one wonders what taxation is particularly good, but there are principles there to determine what is deemed by economists as good taxation. On those principles, the fire and emergency services levy is, in fact, a bad tax. It was introduced in 2006-07 and is charged on all rateable properties in the ACT. The fire and emergency services levy breaks the basic principles of taxation. It has a discriminatory effect on the property sector. There is a marked disparity between who pays, how much and their level of service, and there is poor accountability on how and where the services are delivered and at what cost.

The beneficiaries of fire and emergency services are widespread throughout the community: businesses, insurance companies, governments and the environment. Fire services have the characteristics of a public good in that consumption by one user does not reduce the demand by other users and users cannot be excluded from the service. It follows that there should be a return to funding emergency services from consolidated revenue.

In relation to the budget outcome, ACT residents are being hit to allow the government to achieve a modest budget surplus in 2007-08, but this surplus is small

and temporary. As has been said over the last couple of days and restated by Mr Stefaniak today, contrary to the government's statements, the surplus for 2007-08 is a mere \$13.5 million. In the following three years the budget turns back into deficits of \$57 million, \$55 million and then \$29 million. These accumulated deficits add to more than \$140 million, easily eclipsing the small surplus for the coming year.

The government claim they will generate a \$103 million surplus for 2007-08, with more surpluses to come in future years. It has almost got the theme of "trust us and re-elect us and we will take care of things". But this claim rests on including expected gains in superannuation in the government's bottom line. This money belongs to public sector superannuants, not to the government. It is not available for spending on government services. I have stated already and will continue to state that this is money that cannot be used to fix health, roads or the education system. It would be dishonest for any business to count the superannuation assets of its employees in its profits. For example, it is not money that they could use to purchase stock, pay debts or the like.

Indeed, as has been pointed out and revealed today, the Labor Party's 2001 election policies recognised exactly that. Fact sheet No 10 on financial integrity stated that Labor would "ensure that budgets and financial reports clearly show the operating performance of the territory, net of the results of invested superannuation cash reserves". It took until today at question time for the Chief Minister to start to acknowledge that that condition is there in Labor policy and, in fact, he has sidestepped presenting the performance of his government in next year's budget on those terms at every possible opportunity since the budget was handed down. Of course, they have not followed through on this promise now that they are in government, but it seems that different rules apply when Labor comes to power. We have seen that so often federally and, of course, we are seeing it now at the territory level.

The fact of the matter is that the ACT government has continued to grow and has continued to spend recklessly. Since coming to power in 2001, the Stanhope Labor government has increased spending by 46 per cent, or \$910 million, to a massive \$2,867 million in 2006-07. In the same period the government has increased its ravenous appetite for funds, increasing its revenue by 43 per cent, or \$851 million, to a massive \$2,838 million in 2006-07. This trend, regrettably, shows no sign of abating.

The question has to be: where does the money go? Of course, it goes into an expanding public sector employment workforce. Since the government came to power, the employment costs for the public service have risen by 41 per cent, or \$578 million, to \$1,372 million in 2006-07. In 2007-08, the government's employment costs are budgeted to rise by a further 6.2 per cent and the size of the public service is budgeted to rise by an equivalent of 149 full-time staff. That makes a mockery of the government's plans to achieve efficiencies by reshaping the bureaucracy.

I cannot let this opportunity pass without referring to the big ticket item of health. As has been discussed in this place in the last couple of days, the most recent report of the AIHW stated that administrative costs for ACT public hospitals were 26 per cent higher than the national average. Contrary to the statements made today by Mr Stanhope that the Liberals want to cut health by \$61 million, what he has failed to grasp, and I suspect he has never got round to reading the report, is that the report

showed that Canberra's public hospitals cost \$61 million more than the Australian average on a casemix adjusted separation basis.

Despite this extra cost, Canberrans face the longest waiting times in Australia for elective surgery, with the median waiting time for elective surgery in 2006-07 being 61 days, compared to a median of 32 days Australia-wide. More than 10 per cent of Canberrans waited for longer than a year for elective surgery, compared to four per cent Australia-wide. The fact of the matter is that that is code for a lot of pain and suffering for lots of people. Yes, I know that people who need hip replacements and related orthopaedic problems may not be in a life and death situation, but the fact that they have to suffer from this pain for extended periods because this government has failed to manage the health system on an efficient basis is cause for deep and grave concern. The situation for emergency treatment is just as bad. Only half of the patients in ACT emergency rooms received timely treatment. As I said last night, time and time again we hear anecdotal evidence of people, apart from the statistical evidence showing that there is dissatisfaction in the community about the managing of health.

We saw in the Auditor-General's report of 2006 on vocational education and training that the ACT government spent 13 per cent more per annual hour of curriculum than the national average. Despite this higher spending, student and employer satisfaction rates with VET programs were below the national average. There are other more specific examples of government waste. We have seen money wasted on costly and politically motivated legal challenges to the coronial inquiry into the bushfires, hardly in the interests of the ACT taxpayer, and a futile, wasteful High Court challenge against the Australian government over reforms to industrial relations that were delivering benefits to all of the Australian people. These were little more than expensive political statements masquerading as law suits.

We have also seen, of course, the wasteful pet projects and political indulgences such as the arboretum, the Al Grassby statue and Mr Corbell's famous but now defunct Belconnen to city busway proposal. So far the government has survived, despite its reckless spending, on the back of a strong Australian economy and record revenues and investment in this territory by the Australian government. Despite this great opportunity, the ACT government has shown an inability to properly plan ahead and respond to critical situations.

We have seen the government's planning failures on show in the ACT water crisis. While the Liberal Party has been pushing for a new water supply for the ACT, a catchment storage area, since 2004, the government has only recently noticed this issue. This has led to long delays in the expansion of Canberra's water supply which have now put us in a precarious position. It has also led to a greater need for water restrictions, with consequent impositions on Canberra business.

Poor planning contributed also to the traffic problems at the intersection of Pialligo and Majura avenues and on the GDE, the former being areas that are only now being addressed. Of course, the piece de resistance of this government's inability to properly plan ahead and to respond to critical situations was the legendary response of this territory to the 2003 firestorm. This government knew of an impending disaster to the

ACT, a disaster which took the lives of Canberra residents and destroyed the property of many more. They did not warn the people of Canberra.

In summary, Mr Speaker, this budget locks in and continues the punishing taxation and reckless spending of this government. Despite this high spending, ACT residents are yet to see improvements to core services. ACT residents are also yet to see the government take the appropriate precautions, given particularly the drought that we are facing and the water crisis that is ahead of us. It was said yesterday that the reason there was no provision in terms of catering for the drought was that it is likely to rain and that the Australian government had taken the same view. I would put to members of the Assembly that the real reason there is no provision is that the money simply is not there and that, if they had put provisions in this budget for the drought, they would have had to concede that a deficit outcome was being planned for next year.

I think that this is fly by the seat economics. The government is taking a chance in juggling the figures around till it can get just over the line and is keeping its fingers crossed, as Mr Stefaniak said earlier, in the hope that this sleight of hand can be contained sufficiently to get the government back in office in October 2008. I have confidence that the people of Canberra have seen through this effort to present good performance at the same time as they are witnessing a deterioration in the delivery of core services. This budget needs thorough scrutiny by all members of the Assembly and I think that in the coming debate it will be further unmasked.

MRS BURKE (Molonglo) (4.43): Mr Speaker, I start this speech today on a positive note by congratulating the Minister for Disability and Community Services in relation to the injection of \$50.8 million over four years into the ACT disability sector. I wholeheartedly welcome such a funding injection as the Stanhope government appears, at face value, to have begun to redirect its attention to the prioritising of funding to sectors that will be deemed as requiring funding as they are an essential service to Canberrans.

In feedback I received through consultations with families and those who work in the disability sector all I heard was that there was a distinct need for funding boosts injected directly into services for which the ACT government has responsibility. I know that the previous minister, Mr Hargreaves, always maintained that it would be a bottomless pit, but I think it is no excuse simply to throw your arms in the air and say, "We cannot do much about it. We cannot direct funding appropriately." So I really welcome this initiative and this funding injection. However, I would be interested in receiving further insight from the minister into the breakdown of the funding allocation. Perhaps that is something we can address at estimates.

It is important, I believe, to see what proportion of the funds is being directed to accommodation services and the associated increased carer support. There is no doubt that improvements in resourcing and financial support are needed in the respite and community access programs that people with a disability and their families deserve and the rest of the Canberra community would come to expect to be fully supported. The Canberra community would expect this to be the first step of the Stanhope government in moving away from the funding of wasteful or vanity projects and recognising the value of fully funding, wherever possible, human services programs in the ACT.

I am conscious of the complexities surrounding the funding of individual support packages. In previous years, I note, difficult decision had to be made in regard to which individuals could receive funding support under this program. I am conscious that it would be difficult for a minister presiding over the funding of this program to make decisions over what forms of funding support each individual should receive and to what extent each support package should be provided. Resources are naturally the greatest issue and it is encouraging that a portion of the budget funding is to be directed to the provision of further funding support to Canberrans who are well and truly deserving of government-funded support to improve their quality of life.

I understand the minister has been insistent that the ACT is not receiving a fair share of funding, in comparison with other states, from the commonwealth. The ACT may be receiving lower funds matching from the commonwealth, but it is now up to the ACT government and the minister to meet further requirements for greater accountability in order to receive a greater share of commonwealth-state disability agreement funds. I would be supportive, as I have said in this place, of any further funding allocation from the commonwealth to tackle unmet need in the disability services sector in the ACT. However, when faced with an outcomes-based focus, any funding increase should always have conditions attached in relation to meeting targets and justification for the funding allotment.

In fact, that is what the federal minister has said. If we can prove our case, he will consider meeting the unmet need, but we must be prepared to push the commonwealth hard and present a case that says, "We have done everything we can do. We request that you carefully look at our submission." I do note, however, that the recent Senate Standing Committee on Community Affairs report saw a unanimous approach to addressing inequities in funding for the disability sector across each jurisdiction. I agree with such a sentiment, but only on the condition that extra funding on offer from the commonwealth is conditional on greater accountability and quantification of areas of need.

It really would be a pity if the health minister allowed politicking to impede our chances of increased funding from the commonwealth. I am sure that she is not going to do that. I am sure that she will push as hard as she can for the people of the ACT. Good governance is the issue, and the Stanhope government need only provide evidence of an improvement in accountability and efficiency measures in the sector. All that is required is a transparent and convincing argument for further funds matching. I trust that when the states and territories sign up to the commonwealth-state disability agreement the ACT will be in a firmer position to justify a better funding allocation from the commonwealth.

Mr Speaker, I move on to housing in regard to the budget. Public housing in the ACT seems again to have received what can only be described as a desperately needed funding boost just to be able to cope with greater demand placed on housing assistance services in the ACT. I would make the point here that it is fascinating that the Minister for Housing has already had to head back to cabinet to ask for another \$4.3 million in the 2007-08 budget on top of the Stanhope government's election commitment of \$30 million over three years for public housing, which, incidentally, took a few years to turn up after the 2004 election.

Realignment of the public housing stock has been well overdue. Successive housing ministers have had information to hand indicating an increasing demand for two-bedroom dwellings. It is astounding that the Minister for Housing has used words such as “underutilisation” when referring to public housing stock. The minister’s suggestion that the equivalent of 500 three-bedroom public housing properties are sitting empty is difficult to comprehend, given the breakdown he provided yesterday in this place during question time to validate himself. I quote his figures, which he maintains were accurate as at 4 June 2007: standard routine vacancies, 94; properties awaiting demolition, 7; properties awaiting or undergoing redevelopment or allocation, 186; properties awaiting or undergoing upgrade or refurbishment, 33; properties waiting to be sold, nine; and new properties or new vacant properties, 15—a grand total of 344.

Why did the minister state in his media release that “Housing ACT estimates that underutilisation has resulted in the equivalent of 500 three-bedroom homes sitting empty”? Perhaps his release should have made clear, in terms of the additional information that came to light in question time yesterday, that they were properties “with bedrooms in over-entitlement”. The argument surrounding the matter of equivalence is no longer relevant. A more accurate reflection of the situation—that 344 properties are currently vacant or, dare I say, offline—is the figure that should have appeared in his budget release, with an accompanying explanation. Better management practices and efficiency gains are still needed in the public housing portfolio. This one-off funding boost is indicative of a minister not able to effectively manage current funds in order to house Canberrans most in need for the duration of that need.

I will now focus on the \$600,000 injection for safety upgrades and maintenance for the residents of the current site of the Narrabundah Long Stay Caravan Park. I sincerely hope, given a media release by the Chief Minister this afternoon, that he will continue to sort out the apparent complexities that his government appears to be having with the expedition of the land swap in order that this project can be delivered to improve some of the occupational health and safety aspects of the park’s infrastructure.

There can only be a breakdown in negotiation on two fronts: a lack of what could be seen as clear communication between the ACT government and the National Capital Authority and, secondly, an inability to be able at this stage to meet the specific needs of the development company engaged in the land swap deal. Is it true that today the Chief Minister has actually communicated with the NCA on this issue? That would be amazing. Along with this, he may now do the residents the courtesy of ceasing to blame the NCA when the ball has been in his court since December 2006. For the sake of the residents of the park, I hope that this upgrade funding can be expended soon, subject to an expedited exchange of sites between Dytin Pty Ltd and the ACT government.

Mr Speaker, last but certainly not least is the large area of health to which the most funding has been directed in this budget. I would like to reflect now upon the poignant statement made by my colleague Mr Smyth yesterday that the Stanhope government prides itself on pouring an extra \$300 million into the health system over the life of

the government. There have been three health ministers in this time, and we are talking about six years, all determined to deliver a multitude of reforms to the system. I would add at this point that it is not just Ross Solly who is wondering whether the Stanhope government are targeting funding as well as they might be. Many people are asking that question and many commentaries have alluded to that fact.

For the 2007-08 budget, I maintain that the latest round of new initiatives are just managing to fill the holes in the dyke. Critical shortages in the emergency department, medical labour costs and increased elective surgery have clearly forced the government, just a year or so out from the next election, to commence a funding frenzy in order to improve our performance as posted against all other jurisdictions and as outlined in the recent Australian Institute of Health and Welfare reporting on public hospitals. It is worth noting, and we have to keep reminding people of it, that Canberra's public hospitals, as Mr Mulcahy and others have said, are costing at least \$61 million more to run than they should, by the national average.

This is not about cutting back on programs and the government should stop playing semantics and being ridiculous in their statements suggesting otherwise. Administration costs are 26 per cent greater than the average of comparable hospitals, and Canberrans needing elective surgery face the longest wait in Australia. Again, it appears that no matter how much funding is targeted at filling these holes, the government still cannot, in some crucial areas of performance for hospitals, outperform any other jurisdiction in Australia. It is the responsibility of the Stanhope government, and in particular the health minister, to take appropriate action now to correct the situation that, unfortunately, for the past two years has not seen very encouraging figures produced on the performance of Canberra's public hospitals.

Our record on elective surgery is less than glowing and certainly not desirable. The \$10.5 million is desperately needed to provide a real boost in order just to keep up with the demand for elective surgery. If the Stanhope government had not injected funding into elective surgery over four years, those most in need of surgery would have no doubt have continued to wallow on the waiting lists. The opening of a tenth operating theatre at the Canberra Hospital, operating five days a week, must have been needed to conduct more surgery and is indicative of how dire things are in our health system, despite the health minister's pooh-poohing of any statements to the contrary. That is not surprising, given that the ACT has a 61-day waiting time for elective surgery. I go back to the question: how is it possible for Queensland to manage a 25-day waiting time turnaround?

This injection, designed as a booster to recurrent funding, is catch-up at its best by a government simply delivering rather modest programs. The additional funding being pumped into the system from the latest budget, close to \$67 million extra over four years to high-priority areas, is most certainly needed, but the question remains: why have three successive ministers allowed the situation to deteriorate in our hospitals to such an appalling level that the government is now playing catch-up? There are major indicators here that the ACT is not performing well against other jurisdictions and performance and efficiency gains do not seem to be occurring in other areas of the system, such as acute care, labour costs and the emergency department.

The \$10.5 million boost in funding for elective surgery, the \$12.6 million for acute beds at the Canberra Hospital, the \$8.5 million to enhance critical care capacity and the \$2.15 million to combat chronic disease are certainly significant injections of funding. But the question is: has it all been allocated to fill critical gaps in the health service? One has only to look at the announcement of \$1.7 million in funding to provide dental services to 400 adults. Why has the government allowed this figure to climb to such an unacceptable level?

I add in closing that it is significant that \$12.6 million is being provided for mental health services in the ACT. That is most welcome, but clearly it is going to take a few more years for all the services that the government has talked about to come on line. A lot of these things are in the outyears and we will be watching them. I would say that Canberrans have a right to believe that, when they fall ill, they will have access to some of the best health care services in the country.

MR SESELJA (Molonglo) (4.58): This week the Chief Minister presented the ACT with part three of a four-part play. Last year was act 2. It consisted of a terrifying slash and burn budget, a violent act perpetrated against the community of the ACT. The opposition will acknowledge that, on the back of a fast-spending but slow-thinking Labor government, act 2 was inevitable. It precedes act 3, as Labor attempts to consolidate and prepare for an election run. This budget is a nothing budget that makes only one thing very clear: the campaign has started.

This is a predictable strategy. It is predictable and easily identified not just by the Assembly but by the people of the ACT. Canberrans will see this budget for what it is: the next step in an election campaign. The Canberra community are more intelligent than the Chief Minister realises. They will not forget and they no longer trust. They cannot afford to trust. They used to trust the government; they no longer do.

Canberrans wanted to trust Stanhope Labor when Labor said they would not close any schools. They wanted to trust Stanhope Labor when they said they would improve housing affordability with the Land Development Agency. They wanted to trust Stanhope Labor after the bushfires, when we were told, "If you want to blame someone, blame me." But things do not always work out that way. The credibility is gone and the trust is no longer there. Try as they may, it will never be the same again.

The Canberra community is intelligent and has a long memory. Perhaps it is only now that Canberrans realise the significance of Ted Quinlan leaving when he did. Despite that, it is a very good time to be Treasurer. Riding on the back of the largest federal government surplus sits the ACT Treasurer, with millions upon millions flowing through from the GST and unemployment at an all-time low, thanks to an ever expanding federal public service.

It was the Chief Minister himself who once said that a Liberal budget surplus was "a surplus not even the government knew it was falling into". The irony of this, of course, is the Chief Minister's somewhat militant attitude towards the GST, which is propping up his bottom line. The Chief Minister has called the GST "an inherently unfair tax, a tax that will increase costs, an inequitable tax"; "a tax with inflationary pressures and implications for interest rates"; "a tax that imposes severe compliance costs on small

business and “a tax that will increase costs and have an inevitable and unknown effect on consumption”. Things change quickly, don’t they?

Despite the Chief Minister’s ridiculous statements about the doom and gloom that would be brought on by the GST, the nation seems to be doing okay. A \$10 billion federal surplus and the lowest unemployment rate in over 20 years suggest that the Chief Minister got it wrong. Rivers of GST are flowing to the ACT government. In the vicinity of \$800 million in GST revenue—

Mrs Dunne: Rivers of gold.

MR SESELJA: Rivers of gold. Presumably the Chief Minister will not be giving back the proceeds of this apparently unfair tax. Chief Minister, we accept your apology.

One welcome item in the budget is the release of an extra \$209,000 over four years for a residential detoxification and withdrawal program for women and women with children. This is an important initiative, but I would make the point that that was all that was announced in the budget in regard to illicit drugs policy. We would like to see some new thinking from this government. We would like to see some fresh thinking on the scourge of drug abuse in our society.

The Land Development Agency is an abject failure. Tens of millions of dollars have been spent in advertising and marketing, and what has it achieved? We were promised by Stanhope Labor that the LDA would make housing more affordable. They have failed, and failed dismally, as acknowledged by this Chief Minister. Recently the commonwealth bank and the housing industry association reported that a typical first home in the ACT is now costing just under \$404,000. Just one year ago it cost \$370,000. That is a rise of over 26 per cent at a time when salaries and wages have increased by around six per cent.

Canberra’s first home buyers are paying up to 36 per cent of their weekly income to mortgage repayments and are considered to be in housing stress. A year ago they were paying 32 per cent. Whilst housing affordability nationally has dropped by 10 per cent, in the ACT it has dropped by 22 per cent. A typical mortgage in the ACT now costs \$2,790 per month and we are closing in on Sydney, which averages around \$3,000 per month.

The Chief Minister has announced his housing affordability strategy, but it appears to be a case of too little, too late. It is the first home buyers, along with the GST, that are propping this government up. In 2000, just seven years ago, land sales were worth \$23 million to the government of the day. This year the LDA has delivered a \$66 million surplus to the government.

To deny that land is an integral part of this surplus is an insult to the community and the young families that have suffered under the Stanhope regime. The Chief Minister recently acknowledged that the LDA’s profits have been at the expense of first home buyers. They have gouged first home buyers to prop up their bottom line. Much of this budget is on the back of property owners and first home buyers and others who are bearing a disproportionate amount of the tax burden in this territory.

It would be remiss of me not to touch briefly on the EpiCentre saga. Despite all the rhetoric, there are still outstanding questions. The most important is: does the development at section 48 comply with the national capital plan? The Auditor-General's report is silent on this subject and the ACT planning body is yet to justify its approval. While this is an issue for future sittings of this place, I would say, within the context of the budget, that I hope that the ACT government has made sufficient allowance for the potential legal ramifications if this development is deemed to be not in accordance with the national capital plan. The unexpected extra \$65 million in GST grants may well become the majority of a payment to a developer that has potentially been led down the garden path by the ACT government, and even that amount may not be enough.

I want to mention education. No-one in the ACT will ever forget last year's budget and the pillaging of the ACT education system by the ACT government. Perhaps the reason it is so hard to believe Minister Barr's hard sell on education is due to the lack of trust that the community now has in Stanhope Labor. There is no area in the community where that breach of trust is more apparent than in the school closures breach of promise. This government went to the last election promising not to close schools. The former education minister promised not to close schools. Then, only 18 months later, came the announcement that 40 schools would close. Now 23 schools are to close.

What a breach of trust that was, what a fundamental misleading of the ACT community by this government. They claimed that they would not close one school and now they are closing 23 schools. They have absolutely breached our trust. If they cannot be trusted in their most fundamental promises around education, how can we trust anything that they say from now on?

There was probably a glimmer of hope prior to the announcement about schools closing by families that had kids at Flynn primary, Rivett primary and Tharwa. Cook primary, Village Creek primary and Kambah high school were also waiting for a second chance, but all to no avail. All of these schools have been closed or will be closed. Despite our being told that things are good and there is a surplus, apparently—although we do not believe it—of over \$100 million, there was no reprieve for these schools.

It should be noted that the Canberra community has figured out who Andrew Barr really is. He is "Cleanskin Barr", the man you send in when the problem minister has been removed. How can Ms Gallagher, the presumptive Chief Minister, the Deputy Chief Minister, sell education renewal when she is the one that created the problem? The answer is she cannot, so they send in "Cleanskin Barr". How can Mr Corbell, the champion of the hard left and ardent supporter of government monopoly development flip-flop on land release and development policy? The answer is he cannot, so they send in "Cleanskin Barr". What is next for "Cleanskin"? The way health is travelling in the ACT, Mr Barr had best start his background reading right now.

The ACT prison probably best represents the mismanagement and misdirected priorities of the Stanhope Labor government. This is a project that had blown its

budget before it even got off the ground. Originally to house 374, it will now house 300. That is a 25 per cent reduction, and we still do not know where these beds will be lost. According to the government's own website, the centre will include a new 139-bed remand centre, a 175-bed facility for sentenced prisoners and a 60-bed transitional release centre for low risk prisoners. That still equals 374, but we are assured it is now 300. The reality is that, with that change, the capital cost of each prison bed has gone from \$342,000 to \$426,000.

Mrs Dunne: That is more than a house.

MR SESELJA: That is an increase of around \$85,000 per bed and, as Mrs Dunne rightly points out, about the cost of a house in the territory, and we still do not know where the cutback in beds will come from. Which area will suffer under the government's financial mismanagement? The government does not seem to know. Will the prison have a needle exchange? The government's answer is that they do not know. Will the prison have a tracking system for prisoners? The government do not know. How much will be spent running the prison annually? The government's answer is: "We are not quite sure."

In the *Canberra Times* the government told us that razor wire fencing has been done away with to create a less fearsome and more open feel in the 75 hectare site. Natural barriers are used instead, such as the fall and rise of the ground. That sounds wonderful, but the truth is that two Fortress 358 fences are being erected around the prison. They certainly do not sound very natural to me. This prison project that will cost ACT taxpayers \$128 million will be an economic noose around our necks now and into the future. The youth detention centre has blown its budget and received a further \$2.5 million in this budget. Just how many times will the Deputy Chief Minister come with an open palm to the cabinet room asking for more?

I want to turn now to hospital pay parking. Last year, in his budget speech, the Chief Minister said:

The truth is not always comfortable. We have been living beyond our means.

The speech was all about a government making the tough decisions and facing the reality that Canberra had apparently had it too easy for too long. One disgraceful outcome of this new creed was the implementation of pay parking at the hospitals, not pay as you leave, but voucher parking that required patients, family members and visitors to run out of the ward and top up the machine. What a disgrace! What bright spark in the government came up with this idea?

After generating \$1.2 million and untold grief to the people of the ACT, Stanhope Labor managed to lose \$600,000. This is unbelievable! Who loses money on pay parking? I have never heard of a government anywhere else losing money on pay parking. Let it be known in the community that this government cannot run a car park. How can you run a health system if you cannot run a car park? They lost \$600,000 on pay parking. My goodness, it is unbelievable. If it were not true, if we had not heard it from the minister herself, I would not believe it. If you cannot run a pay parking system, how can you run a health system?

The Chief Minister spins his \$13.5 million surplus, excluding the growth in superannuation assets. However, it is the community that has created this surplus, not the management of Stanhope Labor. Overall tax takings have increased by five per cent and now total \$924 million. Land tax is up by 14 per cent to \$72 million. GST revenue is up to \$823 million, an increase of eight per cent over the previous year, and despite constantly telling us that the government would move away from relying on land sales, the dividend paid to government by the Land Development Agency represents the difference between good news and bad for the Treasurer.

The Canberra community can now predict the finale to the Stanhope budget show. Next June the pork-barrelling will begin in earnest and probably take us into deficit. Any spare cash will go towards a desperate attempt to shore up credibility with an electorate that has already lost faith. Despite the promises to fix toilets and paint playgrounds, my thoughts are with those who have lost their jobs on the back of this government's mismanagement.

My thoughts are with the families that lost their schools in the pillaging of the public education system. My thoughts are with the next generation who have lost their super entitlement under Stanhope Labor under an unfair two-tier system. My thoughts are with those who cannot afford to buy a home for their family because of this government's pathetically slow land release program. Stanhope Labor has failed. This budget is simply the latest act in a predictable show.

MRS DUNNE (Ginninderra) (5.13): I am rather pleased that I get to follow Mr Seselja, because he has set the theme for the Labor Party four-act play, and I thought that, as shadow Minister for Education, I probably should put a name to that play. I was thinking about it and I have decided, being a little bit of an Italophile, that Luigi Pirandello gives us the best possible model. Remember, Mr Deputy Speaker, his famous play *Six Characters in Search of an Author*. This one, I think, should be "Nine Laborites in Search of Credibility".

What is the Labor Party doing to restore its credibility in the face of the flip-flop that we have seen on the budget this year? My discussions with people about the budget have revealed a constant theme. They say, "Gee, there is a lot of bricks and mortar in this budget and every time you turn around, they are going to build something. They are going to build a new this and a new that."

The Chief Minister said that, by 2010-11, Labor will have invested more than \$350 million in our public schools. That sounds good. But, as Mr Mulcahy and the Leader of the Opposition have said, is this spending, this building and these bricks and mortar the wisest thing that we can do with the money that we have? We have pillaged and plundered the pockets of the ACT electors over the last two years. We wonder whether this is the best possible thing we can do and whether this government will ever regain its credibility.

This week marks the first anniversary of the greatest example of plunder the ACT has ever seen, and that is the announcement of the *Towards 2020* so-called school renewal proposal. I remind members that it was this government over there that proposed to

close 39 schools, adding to the closure of Ginninderra district high. Eventually they decided to close 22 schools—

Mr Seselja: Only 22.

MRS DUNNE: It is only 22. We have to be grateful for that. I take this opportunity to remind the Assembly and, through the Assembly, the people of the ACT of the extraordinarily principled stand taken by the Liberal opposition in relation to *Towards 2020*. School renewal is not brought about by wholesale plunder. We resisted wholesale plunder and we will stand with the people of the ACT in continuing to resist the wholesale plunder of the government school education system.

I think it is timely to remind the government and the people of the ACT of our principled response when we announced in December last year our proposals in relation to *Towards 2020*. They included the cancellation of restructures and closures scheduled for December 2008. We proposed that, immediately following the 2008 election, a Liberal government would cancel any scheduled school closures—there will not be many left by 2008—and any school restructures scheduled for that time. The P-2 early childhood schools at Isabella Plains, Lyons, Narrabundah and Southern Cross proposed by the Stanhope government would not go ahead unless the community agreed to them. As well, there would not be a restructuring of Melba high school and Copeland College without the agreement of the community.

In addition, we undertook to reinstate schools closed as a result of *Towards 2020* where there is sufficient community support to do so, and we have set aside \$10 million to a schools reinstatement fund for that purpose. Further, we are committed not to initiate the closure of any schools between 2008 and 2012 and to establish the future schools committee to monitor the health of government schools to ensure that we do not get into this dreadful situation again.

There are a whole lot of reasons for what was done last year, and one of the stated reasons was to address the drift to non-government schools. But there was nothing in that budget and there is nothing in this budget to explain why parents are driving past their local schools and passing up a virtually free service and paying—often at considerable hardship to their families—to send their children to non-government schools.

While we are talking about anniversaries, this week also marks one year since we read the proposition put forward in the *Canberra Times* by journalist and commentator Chris Uhlmann. He wrote:

Over the next three years the public sector will become a minority provider of Year 7-12 education. To put this in brutal economic terms, you have to worry about a free product that is losing market share to one that is quite expensive.

You do have to worry about it. Mr Barr claims to worry about it, and he has said so a number of times. He has said:

My objective in this process is to see that we address the drift of enrolment in public education and that we ensure that public education does not become a

minority safety net provider of education for those people who cannot afford the private system.

He keeps saying this, but there is nothing in this budget or in the *Towards 2020* proposal that address the drift. We do not know why people are passing by, passing up the free service and paying royally for the service. Mr Barr thinks that the solution is to build things. He thinks that the solution lies solely in bricks and mortar. The point is that, in addressing bricks and mortar, we are not addressing the needs of people in the education system.

It was interesting to see the commentators in the community commenting on the education budget this year and to find everyone singing from the one hymn sheet. Clive Haggart from the Australian Education Union and Trevor Cobbold from Save our Schools are talking about the fact that, yes, there are a lot of bricks and mortar in this budget, but there is nothing for the people.

The Stanhope government reneged on its 2004 commitment to increase expenditure on high schools by over \$12 million and to employ an extra two teachers in every high school. To the contrary, the ACT government, as a result of its EBA, cut 60 teachers out of secondary education in the ACT—35 out of the high schools and 25 out of colleges. These cuts have been disastrous for the schools, the students and the teachers.

Lots of parents talk to me about how they cannot get their children into non-government schools, especially high schools, and Mr Barr keeps saying that he wants to address the drift. Actually, the drift would be much worse if the unmet demand in the ACT were able to be fulfilled by non-government high schools. There is not a non-government high school in this place that does not have a substantial year 7 waiting list. If all the children who applied to get into non-government high schools in year 7 last year actually got into them, we would have a system where the government school system had become the minority system. We would have met our past already.

Instead of just building buildings, priority should be given to improving government high school outcomes, especially the high level of parent and student dissatisfaction with the curriculum, the teaching practices and student-staff relationships. While the ACT has high average outcomes by international standards—and so it should; we have the most highly educated population in the country—we also have a very large gap in outcomes between our highest and lowest achieving students.

The history of underachievement in the ACT is long and is not improving. I remember sitting in this place probably three or four years ago and listening to Mr Pratt make this exact point, and the situation has not changed since then. In addition, there is a large gap in outcomes between students from low and high income families.

Let us turn to non-government schools. The Stanhope government has neglected the 41 per cent of children who attend non-government schools by virtually ignoring them. We must keep in mind the background to this ignoring of government schools. We must remember the motion that you, Mr Temporary Deputy Speaker, supported at the last ALP state conference. It stated:

ACT Labor asserts that it is not the role of Labor governments to promote private education. Instead, it is incumbent on all Labor parties and governments to unashamedly support, promote and fund public education.

That motion was moved and voted on twice at your conference. On both occasions, the Deputy Chief Minister, the Attorney-General, you, Mr Temporary Deputy Speaker, and the Speaker voted in support of that motion. Four of the nine members supported the motion. The fifth member, the Chief Minister, abstained from that vote on two occasions. So the message out of this place to the 41 per cent of families who send their children to non-government schools is: do not expect the Stanhope government to stand up for you because five out of nine members do not support what you stand for.

Let us look at the commitments they made before the last election. Before the last election the non-government school system was providing a real problem for the Stanhope government. The private schools were starting to get antsy and they were looking for a better deal. As a result, the Stanhope government made specific commitments to the non-government system. These commitments included a commitment to conclude discussions prior to the 2005 budget with non-government schools to work through the current and desired methodology for per capita grants and indexation of arrangements to ensure a common understanding and agreement between the ACT government and non-government schools. It has not happened.

A further commitment was to create a \$4 million student support services program to enable non-government schools to fund items such as counselling services, ICT support and other equity needs. It has not happened. Another commitment was to engage with all non-government school stakeholders and provide shared services and support. This has not happened. Another commitment was to provide additional funding for students with disabilities in line with the banding outcomes from the student centred appraisal of needs—SCAN—process for non-government schools. This has not happened.

The next two commitments have happened. One was to provide a \$1 million one-off grant program to improve disabled access for non-government schools. That is in this budget and some of that money will be delivered in this financial year. In addition, last year they provided \$1 million for additional support for early education.

In the three years since those commitments were made, \$2 million has been committed. In that time, per capita funding has declined in real terms from the paltry 17 per cent that it was at the time of the election to 16.8 per cent now. This year, out of a budget of \$474-odd million, non-government schools in the ACT get \$38 million; that is, eight per cent of the budget.

Jon Stanhope and Katy Gallagher made commitments to the non-government school system before the last election because the non-government school system was making life difficult for them in the run-up to the election. Those commitments were designed to shut them up before the election. It is time that the Stanhope government actually made good on its commitments to the 41 per cent of children in the ACT who attend non-government schools.

When I said that Mr Seselja's play could be called "Nine Laborites in Search of Credibility", nowhere is this more obvious than in education. Education presents a litany of broken promises by the Stanhope government. Let us look at those promises. We were told that there would be no school closures. The ALP platform that they took to the last election talks in very, very vague terms about amalgamations; if we needed to have amalgamations, there would be consultation. Then there was the unequivocal statement made by Ms Gallagher's senior staffer, which has never been gainsaid. As a result, we now have 23 schools either closed or in prospect of closure.

Let us look at it. They promised \$12 million and two extra teachers per high school in the ACT, but the last EBA took two teachers out of every high school. Effectively, the Stanhope government has taken four teachers out of every high school in the ACT. At the same time they wring their hands and say, "We want to have a world-class high school education system." They cannot have it both ways. They know they cannot.

Let us look at what they said to the non-government school sector to shut them up before the last election. They made six substantive promises, in writing, to the non-government school sector that amounted to a substantial influx of funds into the non-government school sector. After three years they have given them \$1 million last year; \$700,000 this year and a paltry \$300,000 next year. They have given the non-government schools \$2 million out of that substantial amount. This is a government with no credibility when it comes to education, and the people of the ACT know it.

MR PRATT (Brindabella) (5.28): The 2007-08 budget handed down by this government has provided little comfort for Canberrans. Last year's horror budget has morphed into a horror budget this year, albeit disguised as a sheep in wolf's clothing. There is no doubt that the bureaucracy in the ACT is severely over-bloated—it continues to be—but where is the restoration of lost capacity back to front-line service?

The Chief Minister has 22 additional advisers. I have now finally realised how he has been able drought-proof his budget: these advisers are clearly rain dancers. Seriously, the Chief Minister must justify these additional 22 staffers. How can he justify that when, over years, he has run down front-line services? We see no relief from the taxes and charges that threaten to cripple mums and dads in the suburbs; indeed, we have seen growth in these areas. Where is the attention to the delivery of service?

I turn to emergency services. Mr Corbell's belief is that you only need equipment and training to manage and control a fire. He is wrong. First and foremost, you need willing, happy personnel. Just as importantly, you need to have a reliable, responsive and independent emergency services organisation to back them up. We do not have that. There are still 40 captains and vice-captains who have resigned from the rural fire service; there are many disgruntled volunteers and professional officers. Morale in emergency services is at an all-time low.

What is the use of new trucks without captains to captain them? What is the use of new RAFTs without captains to captain them? What is the use of training funds without captains to captain the training? The government has failed to break the

impasse with its emergency services officers over the restructure, a move which has caused deep, sustained anger and mistrust. Emergency services continue to be paralysed as a consequence.

The failure of this government to reverse the transfer of the ESA to JACS is a complete travesty. The failure of this government to address the bureaucratic bungling of the restructure is a travesty. The failure of this government to address the fundamental issues that have clearly affected the functionality of emergency services is an abomination.

The government has deigned to offer some token gestures in the form of long-awaited and badly overdue funds. I turn to the 10 CFUs, community fire units. It is welcome money, but still well short of what was needed to cover our vulnerable suburbs. Perhaps now we will have 38 CFUs, but by our reckoning we are still 15 short of the requirement. Version 2 of the SBMP is three years late, but again is trucked out so that it looks as though the government is on the ball. It is all spin. How much money do we need for a strategic bushfire management plan? It is not money; it is organisational culture and the will to get these things in place.

Let me turn to the 32 vehicles. We know that the reliability of the RFS fleet has been in question for some time. Given the severe neglect in keeping up with vehicle replacements over some years—which saw 30 per cent of the front-line fleet off-line on the third day of the 2006-07 bushfire season—we will closely scrutinise this budget announcement. Hopefully those 32 vehicles announced in the budget will finally catch up four to five years of neglect.

I turn to bushfire preparedness, including funds to assist in the implementation of the Doogan inquiry recommendations. These are funds to implement the sorts of recommendations that were identified by McLeod in 2003. It is three years too late. We are playing catch-up. This is a catch-up budget, as characterised by the above. What do we have? We have an emergency services which is not good enough organisationally. That has been the case and it remains the case now—backdated to pre-January 2003. It is not good enough.

I turn to the ambulance service. This budget sees an addition of 16 staffing positions and four new ambulances. That is welcome news, but again these were deficiencies which were identified two and three years ago—another case of playing catch-up. We know that front-line ambulance personnel have been dangerously overstretched for some time. Their frustration has been evident in recent media reports. The TWU—colleagues of yours, Mr Temporary Deputy Speaker—has claimed that ambulance officers have been—I am sure you agree with every word here, Mr Temporary Deputy Speaker—working excessive overtime and that response times have suffered as a result. Ten hours overtime per week—if true, as claimed by the TWU to be average—is unacceptable. It is hoped that the new initiative will eradicate that need. It is hoped, too, that the 16 new officers will rebuild badly needed capacity to ensure that there are seven ambulance crews around the clock—not single response units, but two-man crewed vehicles round the clock. We wait with bated breath.

I turn to transport—bus replacement. I have gone back and examined all the budget papers from 2002-03 onwards. There arises a very serious question about the overall

maintenance replacement of the ACTION bus fleet. In accordance with the government's 20-year bus replacement policy, there needed to have been between 18 and 20 buses purchased and delivered per year over those six years. In fact, the analysis indicates to me that over six years the average annual budget allocation has been for about 12 buses. This analysis includes this year's budget allocation. For the period 2002-03 to 2006-07, the total acquisition may well have been 65 per cent of requirement; that is, we may still be 40 buses behind requirement. The question is this: over these six years, how many buses have actually been delivered?

I turn to upgrades of the existing fleet. If we want to attract motorists to leave their cars at home—and ideally we do; ideally the opposition would love to see that—we must ask where the money in this budget was for upgrading existing buses to make them cleaner, more comfortable, more convenient and therefore more attractive—to try and bring that client patronage number up and therefore remove cars from our roads. Where is the money in the budget that will address those sorts of issues?

I want to talk about bus interchanges. Again, if we are to attract motorists out of their cars—and I say again that this is an objective that we believe we should be striving for—our interchanges must be safe, they must be comfortable and they must be attractive places. There does not seem to be enough money for interchange upgrades. The \$1.25 million in BP3—a one-off expenditure—for interchange services and security, while a very useful injection, may not be enough. Given the urgency to make interchanges safe, I again ask this government to appropriate and implement these measures within one month. Safety at our bus interchanges is way beyond the standards required.

I turn to the new ticketing system. In this budget, \$1.950 million has been allocated for this year, and up to \$6 million in 2008-09, yet the effect of this funding will not be seen until the complete rollout of the system in 2009. Let us not forget that. There is about a two-year take-up requirement to make that new system effective. It is a welcome initiative, but it will take time.

I turn to the surcharge on traffic infringements. Is this another impost on Canberrans? It is unusual to attribute a tax charge to one particular avenue. It is interesting, therefore, to note that the fire levy—another impost introduced in last year's horror budget—is attributed not directly to fire services, as the name suggests, but to consolidated revenue.

I turn to TAMS. When looking at this year's road funding we must keep in mind that \$71.8 million of road funding allocated by the federal government was not taken up by the Stanhope government. I refer to BP3, page 235. There is \$71 million there, which would provide a very important fillip to our overall road upgrade plan. But until this government moves to conform and engage in partnership with the commonwealth, that funding is not going to come. And again, we do not see a five-year road funding plan. Again, this government takes a haphazard approach to this issue.

This budget sees the following. The Tharwa Drive duplication, a project long overdue, has landed only \$1 million, and this is only money to cover design. Again Tharwa Drive is kicked back to the back-burner. Is this finally the end of the massive sinkhole

that is the GDE? The GDE has been granted a \$4 million contingency fund this year. I deeply suspect that, with 18 months until completion of this project, the potential for the GDE contingency fund to go over this amount is quite large.

Upgrade of airport roads—\$10 million again. I have doubts that the government can spend that kind of money, because there is so much money to be spent in one year. The Pialligo Avenue upgrade: can the congestion get any worse on Pialligo? Can the congestion get any worse? Yes, it can, according to Mr Hargreaves, who said last night on WIN TV that it will get doubly worse from now to September 2008. Why? Because, after years of neglect, this project will cost more and take longer. Again we see the game of catch-up.

The Majura Road money will cover only a feasibility study. The Kings Highway repavement will cover only design money. The Cotter Road funding is only a forward design allocation. These are projects which have been on the back-burner for five years and more. This government has not got the courage to lock in a five-year road funding plan to ensure that these areas are addressed.

Let me turn to Tharwa bridge. This government has neglected the village of Tharwa for far too long. There is a litany of traumas that have faced and continue to face this village, some of which come as a direct result of the failure of this government to move quickly on the Tharwa bridge project. The Tharwa community has been forced to commute via an unsafe, dodgy detour since September 2006. The \$9.5 million allocated to the construction of the bridge is way overdue. It is welcome money, but it is way overdue. It is just dressed up and touted as a brand new initiative. The Stanhope government owe Tharwa. They cannot expect this community to jump for joy over the half-hearted, recycled promise delivered to them via this budget promise. We seriously question the ability of this government to achieve the project deadline and we fear the continued strangulation of Tharwa.

What about the look of the city—infrastructure. As we see with so many of the initiatives in this year's budget, there is temporary additional funding allocated to deal with specific problems only. There is not a broad allocation of money to add capacity, to make sure that this city's infrastructure is serviceable. Shopping centre upgrades: only three shopping centres—Ainslie, Garran and Melba—yet there are many shopping centres in a dilapidated condition.

What about the library RFID system? The massive injection of funds into radio frequency identification comes at the expense of community libraries. What about shopfront services? Where in this budget is the realisation that the closing down of the Civic ACT shopfront has imposed strains on our town centre shopfronts and massive restrictions on those who work and live in and around Civic and now need to travel to the town centres?

Finally, I want to look at a couple of areas in the parking sphere. There is a \$32 million injection for pay-as-you-go parking, but this \$32 million—the bulk of which will now go to the building of the new parking facility at Canberra Hospital—leaves a lousy \$3 million for the rest of the territory. And we believe that this government will reintroduce pay parking to pay for that initiative—to take money back once that structure has been built. Mr Temporary Deputy Speaker, need I remind

you that the opposition is firmly committed to no pay parking at ACT hospitals? I stress that one more time.

In conclusion, the opposition will have a lot more to say about this catch-up budget, this budget that fails to restore the damage done by at least two or three years of neglect, if not more. Let us put on the record that the Stanhope government has again let down the people of Canberra with the 2007-08 budget. The budget has not restored the damage done to essential services in the last few years, let alone built the additional, badly needed capacity. The over-bloated bureaucracy has still to be cut in order to transfer meaningful resources to the front line. This budget does not do that. The horror story continues.

MR SMYTH (Brindabella) (5.43): It is interesting that yet again, like last year, not a single member of the government rises to defend Mr Stanhope's budget. Let us face it: this is Mr Stanhope's budget. He is the Treasurer; he is the Chief Minister. He is the one that should be setting the direction, setting the parameters for the next year—indeed, as that year is the basis for the outyears, setting the direction for the future of the ACT.

That is what is missing from this budget—direction. There is no future in this budget. What we see is change for change's sake. What we see is catch-up, as so eloquently outlined by Mr Pratt, on essential things like roads and footpaths, fixing potholes and trimming trees—things that have been consistently neglected by this government for the last six years in the pursuit of personal follies.

The follies are well known and have been outlined by members, but it is worth putting them on the record again. They include things like the bus lane from Belconnen. I would offer Mr Hargreaves the opportunity to jump up here and tell us whether it is on or whether it is off: it has been in, it has been out; it has been on, it has been off; it has been going, it has been stopping. The public do not know. That is symptomatic of the way the Stanhope government makes decisions. Mr Corbell has got the flick; it is not his anymore. It is over to the minister for transport. Perhaps that minister will jump up and tell us. Is it really on? Is it really off? What is your expected lifespan, John.

What the 2007 ACT budget characterises is the complete lack of vision and enthusiasm. The Stanhope government came to office in 2001 and said, "We've got a plan. Our plan is to put together a series of plans. Yep, that's what we're going to do. We are going to take the first term in office to make plans." And they did. We had the Canberra plan, the spatial plan, the social plan and the economic white paper. Here we are at the end of another three years, and where have they gone? They have all gone. Ted Quinlan's memory is erased. The economic white paper is gone. The social plan is gone. The spatial plan is sort of there except for the bits we do not like because Simon Corbell was really interested in them. And then, of course, there is the Canberra plan, which is totally destroyed by the budget of the last two years.

Simply put, this is a disappointing budget that highlights the waste of the last six years. But more than that, it is a contradictory budget in many of its decisions. Let us ask ourselves a question: what does this budget do? In one way, it reinforces many of the decisions that were made in the 2006 budget. It reinforces the fact that this is the

highest taxing government that we have ever had, with the revenue hikes that were imposed. It reinforces some of the spending cuts to essential areas—things like business and tourism.

The tragedy of the 2007 budget is that it demonstrates that the approach adopted in last year's budget was not necessary and that the various decisions made in that budget were in many ways irrelevant. It repudiates one thing, however, and that is the Stanhope government's attempts to get the ACT public service back under control. After the reduction of some 500 full-time and 200 temporary and casual positions in 2006-07, we now see an immediate increase this year of 150 people—including, as my colleagues have eloquently pointed out, 22 policy officers who go into the Chief Minister's office itself. You have to question that. How can you get rid of 500 permanent and 200 temporary and casual staff—say that we needed to cut back—but then immediately start to re-employ?

The budget papers reveal, for example, that there is an estimated increase of some \$56 million in revenue generated by taxes, fees and fines during 2006-07. That is a seven per cent growth in these sources of revenue. But let us look at the Treasurer's own budget paper 3, at page 5. The consumer price index forecast for 2006 is 2¾ per cent. So it is seven per cent. It is three times the growth of the CPI and the wage price index at four per cent. It is almost double the wage price index in terms of the revenue that we will collect. If that is the fair, equitable approach of the Stanhope Labor government, then God help the people of Canberra.

In other ways this is a budget of catch-up. For six years the Stanhope government has been furiously spending on additional public servants—I remember the Stanhope comment “I did not realise the many additional people that we had employed, because no-one told me”—a prison that is based on a questionable analysis; and an arboretum that has more questions about it than a quiz show. There is a statue of Al Grassby. Why? Why are we doing this for a federal minister? There have been a number of experiments. There was the small business commissioner—gone. There was the community inclusion fund—gone. There was the knowledge fund—gone. And so the list goes on.

The Stanhope government has finally realised that it has been neglecting the community where it lives—the real community, the community out there that pays the taxes. The government has been neglecting the footpaths, the bike paths, the drains, the parks, the road services and many other critical pieces of community structure. But not the ovals. They have not ignored the ovals. They have just totally written the ovals off. The ovals are just gone. There are community assets that are integral to having a community that has pride in where it lives and in its surroundings—disfigured by the staffer Mr Bruford some years ago with the infamous Bruford blue painting.

What happened in 2007 and in the lead-up to the 2007 budget? The Stanhope government finally rediscovered the community—the poor, abused creature from which the 2006 and earlier budgets extracted more and more revenue and from which increased revenue will continue to be extracted through the use of the wage price index and so on.

Let us turn to some specific areas of the latest budget. Let us talk about business and economic development. On budget breakfast morning, we had the most amazing statement from the Chief Minister. Mr Speaker, it was a shame that you were not there to hear it. What did Jon Stanhope tell the people of Australia? What did he say? Speaking on the need for Canberra to maintain a budget surplus, Mr Stanhope said, “We are susceptible as a small jurisdiction in that we do not have our destiny entirely in our own hands.” Well, why not? He went on to say, “Decisions that the federal government might make, particularly if there were a change of government”—that is, to a Labor government under Kevin Rudd—“could have significant impacts on employment levels or construction activity and our budget would suffer immediately.” That is why we need a buffer. Why do we need a buffer in our budget? To protect us from Kevin Rudd and federal Labor. Jon Stanhope is afraid that a federal Labor government elected some time this year will be detrimental to the people of Canberra. There are two things to concentrate on here.

Mr Hargreaves: On a point of order, Mr Speaker: could the beloved former leader of the rabble—sorry, the opposition—take it back, withdraw it instantly? Could the former Leader of the Opposition please tell us where in our budget papers it talks about the federal opposition?

MR SPEAKER: There is no point of order.

MR SMYTH: I am quoting your glorious leader at breakfast. If you had managed to get up for breakfast—

MR SPEAKER: There is no point of order.

MR SMYTH: Mr Speaker, if Mr Hargreaves had managed to get up for breakfast and come and support his leader—his absence was noted, along with that of just about all the other members except for Ms Porter and the Deputy Chief Minister. There was nobody else from the Labor Party holding the hand of the Chief Minister on this little budget. Why? Because they are afraid of Kevin Rudd as well. And the interesting thing is that federal Labor are saying that they need to cut between \$1 billion and \$3 billion out of the budget and that it will come out of Canberra.

That is why Jon Stanhope is afraid of a Kevin Rudd Labor government being elected later this year. And he should be afraid, because it shows his neglect. So many commentators over so many years have now said, “You make hay while the sun shines.” They have kept the analogies really simple for the Chief Minister. You fix the roof when it is dry, not when it is raining. You build infrastructure; you build industry. You do not do it when you cannot afford it. That is the problem. Business and economic development have been neglected by this Chief Minister.

We have seen the economic white paper—the statement of the bleeding obvious—just thrown out of the window: “Ted is leaving; he is jumping ship. We will get rid of Ted.” So there is that gone. The message the Chief Minister sent to the business community this year was: “We are not interested. We do not care—unless, of course, you want to pay \$1,400 to come and sit at my table. That is the only way you are going to get to talk to me, because I am not going to the chamber of commerce here.

But even if you do come to dinner, I am not going to take questions from the floor.” You probably have to pay \$500 extra for another question. There is the Chief Minister’s view of the business community—no questions from the floor, but we can sit and have a nice entree.

What a hypocrite the Chief Minister is. He will not engage with the business community in the forum developed by the chamber of commerce. That might be too threatening. We do not take questions; we do not go to a business forum. We will go to the chamber of commerce breakfast where we talk over everybody, because we are rude and insensitive. Perhaps we will not even come to that next year. I can see that. It will all just disappear. Community consultation—it will all just go. The snub from the Chief Minister to the business community has been heard long and loud by the community. We have to remember that they do have a purpose. Not only has he—

Mr Mulcahy: Welcome back.

MR SMYTH: He is back. The Chief Minister has come in. I will look forward to his response. Not only has he snubbed the business community, but he continues to tax them as if this sector were a bottomless cash cow for the public purse. Of course, we have Mr Quinlan’s immortal words on record: “Squeeze them till they bleed but not quite till they die.”

That is what the government thinks about the business community. You can see it in this year’s budget, and it continues. There is the city heart tax and conveyancing tax on commercial properties. Payroll tax remains unchanged. Numerous stamp duties and other taxes continue to be nuisances to business. All of those distract from business getting on with its role of boosting economic activity, employment, growth, exports and investments.

There were some more dollars for NICTA, the organisation that first saw life under the former Liberal government, but the government was required by the agreement to put that in anyway. Business and industry were acknowledged in the breach by the Stanhope government—but, as we have seen, only because he is afraid of Kevin Rudd and he might need them. He just might need them.

Let us turn to tourism. What about tourism? First you have this accounting where suddenly it seems that tourism got \$24 million. After the \$4½ million cuts of last year, at first blush that is pretty good. But when you ask the minister to explain where the money is coming from, he cannot. The \$5.125 million that is there—

Mr Mulcahy: He had to take it on notice.

MR SMYTH: He had to take it on notice. The day after his budget, he had to take on notice where that \$5 million came from. He said it sort of comes out of urban services. How urban services money is tourism money will need an interesting explanation. We see no real commitment to tourism and certainly—

Members interjecting—

Mr Mulcahy: On a point of order, Mr Speaker: I am struggling to hear Mr Smyth. Maybe we can just get a bit of order?

MR SPEAKER: Keep the conversations down. Mr Smyth has the floor.

MR SMYTH: Certainly we do not see the restoration of the \$4½ million that was cut from tourism last year. The budget papers are not clear about the Stanhope government's commitment to tourism. That, I guess, is understandable, because they do not understand that they get a return. Access Economics did the report for you, Chief Minister; Minister Barr, go and check the report. For every dollar you spent in 2003-04 you got \$5 back. It is not a bad investment. I suspect that you would not get five to one at the casino.

Then we go to other issues. We are still waiting for the detail on housing affordability. It is a vexed issue, and it is facing all governments. Not only is it a vexed issue but it is an issue on which there are widely divergent views. But I will bow to Mr Seselja's view on this. We have only to look at the history of the impact of gouging on young homebuyers in the ACT—gouging their futures to pay for the inadequacies of the Stanhope Labor government.

What about employment and training? Mr Stanhope stood up last year and said, "This is the number one issue for the business community—skills." What was the answer? A commission. What has the commission done? It got another half a million dollars; that is what it got. It got more money to do more research. But we are not seeing a significant investment in skills. I heard the head of CIT on the TV last night saying, "It's great. CIT's budget has gone up. It is going from about \$60 million to about \$65 million." Yes, it is—in 2010. This year they lose more teachers. They lost money last year. The fees were increased. This was all before the skills commission had reported. Again it is the Stanhope mentality and technique: "Let us put the cart before the horse. I do not have any idea; I do not have answers. I will just say the first thing that pops into my head. Even though somebody might come along and criticise it later, even though I get it wrong, I feel the urge to do this."

What about sport and recreation? We all agree that the greatest peril to the future of this country is the peril in which some of our youth find themselves—through drugs, which Mr Seselja addressed, or through childhood obesity and the early onset of type 2 diabetes. One of the integral things in reducing obesity and keeping the young fit and healthy is sport and recreation. Yet after 1 July there is no doubt that the majority of our ovals will simply be cut off from their water supply. Again, no ideas, no strategy, and no attempt to come up with solutions.

It is not often that I would praise the Bracks government, but the Bracks government have the same problem. Yes, there are water restrictions in Victoria. What did they do? They said, "We want to keep our ovals alive for as long as we can." They set up community grants to cart water. If you can cart water in suburban Melbourne and country Victoria, surely you can cart water in the ACT. But no. Mr Barr ruled that out: "No, there will be no carting of water because it is too expensive." It might be expensive, but again the government has not considered the long-term cost at the end of the process. (*Time expired.*)

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) (5.58), in reply: Mr Speaker, I would like very much to thank everybody for their contribution to the debate and look forward to the debate in the detail stage.

Question resolved in the affirmative.

Bill agreed to in principle.

Estimates 2007-2008—Select Committee Reference

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) (5.58): Pursuant to standing order 174, I move:

That the Appropriation Bill 2007-2008 be referred to the Select Committee on Estimates 2007-2008.

Question resolved in the affirmative.

At 6.00 pm, in accordance with standing order 34, the motion for the adjournment of the Assembly was put and negatived.

Sitting suspended from 6.00 to 7.30 pm.

Water Resources Bill 2007

Debate resumed from 3 May 2007, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (7.30): Mr Speaker, the opposition will be supporting the Water Resources Bill, which implements a number of key measures. The first is the consolidation of 32 subcatchments into 13 catchment management areas. On that, I congratulate the people involved. Whilst initially we had some concerns that the records, which go back 50 to 60 years, in terms of water flows, et cetera, might be lost, the actual division has been done very well. Unlike the partition of Africa in the 19th and early 20th centuries, which the colonial powers divided using artificial boundaries, disregarding all the tribal areas, resulting in a lot of the trouble we see today, this division has been done logically. All the subcatchment areas have been included within the management areas. In some instances you might have one and in other instances you might have two or three, but they have been totally included within the management areas, so all that data can then be used. It is quite logical when you look at a map of the rivers and creeks in terms of the management areas. I see that as a very sensible step and I pay compliment to whoever did it.

The bill does a number of other things. There might be a little bit of controversy in how this bill actually pans out, but that is often the case. It brings groundwater under the control of the territory. It also brings about the specification of possible future use quantities. It also makes the allocation of water on the basis of a determined proportion or share of a sustainable yield of a catchment management area instead of an allocation by volume. I think that is quite sensible. It is a bit problematic if you have a first in, best dressed situation. I think it is far better to have a more sensible policy such as this one.

I am pleased that the bill does provide for a transition period of 12 months so that existing arrangements can be moved to the new without undue inconvenience, save that a number of existing bore licence holders ultimately will be required to pay an abstraction charge they do not pay now. We do have about 95 or so bores in the ACT. Additional bores for people to use have been stopped. Whilst that is a bit of a shame for some people who might otherwise have them, it is probably not unreasonable given our dire water crisis.

The minister, in introducing this bill, claimed that we need “more specific controls on how trading is managed”. Whilst that is true, the new provisions are not particularly different from the old ones. There are more words, but the effect is essentially the same. Nevertheless, the preservation of trading rules through market forces, with the proper approvals and subject to certain conditions, continues to facilitate the potential for increased use of groundwater instead of potable water for aspects such as the irrigation of ovals.

I am pleased to see the ability in terms of trading for, for example, an orchard at Pialligo which might want to lay fallow for a year or two to sell its water rights to the property next door for that period. I think that is sensible. There is also the possibility under this legislation for people or groups in the suburbs who have access to a bore to sell that water to, say, a school oval or a sporting ground. That does increase the potential to maintain some of our crucial community assets and I think it is a sensible move.

We are pleased that the bill enables the ACT to meet its obligations under the national water initiative. Indeed, we understand that a number of measures that this bill contemplates put the ACT well ahead of the rest of the country, and that is quite good. There will be some people, especially people with bore licences, who will be concerned about that. There were some problems with some of the initial provisions in terms of government officials coming onto people’s property without due regard for their privacy and their rights.

There will be some complaints, no doubt, from people who feel that their unrestricted use of water in the past has been perhaps unduly trammelled upon by bureaucrats. That is something we will watch with care to ensure that there is a proper balance between the rights of the community and the rights of people who have had the ability to tap into a bore and whose ability now will be somewhat restricted, being restricted to what is proper use at any point in time. I am pleased to see that people will now be allocated a percentage of water for use and that, if for that catchment area the usage

goes down, their amount of water will go down commensurate with the percentage. I think, again, that is quite fair.

I note that the government has sought to address the concerns raised by the legal affairs committee about the bill's compliance or otherwise with the Human Rights Act 2004. The committee was particularly critical of the lack of detail provided in the explanatory statement in relation to a number of aspects. I would strongly encourage the government to ensure adequate explanations are provided in future so as perhaps to obviate the need for the committee to spend so much time examining these issues. That is not just with this bill; it has been so with a number of bills in recent times. I have been off the committee for nearly a year, but even then we would regularly complain about a lack of detail creeping into these explanatory statements. Whilst some are very good, others are very skimpy. This bill is no different from a number of other bills in the skimping of some of those proposals.

The bill does draw together and clarify a number of matters. Most of these measures are logical and efficient and in some instances somewhat innovative. I am pleased to see, for example, sporting groups having the ability to tap into their stormwater drains. I single out "royal" Gloucester, which is now called Capital golf course. I used to play there as a kid. Apparently they do so already. They have got dams and water goes into their dams. They will pay a charge for a licence but because the water is stormwater they will not have to pay abstraction charges. They will just have to monitor how much they take, which is sensible, and they can then use it on the golf course. I would hope that the Royal Canberra Golf Club, which has had some particular difficulties in terms of using water, will be able in a similar vein to tap into the two stormwater drains that go through it and utilise that facility just like the Capital golf course can. I would hope, too, that a number of sporting groups will be able, with assistance from the government, Actew and various other bodies, to tap into stormwater for use on their ovals.

As we approach probably the inevitable level 4 restrictions, I think it would be a great tragedy not to use every innovative means we can to ensure that we keep alive as much of our playing fields as possible. I think we need to look, too, at ways in which people such as car wash operators, who use, I think, four 10-thousandths of one per cent of our annual usage of water, will be able to continue to operate, as indeed other businesses that use water. We do need to ensure that these groups have the ability to tap into schemes such as the ones mentioned here and other schemes that can be developed to continue during this very scary part of our history in the ACT.

God willing, this drought will break. As I said in another debate, if it does not we will have deep problems. Until such time as it breaks—hopefully, it will; the forecasts seem to indicate that that probably will happen—we need to harness whatever resources we have at present. This bill does give us the opportunity to do so in some instances, but I would urge the government and its instrumentalities to adopt innovative means to ensure that some of the essential businesses and some of the essential community assets, such as sporting grounds, can continue to operate using non-potable water preferably but if need be, perhaps with some dispensations, potable water. There are considerable benefits here, I think, in relation to stormwater particularly and I am pleased to see some movements there already.

All in all, there are some significant positives in this respect. There will be some concerns. I am always concerned about the devil being in the detail and how departments will actually administer these schemes. I would urge them to do so sensibly, with sensitivity, fairly and with some innovation, because we do face a very critical stage. It is a shame that more steps were not taken earlier. I think it is shame that we did not continue with significant water restrictions when we had those good rains in 2005. I think our dams would have been much higher now. That being said, there are still a number of things we can do. There are a number of good points in this bill. I close by saying that I am particularly impressed by the water management areas that will enable all the current data to be utilised. Many of the old subcatchments rarely flowed, they were pretty dry most of the time, and the management areas seem to be pretty logical. The opposition will be supporting this bill and will be supporting the amendments to be moved by the government as a result of concern shown.

DR FOSKEY (Molonglo) (7.40): First of all, I thank the government for arranging a briefing for us in a very short time when we and Mr Stefaniak expressed concern that the debate was going to happen at a time when we felt quite uninformed and unable to comment on the bill. I know that in my case the briefing reassured me and my staff on all the concerns that we had and I am now of the opinion that we are actually introducing here a good bill that is the result of some good work. I especially like the map that replaces the very pretty map.

The Greens think that water conservation is important, but equally important is wise use and a full understanding of the resource availability. We can tell we are approaching desperate times when it comes to water availability because it has finally become a mainstream issue. Unfortunately, many of the proposals we are hearing focus on increasing supply by any means available, including desalination and water recycling plants. The Leader of the Opposition has proposed cloud seeding but, unlike Tasmania where apparently it has been successful, currently we lack the necessary water-laden clouds.

That is just one of the quick-fix approaches suggested to me, but I am glad to say that I do not think that this bill is one of those quick fixes. I support the bill, as it will ensure that groundwater is not overallocated in times to come and extraction levels are based on percentages of sustainable yield. The Greens, along with many hydrologists and hydrogeologists, believe that water is a resource more finite than had been previously thought. Groundwater can provide a crucial water resource if the drought continues, but it needs to be effectively managed and have equal footing with surface water in the general debate. There seems to be a perception in the general community that groundwater can be extracted infinitely without repercussion. Obviously the government has now realised that this is a furphy, and hence the revision of the previous scheme and this bill.

Last year the government put out a public discussion paper on the allocation of water resources in the ACT, a paper in which I was very interested. Unfortunately, the government chose not to make the submissions on that paper publicly available. Thus, despite my interest in the topic, the first outcome of last year's review of the existing legislation which I was able to see was this bill. It is disappointing that members on this side of the chamber have been forced to accept that, with majority government, so

many important decisions that impact on our community are made behind the closed doors of cabinet and presented to us as a fait accompli. I understand that the government needs to have this bill in place by the end of August, as the moratorium on new licences is about to expire, but I would have appreciated more time to consider these issues, as well as having access to the submissions or at least a summary paper of them. I think the government needs to factor briefing the opposition into its time lines for all new legislation.

I support the more equitable approach to improving water access entitlements based on sustainable yield and on a priority of need basis, rather than the first come, first served basis which had its use-by date long ago. I am pleased to see that rural property access where there is no mains access is being given first priority, and public and commercial uses are being given second priority access. In public and commercial places, even when groundwater is being used, it is most important that gardens are designed for low water use. What I am most uncertain about supporting is the fact that some urban residents do have groundwater licences already and will be able to continue to hold them for historical reasons only. Of utmost importance in this case will be the department's water allocation based on the efficient use protocol, which is calculated sensibly on block size. I still believe that normal water restrictions applied for reticulated water should apply in this case, irrespective of the water source.

I do support the fees and charges arrangements whereby the annual administration fee is set at a low cost, making it cheap for people to have access to the groundwater or stormwater but the abstraction charge is based on use. This will help keep use in check. I was pleased to hear that the department had taken it upon itself to advise rural landholders on more sustainable dam building and I hope that they will take into account the fact that, to prevent evaporation, aquifers are a more efficient storage place than dams.

I am also concerned about licences being issued to pump stormwater from our lakes and ponds. Again, appropriate application and monitoring of the efficient use protocol will ensure that this precious resource is not wasted. But the other important part of this story is ensuring that there are no detrimental effects on the lake and pond ecosystems.

Groundwater is certainly a more complex issue than it first appears. Groundwater and surface water are interconnected and are interchangeable resources in many regions of Australia. This bill takes some of those complexities into account and indicates that there is some understanding that aquatic ecosystems can rely on groundwater, especially during droughts. One of the consequences of the failure to recognise the link between ground and surface water in the Murray-Darling Basin is that some proportion of the water available for consumption was accounted for twice, allocated as surface water and then again as groundwater. This has not been an issue in the ACT, as we do not have the same irrigation pressures as the rest of the basin.

This bill shows signs of an understanding of the concept of conjunctive water management and the consequences for surface flows and environmental assets. Other consequences can be: falling water tables; reduction of groundwater flow to sustain wetlands, springs and rivers; irrevocably salinised or polluted groundwater; and land subsidence. Groundwater relies on rainfall to be recharged, so it should not be seen as

an abundant alternative to river water, although in many cases groundwater can boost river flows.

What I am not so sure about is how much is understood about the groundwater in the ACT. How does pumping out groundwater in one place affect the closest surface water? How long does it take until these effects are noticeable? I understand that it can take one to five years for some of the impacts of groundwater extraction to be observable. Without access to the technical data, it is hard to assess whether there has ever been sufficient research into determining the stream-aquifer connectivity of the various groundwater aquifers in the ACT. For any real data to be calculated, records of water levels, flow and quality parameters need to be taken on a regular basis.

One issue of interest I have come across pertaining to groundwater in inner south Canberra, at the base of Red Hill, is that the hydrogeology lends itself to seepage because the potentiometric surface at one location is consistently three metres above ground level. The roads thus require constant maintenance and frequent rebuilding. The only effective remedial measure has been the regular pumping of groundwater from bores in the underlying aquifer. Here, I have been told by a hydrogeologist who used to advise the NCDC, it is justifiable to use a certain percentage of groundwater as it can, in a normal year, be replenished. Thus, it seems that planning decisions of the past ensure that we need to have a minimum for groundwater extraction in some areas as well as a maximum.

I am glad to see the provision in this bill allowing for drawback of licences in case further needs are found to be of higher priority down the track. I believe that government needs to retain the right to reduce entitlements to ensure sustainable water levels and in case extraction is found to be impacting more on surface water levels than was previously thought.

Of grave concern to me, especially given the rising challenges of water management in the ACT and surrounds, is the general lack of hydrology expertise. Twenty years ago the New South Wales Department of Natural Resources had at least 50 groundwater experts, but this has fallen to fewer than 20. Of course, in the ACT we have far fewer groundwater experts, with only two or three giving advice to our environment department. These continuing water shortages make for a time in Australia's history when there should be an increase in hydrology expertise, not a decrease.

In conclusion, I would like to see a system in place whereby groundwater and surface water allocations are considered jointly as one resource and we move even more into focusing on end use, rather than being tied down by our past. I think that the key to this legislation is ensuring that water-sensitive urban design is implemented in public parks and places as well as this advice being offered profusely to home gardeners and commercial users, as well as the efficient use protocol being applied and monitored.

MR MULCAHY (Molonglo) (7.51): Mr Stefaniak has dealt with the broad issues involved in this bill and has indicated that the opposition will be supporting it. There is just one area that I want to make reference to. It was touched on by Dr Foskey. When I was looking at this bill, the changes in relation to groundwater took me back to earlier discussions we had had on this subject. The minister, in his covering

remarks, referred to the amendments to the Water Resources Act in 2005 to institute a moratorium on granting further water allocations.

I recall the discussions we had in estimates a couple of years back about the particular issue of groundwater bores. Mr Smyth, in a question relating to page 42 of budget paper 4 of two years back, cited the fact that \$160,000 was coming in from ground bores. That opened up a discussion with Mr Liston related to groundwater bores. Mr Liston, I understand, is regarded as something of a specialist in this area. I do not know if he is still there, but I am assuming he is. One of the points that emerged from the Chief Minister's remarks is that he said:

... we don't know as much as we should know about our ground water resources within the ACT.

The Chief Minister went on to say:

What we are seeking to do is to advance our knowledge of the ground water resource.

He referred to a recent decision of the Supreme Court in relation to the issues around licences and ownership of groundwater in the ACT and the changeover of responsibility or ownership that applied. He did signal, as he has at other times:

I have a concern that with a limited supply of ground water we do, as a community, need to look at how we should ensure the greatest possible use or benefit from ground water.

Mr Liston went on to comment in more detail. He said:

The budget item we're talking about—the \$160,000—is to ground truth what we know about ground water in four catchments and will involve drilling six bores in each of those catchments, three pairs of bores in each of those catchments. Desktop studies have indicated to us the recharge—the water that's entering the aquifer—and the flow through that aquifer. We want to confirm those two figures with ground truth bores. To do that, we need to drill bores and then do pumping tests on those bores.

He went on to talk about that issue. At the time, I said to the Chief Minister:

... you've said the resources are quite limited in terms of ground water but, from what Mr Liston is saying, it sounds like we really don't know at this stage what those limitations are that you were speaking of in terms of the life of the supply.

Things continued in that vein. The point of my raising that tonight is that, whilst I understand the arguments for managing our resources sensibly, particularly the ground water, either I have missed it or it has been produced and has not been circulated and I would be most interested in knowing whether we are any further advanced in actually quantifying what is available in terms of this particular resource in the ACT.

We had a lively debate in this place in August 2005 when that moratorium was brought in and there was mention of the cases that preceded that legislation. Whilst

members on this side of the house advocated the right of lessees, it was quite clear at that stage that there was no clear quantification of the waters that might be available. So whilst we have indicated we are supporting the bill, I think it would be very useful to know where we are up to in terms of that particular research and whether an outcome was ever determined. As Dr Foskey said, it leaves a significant gap in our knowledge while that information is not forthcoming.

MRS DUNNE (Ginninderra) (7.55): Mr Speaker, the Water Resources Bill is probably, especially in the current climate, one of the most important things that we could debate in this house. Dr Foskey and Mr Mulcahy have touched upon some of the problems. Some good work has been done in this bill, and Mr Stefaniak has touched on that. The improved mapping and classification of the catchments were probably well worth doing and people should be congratulated on that. It does seem to make a great deal of sense.

But there are a number of matters about this bill that I am concerned about, and I think that there has been little or no public discussion. It is a bare month since this piece of legislation was introduced and there has been little or no public discussion upon it. Something that we see a lot when we talk about water resources in the ACT is that people say, "We will not think about it until we have got ourselves into a mess," and then we will do possibly a whole lot of rash things and end up having to spend a large amount of money on it.

We see this with the Stanhope government, which, from 2004, has spent an inordinate sum of money on trying to do anything it possibly could to avoid building a dam, specifically to avoid building the Tennent dam. It was put to me fairly early in 2004 that the problem with the policy that the Liberal Party took to the last election was not that there was a flaw in the policy—it is a fine policy—but that we had proposed it and, because we had proposed it, it would be impossible for the Labor Party to take it up because, irrespective of the value and the sense of the policy, they could never be seen to be playing catch-up with the Liberal Party over something as important as water resources.

So we have seen over the past three years the Stanhope government bend over backwards and come up with any possible scheme it could as a stopgap measure to avoid the inevitable, and that inevitable is that one day we will have to build the Tennent dam. Yes, we are in a drought at the moment and, yes, the inflows into that catchment are down, but even the most pessimistic climate scientist does not expect that to continue for ever. One of the things that we do know about climate change is that we may get less rainfall—we will almost certainly get less rainfall if climate change occurs in the way that the models currently indicate—but we will get very large rain events. If you get very large rain events, that is when you have to collect the rainwater and the only possible way of doing that is by having adequate storage and having that storage so that you can store it up for the dry times.

We have to take advantage of every possible resource. The work that has been done by Actew to look at a range of other measures, and the pumping of water from one catchment to another which the previous water resources bill allowed for is somewhat ingenious, but I think we are now in the situation where we have pumped so much water out of the Bendora dam into the Googong dam that we have problems with the

storage there. It is at an unprecedentedly low capacity, and part of that has been contributed to by the mechanisms that the Stanhope government and Actew have gone in for of moving water from one catchment to another.

One of the things that we do not seem to take into account here is that there is an inextricable link between surface water and groundwater. It is not a perfect link, but we do not seem to be talking about it as one system, and we never have, in this place. It has been a fault with the water resources legislation up until now that there has been very little or no attention paid to groundwater provision.

Whilst I had reservations about the bore moratorium, and there are still issues for the community in that moratorium process, it was a start in that we were starting to get our head around the quantum of the resource, where it flows, how it flows, where it is stored, how long it takes to recharge, et cetera. For instance, if somebody who takes water out of a bore irrigates their property properly, not so that there is too much evaporation and things like that, we do not know how much of that actually recharges back into the aquifer. We do not know that. If you are a proper and judicious user of water, a proportion of the water that you put on your oval, your market garden or whatever, if it is done properly, will actually recharge back into the system, but we do not know how much and we still have not got the research.

I am concerned that we have got some changes in this legislation that are not borne out by research or, if they have been borne out by the research, the research has not been made public. There are some elements of this bill that are good. There are some elements of this bill that are still open to a great deal of debate and scrutiny. I think that this is something that we should be moving cautiously on and taking a great deal of care on and that the government should be coming back to us to report on progress and, if necessary, to amend this legislation because at this stage I am not convinced that this is legislation that does create security for our groundwater resources.

MR SMYTH (Brindabella) (8.02): Water is without doubt a large issue in the minds of all Australians. Back in the early 1990s, Pluto Press, quite an interesting small publishing firm, published a book called *Top Guns and Toxic Whales*. Even back in the early 1990s, it was theorising that, very likely, in the near future water would become a significant issue—indeed, that modern wars may well be fought over water allocations.

The Ethiopians, I understand, have plans to dam the upper reaches of the Nile, which would somewhat upset people lower down the flow of the Nile, particularly in Egypt. India, Nepal, Bangladesh and some other smaller countries in that area have recently come up with a huge hydro-electric scheme that will affect the Brahmaputra and the other rivers that flow into the Bay of Bengal. Unless we see cooperation, we will see conflict over water. That is the same in Australia. Australia is, in the main, looked to by the rest of the world as a country that does quite a deal of work, and good work, on water.

I have said in this place before that on a visit to South Africa I met Kader Asmal, who was the South African minister for dams. They specifically have a minister for dams to ensure that the country has an adequate water supply. He was quite delighted to

meet somebody from Australia who was involved in the Murray-Darling Basin Commission, let alone somebody who was a minister sitting on the council.

It was with things like that in mind that, when we were in office, we had a strong water agenda. In late 1998, I was quite delighted to put in place the ACT's first water legislation. Until then it was absolutely unfettered. We did not know what stock we had. We did not know where the water came from. We did no monitoring. Things were done through ad hoc arrangements. Thankfully, we had the Water Resources Bill 1998, which in the main was passed with the full support of the Assembly, though there were some attempts at amendments. That was a good thing. The previous Liberal government got a full seat on the Murray-Darling Basin Commission. In 2000, I think, we put in place a levy for a potential dam. In terms of rehabilitating rivers, there was a strong program for putting in groynes to create a better environment for native fish. We restocked with native fish. We started monitoring. We started studies. We put in place the Stromlo mini hydro.

That sort of commitment should have been kept going but, unfortunately for the ACT, this government basically ignored water—as it ignored greenhouse gas issues, as it ignored climate change—for the majority of its term until only the last couple of years. Credit where credit is due: pipes and pumping systems have been put in place to adequately use the facilities that we have got. Credit has to be given there. But legislation will not guard against lack of attention or just poor judgment. We have to make sure that we constantly monitor that most precious resource that is water, particularly as we do not know how long this drought will go.

I can remember when I was the minister back in 1998 and the long-term forecast being that drought would last for something like 20 years. The forecast now is that it may break, but we are yet to see that. It is not uncommon for this country to have 20 to 50-year droughts. Work that has been done studying coral reefs off Queensland indicate that when Captain Cook arrived in 1770 Australia was at the end of something like a 30-year drought. It is something that we should be aware of. It is something that we know about. It is something that we have to work at to make sure that we minimise the impact on the way we live by understanding our water better.

It is good that, nine years after the first bill was put in place, it is modernised. I welcome the majority of what the Chief Minister has put in place. My colleagues have raised some concerns, but I suspect that the major change in position for the Labor party is—to quote from the Chief Minister's speech—that they now actively encourage the development of a market for all users who will be required to purchase trading rights. The whole issue of water trading was quite a stir back in 1998—in particular for Mr Corbell, who basically said that over his dead body would we have water trading of the ACT's most precious resource.

It is interesting to see how a couple of years in government and a small drought change your opinion. It is interesting to read some of the things that Mr Corbell said. On 26 November 1998, on page 3090 of *Hansard*, he said:

However, the other side of this Bill has bigger questions to be dealt with, and it is there that the Labor Opposition has some difficulty. I draw the Assembly's attention to the issue of water allocations. Obviously we will deal with this in

some detail during the detail stage of this debate, but I think it is important to put our concerns on the record immediately.

The provisions in the Bill that allow for a water allocations regime are provisions which we have enormous difficulty with because, at the end of the day, the allocations process is as much about putting in place a tradeable regime as required under agreements of the Council of Australian Governments as it is about protecting the environmental qualities of watercourses and other water resources.

It is interesting to go to the last page of the Chief Minister's tabling speech. It says:

In summary, the new approach to water allocations and the associated measures provided for by this bill will lead to ... the implementation of commitments made through the National Water Initiative ...

There we have it. We have a complete reversal of Labor's position. They did not want a water trading system, but now they do. We welcome that; that is a good thing. It is good to see progress.

I went back and compared the existing bill with the new bill. In the main they are pretty much the same on the issue of allocations. There is slightly more detail in some of the sections that the Chief Minister presents, but the basic structure is the same. In 1998 Mr Corbell said:

The Government has suggested that water allocations, in combination with a licence system and the use of environmental flow guidelines, will provide the greatest possible level of environmental protection. I would argue that this position fails to recognise that the water allocations proposal is closely tied to provisions to allow for the trading and sale of such allocations and that this is probably the most significant potential change to the management and demand for the Territory's water resources.

When I look through the Chief Minister's bill, there is environmental flows, there is licensing and there is water allocation.

Nine years down the track, it has not changed a great deal. I understand the updating of language and the greater knowledge that we have. I acknowledge that the Chief Minister, in his work, has come up with different catchment systems. I think anything that simplifies what we have and what we know and makes it easier to understand the legislation is a worthwhile thing to do. It is a reasonable approach where the catchments are larger and more easily identifiable. That is a good thing as well.

It is interesting to have this back-flip. It is a shame that it has taken so long. It is a good thing that the opposition in this case will stand up and support rather than oppose. We understand how important this is; we do understand that the future—of not just the local environment but the local community, the local industry and those who come to visit: indeed, the future of the bush capital—depends on how it is seen. Water plays an enormous part in that.

Unfortunately, today we have the announcement that, following a meeting of facilities management with the sport and recreation department, something like 80 per cent of

our ovals will now be laid to waste by the decisions taken by this government. Eighty per cent! We see how integral water is to the community. Let us face it; most of us have let our gardens go. The grass is not looking real green these days unless you have had a good drop of rain recently, which most of us have not. We have had some rain, but it has not done a great deal of good. There is not a lot of green grass in streets and suburbs. Community ovals will become more and more important.

We did some things when we were last in office that I have not spoken about; I kept them until this point. There were schemes like Southwell Park water mining, which Mr Stefaniak had a big part in, and things like the extension of recycling water to Russell and the ADFA-RMC complex. We knew then that we faced problems. We knew then that we had to look for alternative sources. We knew then that we had to stop using potable water for watering lawns and gardens—and in particular for the ovals. We had some solutions in place. The sad shame of it is that for the past six years nothing has been done in regard to ovals. Unfortunately, the sporting community was told today that 80 per cent of the ACT's ovals will now be allowed to just die. That represents about 200 out of 260-odd hectares of playing fields that we have.

What the government has not done is look at the example of, for instance, the Bracks government. They have put up two separate initiatives—one for metropolitan and one for rural Victoria. There are grants available—I believe the number is up to \$30,000 per community group—to cart water. Mr Barr has said in a number of forums—and he has said it to the sporting community—that there is no money to cart water: we will not be carting water; we will not be providing trucks to cart water.

It is incredibly short-sighted. We have the Chief Minister and the Deputy Chief Minister, the Minister for Health, saying how important it is that we stop people from coming into the hospital system. If something breaks the cycle of young people participating in sport, it often stops them coming back. That is a great shame. There will be disruption caused to organised sport. You can look at a number of areas. There is organised sport as a business, organised sport as a passion of many groups and organised sport as the thing that really keeps a lot of our young people on the straight and narrow—keeps them healthy, keeps them out of crime and adds to their fitness, which adds to their personal wellbeing and their ability to study. It is well recognised that kids that are fitter perform better—socially, in an educational sense and in a sporting capacity. I really question the short-sightedness of laying to waste 80 per cent of our playing fields.

If we go to level 5, there will be no exemptions. It will be interesting to see what will happen then with Bruce and with the Manuka Oval. The Vikings facility in Tuggeranong is regarded as one of the top five rugby pitches in the country. Ainslie Aussie rules oval is a similar sort of pitch and is a beautiful oval. I understand that it would not take much money to get Ainslie onto the recycled water grid, but we are not even considering it. That is incredibly short-sighted.

Let me show people the true value of some of these decisions where we cut water off and we do not make adequate water available because we have not made provision in storage or guarded the resources as closely as we could have. Mr Stefaniak said earlier that the decision to ease water restrictions when it looked as though the drought might

have broken has now proven to be incredibly short-sighted. Canberrans were quite accepting of level 2 restrictions. We adapted very quickly. Canberrans are very good at that sort of thing. They have proven it with recycling and collecting their waste paper in separate bins and in many other initiatives to help the environment.

Now we are about to pay a very grim dividend. It is quite clear that there is the early onset of obesity, particularly in childhood. There are some enormously long-term consequences in an extraordinary growth in the number of cancers that people acquire. Type 2 diabetes is another problem. And getting the kids back out of their bedrooms, with their electronic gizmos, is much harder once they have broken that cycle. Chief Minister, if you have the surplus that you claim you have, I urge you to reconsider the decision to stop watering the ovals. It is incredibly short-sighted.

It will also cost you long-term. To revive these ovals is something like \$10,000 a hectare at a minimum. Given the premium that we place on people with certain skills—and this will involve horticulturalists, plumbers, greenkeepers and all sorts of folk who will get involved in this process—it may go as high as \$15,000 or \$20,000 a hectare, simply because labour will be at a peak when, two, three or four years from now, we attempt to bring these ovals back. If you are talking about 200 hectares at \$20,000 a hectare, that is not an insignificant amount of money. At the same time, it will have damaged those industries—our sporting groups, and they are an industry.

Without having your own oval operating where you have a canteen and where you collect revenue to pay for new equipment and minimise the fees for juniors to play sport, we are going to damage those clubs. That may also put an impost back on the government. Chief Minister, if you do have the surplus that you say you have, and you do appreciate the value of sport, the ovals and the community, I would urge you to do this. Eighty per cent of the facility managers were told today that their ovals are at risk, and that is a dreadful thing.

I know that we have all got our fingers crossed that the drought will break. The Leader of the Opposition has called this the “cross your fingers budget”. But quite clearly, for a small amount of money to truck water, please follow the initiative that the Bracks government has put in place for both metropolitan and rural Victoria, and allow our sporting groups to survive. You said it was free; you said that there is plenty of water at the bottom end of the lower Molonglo. Let us get some of that water back where it belongs. A problem with that is, I understand, that it is so steep that when the trucks get to the bottom of the hill they cannot take on a full load of water. I understand that there is discussion about running a pipe to the top of the incline. That would be useful as well. But if some money were to become available, that would be a useful thing.

All that said, water legislation must be updated. The opposition accept that. We will be supporting this bill. But, Chief Minister, we look for some proactivity from you on the issue of ovals.

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) (8.17), in reply: Mr Speaker, I rise to close the debate. As members have acknowledged during their

contributions to the debate, this bill supersedes the current Water Resources Act 1998. It implements a new approach for water allocation, brings our legislative framework into line with our national commitments in regard to water resources and introduces a range of improvements in the administration of those resources.

I foreshadowed the need for a new approach to water allocation when I presented an amendment to the Water Resources Act in 2005 to commence a moratorium on granting further water allocations. I pointed out then that the current act requires the applications to be processed on a first come, first served basis with minimal consideration of the proposed use of the water. If all the water available for abstraction has been accessed, then new applicants are likely to be refused. This holds true even if the new application is for a beneficial community purpose such as irrigation of public areas or publicly accessible school ovals. A more equitable system is needed that would consider what the water is to be used for.

The moratorium currently in place expires at the end of August 2007, and it is intended to have the new approach in place by that date. When developing this new approach, the views of the community were sought. Understandably, there was a considerable diversity of views, ranging principally between those who already had access to water resources and wished to protect them and others who were seeking a water entitlement or were more conscious of protecting public assets.

Nevertheless, there were some points of consensus. People generally agreed that different water uses should be accorded different priorities and that the use of water for public projects was a high priority. There was also a common view that the use of surface water or groundwater for residential irrigation should be accorded a low priority, as these users have alternatives to the use of mains water. While the bill covers the taking of all surface water and groundwater under the control of the territory, the taking of water for urban water supply will not be materially affected. The bill makes it clear that water from the water supply catchments can be used only for the urban water supply.

For all other water, this bill implements a water allocation scheme based on three priorities for water use. The highest priority is assigned to water for stock and domestic use on properties where there is no access to the urban water supply. This priority reflects a longstanding situation: there are rural properties whose basic existence as a rural property is dependent on access to water to support stock and domestic needs.

The second-level priority is accorded to commercial and public uses consistent with the territory plan. These uses could be a nursery business, an orchard, a golf course or, in the public realm, irrigation of school grounds or parkland.

The lowest priority is accorded to urban residential use. What this final priority means is that those people who are currently licensed to use water for urban residential irrigation will be able to continue to do so, but only to the extent of efficient use. No new or expanded use water for urban residential use will be licensed. In particular, this will mean that no further groundwater use on urban residential properties will be permitted.

Groundwater in the ACT is a small but valuable resource. This government considers that its use should be directed to where it can make the greatest contribution to meeting think water, act water targets for reducing our mains water use. Urban residential properties have practicable alternatives to reduce their demand on mains water through such measures as water efficiency, rainwater use, and grey water reuse, but such measures would often be insufficient for public and commercial uses where a greater quantity of water is required. Reserving groundwater use in the urban area for public and commercial purposes will, in the longer term, lead to a greater reduction in the demand on mains water, the more widespread adoption of water-sensitive urban design measures in the existing urban area and greater public benefits.

In addition to the new approach to water allocation, the bill makes changes to ensure that our water resources legislation is consistent with our commitments under the intergovernmental agreement on the national water initiative. Two significant changes have been needed. The first is to explicitly allocate water as a share of the sustainable yield of the catchment rather than specifying a particular volume. This is a very important change, as it facilitates sustainable and transparent management of our water resources in the face of climate change.

As an example, we currently allocate the sustainable yield of a catchment—say, 100 megalitres all up—in absolute volumes. Person A gets 20 megalitres, person B gets 15 megalitres and so on. Should the climate change, the sustainable yield of the catchment may be reduced and we could find that we had over-allocated in this particular catchment. Conversely, if each person gets a percentage share of the yield, not a volume, the catchment is not over-allocated if the climate changes and the yield reduces.

Secondly, we need more specific controls on how trading is managed. With appropriate controls, trading is a useful tool to enable water use to move to higher-benefit uses. In the future, it is anticipated that an active market will provide the mechanism whereby new users can acquire a water access entitlement and other users dispose of a water entitlement they no longer need. In order to encourage the development of the market, all new users will be required to purchase trading rights. Existing users will also be required to purchase trading rights if they wish to amend or transfer their water access entitlement. However, how water can be traded will be clearly specified to avoid unintended consequences.

There are also necessary changes to the current act arising from two recent challenges to decisions made under the act which proceeded to the Court of Appeal. The court identified shortcomings in the act in the way decisions on allocations and licences were linked to the sustainable yield of the subcatchment. These have been remedied. Perhaps the most notable implication arising from the Court of Appeal decisions is the ability for the Legislative Assembly to vest all groundwater of the territory, except that controlled by the commonwealth, in the territory, and thus manage it in the same manner as surface water. Accordingly, the bill provides for all groundwater to now be covered by the same allocation arrangements as for surface water. The revised arrangements that can now be implemented will improve the management of water resources and remove a complicating and inequitable anomaly.

The bill contains a number of provisions for the proactive and improved administration and management of the territory's water resources. As a result, the original intention for an integrated approach to water management should be able to be achieved. Provisions include explicit legislative links between the total water resource, environmental flow provisions and volumes available, to encourage water-sensitive urban design and environmental protection. There are also more practical compliance powers to facilitate water resource management, particularly during dry periods such as the present. New powers will enable water resource officers to inspect the premises of licensees with bores in the same way Actew officers inspect water meters.

This evening, the shadow Treasurer made some mention of issues in relation to work that has been undertaken over the last couple of years—some desktop studies and some ground proving that has been undertaken. As has been pointed out, although it is a relatively small management area within the Murray-Darling Basin, water resources within and relating to the territory in relation to the ACT are currently managed in 32 subcatchments. These subcatchments were originally designed as a basis for assessing the water resources of the territory, and they remain appropriate for that purpose.

Through this bill, the size of the basic management unit will be increased by amalgamating subcatchments into larger areas called water management areas, of which there will be 14. This will enable more effective management of both groundwater and surface water and enable any environmental impacts that may relate to taking water to be addressed both locally and on a larger scale. Mr Mulcahy expressed some interest in how that work was proceeding. I can give him just a thumbnail sketch this evening, but at a convenient time in the future I would be more than pleased for Mr Mulcahy or other members of the Assembly to be briefed on progress with that work.

To date, desktop studies have been completed for all subcatchments. There have been five field validation studies, and another eight field validation studies are currently under way. The department has done significant studies on groundwater and surface water interactions that form the basis of Murray-Darling Basin Commission statements and a number of other statements. There are also ongoing groundwater studies relating to the impact on surface water ecology.

It is worth noting that the commonwealth, through the National Water Commission, as part of the national water initiative, is currently funding Environment ACT to consolidate all of the data which it has accrued as a result of the desktop studies and the validation exercises that are currently under way, in recognition of the fact that the work that has been undertaken by Environment ACT is the most advanced work in Australia in relation to groundwater research and knowledge. That is a very significant acknowledgement by the commonwealth of the work which ACT Environment, within the Department of Territory and Municipal Services, have undertaken in relation to this particular issue. They are to be congratulated on that recognition and on the work that they have undertaken.

The work on the study is ongoing. It is anticipated that it will not be finalised for another two years. The scientific results which will result from this extended exercise will not be finally published until then. It is a very interesting project. Much work has been done, recognised explicitly by the commonwealth through funding of Environment ACT. The commonwealth has acknowledged the quality and the nature of the work as leading Australia in relation to studies of groundwater.

Mr Stefaniak: Are you thinking of any interim results?

MR STANHOPE: Mr Mulcahy, it would be appropriate for you to arrange for a briefing on the work and on what initial indications are in relation to findings that are, at this stage, developing as a result of that.

Mr Stefaniak: I would like one too, Jon.

MR STANHOPE: Yes. The offer is certainly open to you, Mr Stefaniak. It is just that I was responding to a—

Mr Stefaniak: No. I think you said any members.

MR STANHOPE: Certainly, Mr Stefaniak, and particularly you as the relevant spokesperson. But Mr Mulcahy actually did raise it in his remarks.

I thank members for their contribution to the debate. It is important legislation. To conclude, I will just respond to suggestions offered by Mr Smyth in his remarks. It is misrepresenting the position put by Mr Barr in relation to the ACT government's attitude to the maintenance of ovals, sporting fields and arenas within the ACT to suggest that the ACT government or Mr Barr has suggested that the ACT government will not be supporting or working with sport within the ACT to the greatest extent and capacity it can to maintain ovals and maintain sport. That was a direct verbal of Mr Barr, and it is not a position that Mr Barr has put.

Mr Barr has certainly acknowledged that, under level 4 restrictions, we will not have the capacity to use potable water for the purpose of irrigating a sports oval, but at no stage has the government made any decision, announcement or pronouncement that there will be no funding or support available to seek to maintain sporting ovals throughout Canberra.

Indeed, as members know, all agencies have been working hard with every sector of the ACT community that might potentially be affected by level 4 water restrictions. I have appointed an interdepartmental committee, chaired by Mr Mike Zissler, the Chief Executive of the Department of Territory and Municipal Services, explicitly to draw together agency work and consultation to develop an all-of-government position and to make recommendations directly to me—that are supported by Actew—on the steps and the measures that the ACT government may take.

It is to pre-empt the outcome of that consultation. We are in deep consultation with all sectors of business that would be affected by level 4 water restrictions, all sporting organisations that would be affected or impacted by water restrictions and other areas

of the community that would be similarly affected. That consultation is ongoing; it is not concluded. When it is concluded, we will develop a response in relation to all sectors of the community that are potentially impacted. As a government, we will respond as we are able to the advice and on the basis of the fruits of the detailed consultations which were undertaken.

To suggest that Mr Barr or the government has made the sorts of statements that Mr Smyth attributes to Mr Barr this evening is unfortunate. They are simply not true. The government has not made any decisions yet. But we stand ready to respond to the consultation and the views of the community—in that particular instance, the sports community—around how we, as a government, might assist.

We will go to whatever lengths are conceivable, possible or reasonable to continue to support sport, particularly. To the extent that we can access, utilise, assist in or facilitate the maintenance of ovals through the use of water from the lower Molonglo—or, indeed, from, particularly, the Fyshwick treatment plant—we will do that. The Fyshwick plant is producing a significant quantity of recycled water, much of which is piped to ovals throughout north Canberra through a network which we have extended significantly in just the last couple of years to ensure that a whole range of ovals that were not previously watered now are. The waters that are secure are those that receive water from those two plants. We are mindful of the capacity to maintain a range of ovals throughout Canberra through the utilisation of water from lower Molonglo and Fyshwick, and we will do what we can to assist.

Once again, I thank members for their support, their comments and their contributions to the debate.

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) (8.33): I seek leave to move amendments Nos 1 to 3 circulated in my name together.

Leave granted.

MR STANHOPE: I move amendments Nos 1 to 3 circulated in my name together [*see schedule 1 at page 1655*]. I table a supplementary explanatory statement to the amendments.

There are three government amendments to the bill. In addition to these three amendments, there is additional information provided in relation to the use of strict liability and privilege against self-incrimination. The amendments are in response to the scrutiny of bills committee. They go to issues which, I must say, with the greatest

of respect to that committee and my colleagues, are something of a fetish. But, having said that, we are pleased to respond, as always, to the wisdom of the committee and make some amendments accordingly.

Amendments agreed to.

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

Bill, as amended, agreed to.

Land Tax (Interest and Penalty) Amendment Bill 2007

Debate resumed from 5 June 2007, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

MR MULCAHY (Molonglo) (8.35): The opposition will be supporting this bill. The bill addresses a technical problem with the act which previously allowed a person liable to pay land tax to potentially avoid penalties and interest until the liability came to the attention of the revenue office. Under the act it was not considered a tax default to fail to pay land tax when it was due.

Without the passing of this bill, somebody with an investment property that was being rented on which land tax would be therefore be payable could avoid paying land tax until the revenue office identified that the property was being rented and sent a them liability notice. A person would then still not have committed a tax default until 30 days had passed from the time the revenue office had issued the liability notice.

In contrast, if a person fails to pay their rates notice within the time allotted, it is considered a tax default and penalties can apply. Staff from the revenue office assured me in briefings that they do not seek to substantially penalise people who have genuinely misunderstood their obligations but that they would seek to penalise intentional tax avoidance.

The opposition supports an efficient tax system and has no interest in standing in the way of measures designed to prevent tax evasion. Clearly, this amendment is designed to ensure that the will of the Assembly in agreeing to the original legislation is given full effect. I will reiterate what I have said previously, and that is that we do need to review the land tax system. It needs to be determined if there is, firstly, scope to reduce the rate, which is comparatively high to other jurisdictions and, secondly, assess whether such a move would, in fact, help to address the housing affordability issue.

I have not, as the Chief Minister has tried to portray in various speeches and press releases, advocated scrapping land tax in the ACT. It is important, however, that the system be reviewed to determine whether the ACT is disadvantaging itself in the market and whether any changes to the rate of land tax may stimulate growth in the sector.

We have had this debate before, and most likely we will have it again. Regardless, the opposition supports this bill. I thank the Treasurer's office for the briefing that was provided. I appreciate, as always, the professional manner in which the Commissioner for ACT Revenue conducted that briefing and dealt with any of the issues that we raised in those discussions.

DR FOSKEY (Molonglo) (8.38): The Greens will also be supporting the bill. As did Mr Mulcahy, we thank the officers for their briefing. My staff felt fully satisfied at the end of that briefing that this was one of those bills that just made sense in every way.

It is good that action was very quick. It is, of course, a pity that the ACT government is not prepared to see that land tax could be a tool. We still hope, perhaps, for slightly different outcomes from Mr Mulcahy's, but we do see the potential for land tax to be a tool for increasing affordability of some private rental housing.

Again, it is a sensible bill. We will be happy to see it passed and to move on to the next piece of legislation.

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) (8.39), in reply: This bill is not contentious. It restores the original intention of the Land Tax Act and protects revenue assessed as interest and penalty tax that would otherwise have been put into question.

An owner of a residential property is obliged to notify the Commissioner for ACT Revenue within 30 days if the property is rented. A failure to notify is subject to penalty tax under the Rates and Land Tax Act. As a result of that act being split with the Rates Act and the Land Tax Act, and both of these acts coming under the auspices of the Taxation Administration Act, this trigger for penalty tax inadvertently fell away.

Currently, interest and penalty tax can only be levied when the taxpayer fails to pay their land tax assessment by the due date, with interest applying from the day after the due date. An owner's failure to notify the commissioner of the rental status may not be detected by compliance activity for years, delaying the collection of tax and penalty and reducing the amount of interest payable significantly.

The matter came to light as an incidental matter associated with an AAT hearing. Up until that point, assessments had been made applying interest and penalty tax where an owner failed to notify the commissioner as if it were a tax default. The practice of levying interest and penalty tax in those circumstances ceased once the inconsistency was detected pending amendment of the Land Tax Act to reinforce the initial policy intent.

The amendments mean that the failure to notify the commissioner within the required time will constitute a tax default, subject to penalty tax, and that interest can apply from 30 days after the land tax liability arises. The amendments will restore certainty of the rigid deterrent to taxpayers who might otherwise disregard their obligation to

declare a rental property. The administration of interest and penalty tax under the Taxation Administration Act will remain unaffected by these amendments.

I thank members for their contribution and support. I commend the bill to the Assembly.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

Revenue Legislation Amendment Bill 2007

Debate resumed from 29 May 2007, on motion by **Mr Stanhope**:

That this bill be agreed to in principle.

MR MULCAHY (Molonglo) (8.41): The opposition will be supporting this bill, which we believe corrects several ambiguities and errors in the revenue legislation more accurately to reflect the intent of this legislation.

In relation to the amendment to the Land Tax Act 2004, when a person purchases land in the territory, usually as part of a conveyance of a home, the ACT Revenue Office issues a certificate of rates, land tax and other charges which sets out any outstanding charges against the land. These are charges that were incurred by the seller when they owned the land and are usually paid out during the conveyance, with an adjustment to the settlement between the buyer and seller to properly reflect the charges.

In some cases the revenue office later discovers a further liability that the seller should have incurred on the land before it was sold. In this case, it is clear that it is inequitable for this charge to be levied against the new owner, who has relied on the certificate issued by the revenue office. In any case, the former owner who incurred the debt is usually liable to reimburse the new owner for any such charge under the contract of sale.

The bill amends the Land Tax Act 2004 to ensure that the revenue office does not hold the purchaser of land liable for land tax debts on the land that were not drawn to their attention in the certificate issued by the revenue office. Instead, the revenue office will recover this debt from the person who was the owner of the land at the time the debt was incurred. The opposition believes that this is the correct way to proceed.

In relation to the amendment to the Duties Act 1999, this bill removes the liability of the housing commissioner for a grant of crown land. Previously the commissioner was required to pay the concessional rate of duty. The amendment removes an administrative burden from both the commissioner and the revenue office.

The bill also amends the original legislation to make clear that interstate motor vehicle dealers are able to claim the same duty exemptions as ACT motor vehicle dealers for registration of motor vehicles that are used as demonstrators or trading stock. This is a sensible provision and is in line with the Liberals' philosophy of not creating barriers to commerce between states and territories.

In terms of the financial effects, the revenue likely to be lost from these changes is, at the most, minimal. The concessional duty formerly paid by the housing commissioner was small and was, in reality, just a payment from one government agency to another with a neutral effect overall. The amount of duty gained from interstate motor vehicle dealers in the territory would likewise also be small. Indeed, the small loss in revenue that may occur from these changes may well be outweighed by efficiency gains from these more sensible and simple arrangements.

We on this side of the Assembly are, of course, heartened and encouraged to see that Treasury officials are looking for ways to improve ACT revenue legislation. It is heartening to see that there are some small improvements being made, and these issues continue to remind us that there is always scope for greater efficiency in government. We can hope that some of the wisdom that is applied to small and technical questions of revenue legislation will come to be applied to major issues.

Again, I thank the Treasurer for making officials available to provide me and my advisers with detailed briefings. We are pleased to support this bill.

DR FOSKEY (Molonglo) (8.45): Apart from the ideological commentary, I am totally in agreement with Mr Mulcahy on this bill. Just on principle, I cannot agree with Liberal philosophy. I am happy that Mr Mulcahy gave such a full explication. It was a very useful summary of the bill. Again, I thank the officials for their help in assisting my office to understand the bill.

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) (8.45), in reply: The Revenue Legislation Amend Bill 2007 amends the Duties Act 1999, the Land Tax Act 2004, the Payroll Tax Act 1987 and the Rates Act 2004. The amendments contained in this bill clarify current practice and do not apply any new revenue measures. As a result, there are no financial implications arising from any of these new provisions.

There is currently an absurdity in the Duties Act 1999 whereby the housing commissioner is exempt from paying duty on the transfer of a crown lease but liable to concessional duty of \$20 on the grant of a crown lease. The bill amends the Duties Act to allow the housing commissioner to access an exemption from duty on the grant of a crown lease consistent with the treatment of a transfer of a crown lease to the housing commissioner. The Commissioner for ACT Revenue, as is his prerogative, has for some time administered the act as though this exemption was in place. This means that there is very little, if any, revenue forgone by fixing this situation in the act.

The bill also clarifies that the definition of licensed motor vehicle dealers, as it pertains to a duty exemption, includes interstate dealers that are licensed under a “corresponding law” of another jurisdiction. This exemption applies to demonstrators and trading stock that are registered in the ACT and is consistent with the treatment of ACT motor vehicles in New South Wales under the Duties Act 1997.

The Land Tax Act requires the owner of a residential property in the ACT to notify the Commissioner for ACT Revenue when they rent that parcel of land to a tenant. However, in some cases, an owner may fail to notify the commissioner and later sell the property. When this occurs, there is the risk of the property transferring to the new owner clear of any charge on the land, because the ACT Revenue Office is, at that time, unaware of any land tax liability. The bill amends the Land Tax Act to make it clear that, in those circumstances, the commissioner can collect the unpaid land tax from the person that owned the land for the period it was liable.

Liability for ACT payroll tax is determined under section 2D of the Payroll Tax Act. The bill seeks to simplify and clarify section 2D to make it easier for employers to ascertain whether they have a liability for ACT payroll tax. It clarifies that a payroll tax liability is incurred for a month or a part of a month. This has always been the case. However, it was not made explicit in the legislation, relying instead on it being inferred from the requirement to lodge a monthly return. It also clarifies that wages paid in the ACT in relation to services performed in another country are part of the ACT payroll tax base.

These measures simply spell out how the current law operates in relation to payroll tax liability and there is no impact on revenue. The benefit of these changes will be seen in less confusion across the taxpayer base and will manifest as reductions in compliance costs and risk of penalties that will come through a better understanding of their liability.

The final amendment corrects an error contained in a formula in the Rates Act. This formula is used to calculate rates for certain properties that are being developed partly for residential and partly for commercial purposes. The ACT Revenue Office currently applies an interpretation of the legislation that acts in the taxpayer’s favour and this amendment reflects that practice.

I commend the Revenue Legislation Amendment Bill to the Assembly. 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.

Papers

Mr Corbell presented the following papers:

Subordinate legislation (including explanatory statements unless otherwise stated)

Legislation Act, pursuant to section 64—

Adoption Act—Adoption Review Committee Appointment 2007 (No 1)—
Disallowable Instrument DI2007-111 (LR, 28 May 2007).

Legal Profession Act—Legal Profession Amendment Regulation 2007 (No 2)—
Subordinate Law SL2007-10 (LR, 17 May 2007).

Powers of Attorney Act—Powers of Attorney Regulation 2007 (No 2)—
Subordinate Law SL2007-11 (LR, 24 May 2007).

Supplementary answer to question on notice Ambulance service

MR CORBELL: May I very quickly answer a question I took on notice from Dr Foskey during question time earlier this week? On 31 May Dr Foskey asked me whether or not ambulances carried oxygen and resuscitation equipment small enough for a baby and whether or not ambulances carried the medication Syntocinon, which is used to manage postpartum haemorrhage.

The answer to the first part of Dr Foskey's question is yes. All intensive care ambulances within the territory are equipped with specific airway monitoring and oxygen equipment suitable for the resuscitation of newborn babies.

To the second part of Dr Foskey's question, the answer is no. Syntocinon, which is a drug utilised to manage postpartum haemorrhage, is not carried in territory intensive care ambulances. This is consistent with practice nationally since Syntocinon is not used as routine medication by any other Australian ambulance service.

Adjournment

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

That the Assembly do now adjourn.

Schools—bullying Tharwa bridge

MR PRATT (Brindabella) (8.50): Mr Speaker, is it too late to raise a matter with you under standing order 46?

MR SPEAKER: We have commenced the adjournment debate. It would be best for you to raise it in the adjournment debate.

MR PRATT: I stand to speak in the adjournment debate instead.

MR SPEAKER: You are free to mention the matter in this debate if you want to.

MR PRATT: Of course I can. I will firstly deal with the misrepresentation in Mr Barr's response in question time today when I asked a question. I will now stress that in my question I did not say that the issues around morality were specific to the

government sector in general. The point made was in relation to the issues that I was talking about, which have allegedly occurred in a number of schools. The second point is that I did not say the issues discussed were pertaining only to the government sector in terms of schooling. I did say that these are issues which are occurring “across a number of high schools”; so I did not intend to select, nor did I select, any particular sector. That is that, Mr Speaker.

Secondly, I want to talk about an email that I have received from Mr Val Jeffery in Tharwa. He talks about the pain in Tharwa as a consequence of the no river crossing issue. While the money in the budget, and it is now \$9.5 million, is of course welcome, I would stress, as I read the budget, that it is simply a re-announcement of money that was already allocated for that project.

I note that already the best advice is that the original deadlines for the project to be completed are slipping. I recall the minister in September of last year making promises that this project would be completed by the end of this year. All the advice now is that this is slipping well into 2008, thereby adding further pain to Tharwa residents. The concern about this is that Tharwa is strangulating as a consequence of the closed bridge.

Mr Corbell: I think the term is “being strangulated”.

MR PRATT: No; let me be as creative as I like. As long as I am truthful, minister, it does not particularly matter. And the truth of the matter is, minister, Tharwa is being strangled—

Mr Corbell: Yes, I think that is more accurate.

MR PRATT: as a consequence of your government’s neglect. There are a number of issues. Firstly, there is a failure—

Mr Corbell: Grammar helps.

MR PRATT: While you worry about crossing t’s and dotting i’s on grammar, minister, I will worry about the people that you are strangling in Tharwa.

Mr Corbell: No, I am not strangling anyone, Mr Pratt.

MR PRATT: I am referring to your government collectively and you are a member of that government. You ought to be ashamed.

MR SPEAKER: This is an adjournment debate, not a conversation across the hall.

MR PRATT: I am rather disappointed that Mr Corbell would not be getting right up his colleague, the municipal services minister, and his Chief Minister to hasten this matter along. And you might think it is funny, Mr Corbell—

Mr Corbell: I do not think it is funny.

MR PRATT: Well, you are behaving as if this is a—

MR SPEAKER: Order, Mr Corbell! Mr Pratt, direct your comments through the chair.

MR PRATT: Mr Corbell is behaving as if this all a bloody great joke. I will tell you how funny this is, Mr Corbell. The Tharwa community are indicating that a number of businesses have closed in Tharwa because of the closing-down of this major access way across the Murrumbidgee. Mr Jeffery in his email talks about now the need for a suicide watch on farmers and businesspeople around the Tharwa community as a consequence of the pain that they are receiving.

They have lost their primary school. They are going to lose their smaller school. They have lost three or four businesses in the town centre proper. People are finding it much more difficult to drive in and out of Tharwa to their schools. People with asthmatic kids sometimes now face the extra 30 minute drive around a long and dangerous route at night time. Kids in that community have those sorts of issues to deal with because of your government's incompetence and your failure to be creative, to look for a low-level bridge as an urgent crossing pending the finishing of the main project.

Water—sports fields Tourism

MR SMYTH (Brindabella) (8.55): Mr Speaker, it is a shame that the Chief Minister has bolted from the field, as he usually does. He delivers his stunning blows and he contradicts things that people say and then he just wanders away. It is interesting that he was not at the meeting where it was announced there would be no water for ovals and that carting water was impossible. Let me read from the document handed out to the sporting groups there by the minister. One of the frequently asked questions is, "Will the government be tanking in water to sustain its sportsgrounds?" Answer: "At this stage the cost of tanking in the necessary water to all ACT sportsgrounds appears likely to be prohibitive and logistically impossible."

It is impossible, Chief Minister, according to your own document, but do not believe me and do not believe your document, Chief Minister. Let us go to the web. A Google search this evening provides the following information: "No water for Canberra sporting fields". I am stunned, Mr Speaker, given that the Chief Minister has said that we can do things. Here is an ABC online story:

More than 100 representatives from sporting clubs around Canberra have been told they need to state their case if they wish to continue irrigating grounds once Stage 4 water restrictions come into effect. ... Today it told a meeting of venue managers that up to 80% of sporting fields could have their water supply cut.

Mr Speaker, the Chief Minister can say what he wants but he should get his facts straight, as should Mr Barr. Yesterday he lauded in this place the mammoth increase in visitors to the ACT and yet again he got it wrong. I went to the ACT tourist statistics on the www.tourism.act.gov website. What does it reveal? It reveals that in the March quarter, unlike what Mr Corbell has said, there has been a reduction, on his own figures on his own website, in visitors. And in the year to March—

Mr Corbell: Point of order, Mr Speaker.

MR SPEAKER: Point of order?

MR Corbell: I said no such thing, Mr Speaker.

MR SPEAKER: That is not a point of order.

MR SMYTH: No, I said Mr Barr. I did not say Mr Corbell.

MR Corbell: No, you said Mr Corbell.

MR SMYTH: Mr Corbell, I do apologise. I was referring to Mr Barr. If Mr Barr looks at his figures in the year to the end of March 2006 we actually had 46,950 visitors. In the year to March 2007 we only had 45,500. Minus 1,450, in my mind, is a reduction and those are just the quarter figures. If you do the full year figures, in the year to March 2006 there were 159,000 visitors. In the year to March 2007, there were only 153,000 visitors according to the minister's website. The website cites Australian Capital Tourism and Tourism Research Australia.

There is a deficit of 6,000 visitors. I am not sure where the minister gets his numbers from. He has done this before. He gets a little briefing; he comes in here and he states figures without tabling documents. He puts numbers into the Assembly that he cannot back up. It is quite clear that when he started crying about the latest international visitors in Australia surveyed for the 12 months to March 2004 and 2007, he got that bit right but after that he forgot to mention a few things. What is the overall state of international visitors to the ACT? During the March quarter 2007 there were 45,500 international visitors to the ACT, a reduction of 1,450. For the 12 months there were 153,000, a reduction of 6,100 or nearly four per cent.

I think that when the minister stops cutting things, he needs to look at what he says and he has got to concentrate on delivering the data. He has got to stop coming into this place and just rattling off figures which people cannot respond to. We go away and check everything he says now because his reputation of Andrew Scissorhands—of just cutting things—is well and truly cemented in the population.

He often omits to mention, for instance, when he says that the tourist aggregates for Hong Kong, Singapore, Malaysia and Thailand provide an 8.4 per cent increase. On the face of it that sounds fantastic but what he did not tell us was what that growth was, what the numbers actually are. The raw numbers from that area are still quite small. Effectively there has been virtually no growth from these countries in almost two years.

The minister is being mischievous in his selective use of tourism data. I am ready to correct him every time he tries to distort the correct position. We will check both the TRA and the ACT tourism websites because the numbers are eventually published. It does take the minister some time, but the numbers are eventually published. We will be checking and keeping watch on him. The figures have gone down. They have not gone up. This is a consequence of his cuts. His reputation of Andrew Scissorhands is

well and truly cemented in the tourism community. The government needs to reverse the decision of last year's budget.

Narrabundah Long Stay Caravan Park

MRS BURKE (Molonglo) (9.01): I rise this evening on a very serious matter, one in which the Chief Minister really needs to give an explanation to the Canberra community. The matter relates to the Narrabundah Long Stay Caravan Park. The Chief Minister has actually said that the ACT government has welcomed confirmation from the National Capital Authority today that the Narrabundah Long Stay Caravan Park land swap was close to closure, with the NCA board meeting later this month to consider a variation to the national capital plan.

I think there have been some very serious allegations thrown in the way of the NCA, ones that they have now refuted as late as an hour ago on ABC radio. I think the Chief Minister has taken on board some email dialogue from the department. I do not know who has given the Chief Minister this advice but I can only say he has been poorly advised or, worse still, he is making mischief.

Both houses of parliament clearly need to sign off on any changes to the national capital plan. He knows that. He is well aware of that. If he isn't, how little does our Chief Minister know about the process and the Westminster system? No formal submissions have been received from ACTPLA as yet and I just wonder what the Chief Minister is up to in regard to the Narrabundah land swap.

As I said when I rose to speak, the Chief Minister owes the people of Canberra an apology. He must stop playing games with the lives of the residents at the Narrabundah Long Stay Caravan Park. I expect to see tomorrow a statement by the Chief Minister if he is still in the building and listening. He needs to put this right immediately. He needs to stop slurring the reputation of the National Capital Authority in this matter. How can they act when the Chief Minister has not been in contact with them since 22 December last year? His actions are unconscionable and I think he really needs to put the record straight.

Charter of financial integrity

MR MULCAHY (Molonglo) (9.03): I want to set the record straight and I seek leave to table a document which is on the ALP website.

Leave granted.

MR MULCAHY: I table the following document:

Financial integrity—*Labor: a charter of financial integrity!*—ACT Labor—Fact Sheet 10.

Mr Speaker, about 6 o'clock tonight the Chief Minister put out a statement that said, "Three little words go missing from Mulcahy quote." And in an extraordinarily creative piece of prose he has claimed that I deleted the words "in some form" from

the extract of the ALP's charter of financial integrity. Accordingly, I have tabled the extract from the Labor Party's charter of financial integrity.

It is headed "ACT Labor, Priorities—financial integrity, Fact sheet 10, Labor: charter of financial integrity!" This is the official record of the ALP website held in the National Library of Australia under the address pandora.nla.gov.au. The exact words in that document say, "What Labor will do" Then three paragraphs down it says, "Ensure that budgets and financial reports clearly show the operating performance of the Territory, net of the results of invested superannuation cash reserves."

Nowhere in that document, Mr Speaker, do the words "in some form" appear. This is the official record. We have checked from the original version that was printed in 2001. We have checked again the current records held by the National Library of Australia. I understand the pressure he is under trying to run this government almost as a one-man band, but I would sincerely hope that, as I do if I make an error, the Chief Minister will be quick to apologise for this mistake.

Schools—closures

MRS DUNNE (Ginninderra) (9.04): Mr Speaker, I would like to continue on some of the themes that I have raised last night in relation to the prep to year 2 schools that are proposed by the ACT government to open in 2009 at Isabella Plains, Lyons, Narrabundah and Southern Cross primary schools.

As I started to say last night, no-one outside the minister's office or the ACT department of education seems to think that the establishment of freestanding P-2 schools was a great idea. I spend a lot of time in schools and talking to parents. I would like to share some of the thoughts that have been given to me over the last little while by people, especially those in some of the affected schools.

As I said, no-one outside the minister's office seems to think it is a good idea. I have said in this place that it seems a rather outmoded, rather 1950s idea, to have an infant school separate from other schools. The people that I talk to, mainly people who are working parents, seem to view the whole thing as extraordinarily complicated for them. They might enrol one child at school for three years and then at the end of those three years, they would move on somewhere else. If they have a second or third child, they would have children at separate schools while they are at primary school.

Some people might make choices to send their children to separate schools because of their particular needs, but most people like to send their children to the one school so that they have companionship and there is always a big sister or a big brother to turn to. This would not be available to people if they sent their children to a P-2 school. For that reason, most of the people I have spoken to have said that they are not interested in a P-2 school.

One of the other reasons that people are not interested in the P-2 school is one of perception. Because there is a great deal of talking about early intervention—of having therapy programs onsite et cetera—there is a perception, which had not struck me and I suspect had not struck the minister, that these are in some sense "special" schools, and that the children who go there are children who are at risk of not

succeeding at school. For those people who think that they have children of average intelligence there is actually almost a stigma associated with this. This is something that the minister must take on board and must address.

The other thing is that some of the schools are physically unsuited to being P-2 schools. Lyons primary school, for instance, is a two-storey school. There is an infant school, or what was previously an infant school, designed to take small children, but that is now occupied by the ACT department of education and various other people. The school that is currently occupied by Lyons primary school is the old year 3 to 6 school. It is a two-storey school that is considered by many educationists to be unsuitable as an infant school.

The other thing that I touched on yesterday in relation to Lyons primary, and it is also a problem with Narrabundah, is the concern in those communities that by turning these schools into P-2 schools, the already established or establishing programs which have a good reputation in the case of the indigenous programs at Narrabundah and the Italian program at Lyons primary will wither on the vine because there will be no receptive organisation to take them on and to ensure that they flourish. The good work that has been done over a number of years at Narrabundah primary school for our indigenous children will be undermined and we will start to see declining standards for many of our indigenous children as a result of this. This is a grave fear in the community.

The other thing that I am particularly concerned about is that two years down the track before this is happening, these schools are starting to bleed large numbers of enrolments. Every one of these schools is losing enrolments on a fairly regular basis. There were people who did not return their children to those schools at the beginning of this year because they did not want to have them disrupted in a few years time. There are people who are now concerned that the schools around them are starting to become full and they may not be able to guarantee getting all of their family into the one school if they wait until 2009 to move their children.

Every one of those schools is already bleeding enrolments. Is this, I ask, what Mr Barr set out to do? He did not have the guts to close some of these schools because it would have been too awful to go over the 40 mark. But he really is going to close these schools through death by a thousand cuts. These are great schools. The ones that I know best are Southern Cross primary, Lyons primary and Narrabundah primary. They do fantastic work and this minister and this department are undermining that work.

Narrabundah Long Stay Caravan Park

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) (9.09): Mrs Burke, in comments just now, asked rhetorically from whom I was receiving advice in relation to the Narrabundah Long Stay Caravan Park.

Of course, I receive advice in relation to that issue from my department, and my department takes advice and is consulting with the NCA. I hesitate to take the time of

the Assembly at such a late hour, but today in a conversation between Mr George Tomlins of my department, who is the action officer in relation to Narrabundah caravan park, and Mr Phil Wales of the NCA, who is the manager directing governance, Mr Phil Wales agreed explicitly on a form of words that represented the NCA's position in relation to the Narrabundah caravan park.

The form of words that were agreed between Mr Wales, coming from Mr Wales to Mr George Tomlins, and subsequently confirmed by Mr Phil Wales as an accurate reflection of the statement he had just made to Mr George Tomlins, are these:

I am pleased to inform you that the NCA has agreed to consider to issue an amendment to the National Capital Plan to permit a mobile home park. This will enable the Territory Plan to be varied to contain an overlay on the new site identical to that on the existing caravan park site. The matter is being taken to the NCA Board on 20 June 2007. ACTPLA is writing to the NCA to trigger this latest action.

These words were cleared by Mr George Tomlins with Mr Phil Wales at the NCA today. They followed on a number of telephone conversations and exchanges of view between the NCA and the Chief Minister's Department over the course of yesterday and today in relation to this matter.

Today's *Canberra Times* reported the caravan park deal has hit an NCA barrier, and indicates that I have blamed the NCA for obstructing the deal. The NCA's Managing Director of Planning, a Mr Todd Rohl, is quoted in the *Canberra Times* today as indicating that the ACT government would have to approach the NCA for an amendment to the national capital plan for permanent accommodation, but Mr Rohl is quoted in today's *Canberra Times* as saying that no such approach has ever been made.

The Chief Executive of the NCA then contacted the department to actually confirm and put that as the NCA's position. However, despite Mr Rohl's claims and the claims that I believe were subsequently made by Ms Pegrum in the media this evening, such an approach has been made. In fact, ACTPLA on 28 November last year actually wrote to Mr Todd Rohl himself. In that letter of November last year a senior officer in the planning and land section of ACTPLA said to the NCA:

The ACT government has agreed to the proposed land swap with the current lessees of the Narrabundah Long Stay Caravan Park. The ACT Planning and Land Authority is intending to release this Draft Variation for public comment as soon as possible to enable the land swap to implemented.

The subject of the letter was "Draft Variation to the Territory Plan No 285 Part Block 13 Section 102 Symonston, land swap for Narrabundah Long Stay Caravan Park". On 28 November ACTPLA wrote to the NCA seeking their comments on a draft variation to the territory plan to facilitate the land swap. Meetings were subsequently held in which Mr Todd Rohl advised Mr George Tomlins that that was not the preferred or necessary approach to complete the land swap. Those are the facts of the matter.

As a result of comments that Ms Pegrum has apparently made this evening to the media, and it is most unfortunate this matter is, it seems, being debated now through the front page of the *Canberra Times*, not between officers as we would prefer—

Mrs Burke: Well, whose fault is that, Chief Minister? That is your fault.

MR STANHOPE: That is absolute garbage.

Mrs Burke: That is your fault.

MR SPEAKER: Order, Mrs Burke!

MR STANHOPE: Mrs Burke, that is absolute garbage. Have you listened to a thing I have just said? Have you listened to a single thing I have just said?

Mrs Burke: It is not. Read what you—

MR SPEAKER: Order, Mrs Burke!

Mrs Burke: Sorry, Mr Speaker.

MR STANHOPE: This is also the advice I take. The question Mrs Burke asked before was: from whom do I take my advice? I now take my advice from Mr David Dawes who is in fact Mr George Tomlin's senior officer. This is a statement from Mr David Dawes:

The advice that my department has received today from Mr Phil Wales of the NCA was that a variation to the National Capital Plan to insert a planning overlay on the land swap site to make planning conditions identical to those on the existing site would be taken to the NCA board on 20 June. A record of the conversation between my office and the NCA was read to Mr Wales and he confirmed it as a true and accurate record of the conversation ... I am at a loss to understand why Ms Pegrum has now contradicted the advice provided by her own staff.

MR SPEAKER: The member's time has expired.

Tabling of documents

MRS DUNNE (Ginninderra) (9.15): Mr Speaker, I move, pursuant to standing order 213:

That the documents quoted from by Mr Stanhope (Chief Minister) be presented to the Assembly.

Mr Stanhope: I table the documents, Mr Speaker, with pleasure.

MR SPEAKER: Mrs Dunne, I do not know whether you want to proceed with your motion now. If not, you need to seek leave to withdraw.

MRS DUNNE: Sorry, the Chief Minister has agreed to table them?

Mr Stanhope: I will table them, yes. I actually had intended to table them.

MR SPEAKER: You have moved the motion. Would you like now to withdraw it?

MRS DUNNE: In that case, if it is necessary I seek leave to withdraw my motion.

Leave granted.

MRS DUNNE: I withdraw the motion.

MR SPEAKER: Thank you.

Mr Stanhope: I table the following papers:

Narrabundah Caravan Park land swap—

Copy of email from the Media Adviser, Office of the Chief Minister, to Marika Dobbin, dated 7 June 2007.

Copy of brief from the Executive Director Strategic Priorities, Chief Minister's Department, to the Chief Minister and the Chief Executive, dated 7 June 2007.

Question resolved in the affirmative.

The Assembly adjourned at 9.15 pm until Tuesday, 21 August 2007, at 10.30 am.

Schedules of amendments

Schedule 1

Water Resources Bill 2007

Amendments moved by the Minister for the Environment, Water and Climate Change

1

Clause 60 (d)

Page 38, line 16—

omit clause 60 (d), substitute

- (d) the person has contravened, or is contravening, another territory law or a law of the Commonwealth, a State or another Territory (whether or not the person has been convicted or found guilty of an offence for the contravention) and the authority has reasonable grounds for believing that the contravention would adversely affect the person's suitability to hold the entitlement, allocation or licence.

2

Clause 77 (1)

Page 50, line 19—

omit clause 77 (1), substitute

- (1) This section applies if—
 - (a) the authority has reasonable grounds for believing that a person has engaged in conduct that contravened—
 - (i) a prohibition or restriction under a notice given to the person under section 71; or
 - (ii) a direction given to the person under this part; and
 - (b) the person was told, in writing, about the effect of this section when the notice or direction was given to them.

3

Proposed new clause 77 (2A)

Page 51, line 2—

insert

- (2A) This section does not authorise entry into a part of premises that is being used for residential purposes other than with the occupier's consent.
-

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Answers to questions

Woden library (Question No 1549)

Mr Seselja asked the Minister for Territory and Municipal Services, upon notice, on 1 May 2007:

- (1) What was the total holding of books in the Woden Library each year from 2001 to 2007;
- (2) How many titles in the youth fiction category were held in the Woden Library each year from 2001 to 2007.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) In responding to the Member's questions, it should be noted that:
 - a. The collection size in all branch libraries varies daily as materials are borrowed, returned and transferred.
 - b. Branch fiction and non-fiction collections also "float" between branches. For example, items which are borrowed at Woden and returned at Belconnen will be shelved at Belconnen instead of being returned to Woden.
 - c. The holdings of a particular branch library are therefore an estimated "snapshot" of a particular date in time, and do not include items which have since become "floating" or since been withdrawn from the collection.
 - d. Collection data for holdings prior to the introduction of a new Library Management System (LMS) in 2003 are not available, because that level of collection analysis was not completed or recorded. An exception is for the financial year 2000-2001 when a figure of 111,629 is available from a particular collection analysis document.

The total holdings for Woden Library are as follows:

2003	70,738
2004	79,804
2005	91,048
2006	104,269
2007	107,853 (as at 11 May 2007)

(2) The total holdings for youth fiction at Woden Library as at 11 May 2007 are:

2003	1,277
2004	1,601
2005	2,105
2006	2,645
2007	2,843

**Parking—prepaid tickets
(Question No 1553)**

Mr Seselja asked the Minister for Territory and Municipal Services, upon notice, on 1 May 2007:

- (1) How many pre paid parking tickets were purchased each year from 2000 to 2006;
- (2) What loss in revenue has been identified as a result of selling discounted pre paid parking vouchers for each year for 2000 to 2006.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) Figures are not available prior to June 2003 due to the introduction of a new computer system.

June to 31 December 2003 = 13,907

2004 = 28,740

2005 = 28,732

2006 = 26,869

- (2) None has been identified.

**Heritage places—budget cuts
(Question No 1558)**

Dr Foskey asked the Minister for the Arts, upon notice, on 1 May 2007:

- (1) In relation to the response to question on notice No 1509 regarding the impact of budget cuts on 'Other Matters' at Mugga Mugga Cottage, Lanyon and Calthorpes' House, which public programs have been affected;
- (2) What reductions have been made to these public programs;
- (3) Do these reductions include the full redundancy of any programs;
- (4) What reductions have been made in the marketing of these sites;
- (5) What consultative process was engaged to determine where cuts would be made;
- (6) Does the Government plan to introduce some other form of local history program to replace the programs cut from these heritage sites, given the vital role these play in educating Canberrans about their past.

Mr Stanhope: The answer to the member's question is as follows:

- (1) The following public programs have been affected in 2006-07: Film Nights (Lanyon); "Buckets and Tubs" (Calthorpes' House); and Autumn Jazz Party (Calthorpes' House). In certain cases a decision not to proceed with a program reflects not only financial considerations but also the impact on the historic sites of proceeding with the program. For example, in the case of the Autumn Jazz Party, the decision to cancel

this program in 2007 took into account concerns about the impact on the fabric and gardens of Calthorpes' House from the increasing numbers of people that have been attending this event in recent years.

- (2) The programs listed in (1) were cancelled in 2006-07. For 2007-08, it is anticipated that programs will be reduced overall by approximately 20%, in order to consolidate the number of programs offered and concentrate on providing fewer programs but with more participants in each.
 - (3) The content of the programs remains valid and they can be reactivated or presented in a different way in the future.
 - (4) A reduction of approximately \$20,000 per annum has been made in the marketing of these sites.
 - (5) Consultations were held with staff and unions regarding the proposed budget strategy. The Corporation's Historic Places Advisory Committee was also briefed on proposed changes relating to the three historic sites, and its views were taken into account.
 - (6) While the Government supports a range of local history initiatives, there are currently no plans to introduce a specific replacement program.
-

Graffiti (Question No 1560)

Mr Pratt asked the Minister for Territory and Municipal Services, upon notice, on 1 May 2007:

- (1) In relation to Graffiti Art projects, specifically provision of artwork on the bridge underpass area under Justinian Street, on the approach to the Woden Cemetery, what are the details of the process with which the site was determined as an approved legal graffiti site;
- (2) When was the site approved as a legal graffiti site;
- (3) Who approved the site as a legal graffiti site;
- (4) Why does the site not appear on the publicly available lists which are located on the Department of Territory and Municipal Services website, entitled "Community Art Murals" and "Legal Graffiti Art sites";
- (5) Does the site appear on any list made available to City Rangers and/or ACT Police; if not, why not; if so, why is this list not made available to the public.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) The process for approval of a legal graffiti mural site includes:
 - a) Assessment of the proposed site for suitability for painting as a diversionary site, in line with the 2004 Graffiti Strategy;
 - b) Consultation with the asset owner and private residents/businesses with direct line of sight to the proposed mural;

- c) Consideration of safety requirements and risks associated with the use of the site;
 - d) Notification to youth groups, Police, and Territory and Municipal Services (TAMS) and its asset maintenance contractors of approved sites; and
 - e) Recording of relevant information in TAMS asset and graffiti databases.
- (2) The approval process was finalised on 12 July 2006.
- (3) The (then) Program Manager, Asset Maintenance, Canberra Urban Parks and Places approved the site.
- (4) The new TAMS website is currently under construction and mural sites listed do not include the latest additions. Arrangements have been made to remove this link from the website until the website is completed. Generally, mural sites are easily recognizable as being a single piece of art, of higher artistic standard and with little graffiti (tagging) in the immediate vicinity. The Justinian Street mural featured a depiction of Disc Golf, was of a high standard and had no graffiti nearby.
- (5) The location of all legal graffiti practice sites and legal mural sites are sent to ACT Police, City Rangers, Youth groups and TAMS graffiti removal contractors at the time of approval. A list of mural sites is not made available publicly to avoid advertising these sites to graffiti vandals. Legal practice sites are intended for graffiti vandals as a graffiti diversionary measure and hence are advertised to the general public.

Graffiti (Question No 1562)

Mr Pratt asked the Minister for Territory and Municipal Services, upon notice, on 1 May 2007:

In relation to Graffiti Art projects, specifically provision of artwork on the bridge underpass area under Justinian Street, on the approach to the Woden Cemetery, was any Government funding granted to any organisation for the provision of artwork at that location; if so, (a) what are the details of any organisations that have applied for the provision of artwork in the same location since November 2004, (b) what process did the funding approval go through and were there any competing tenders for other art work, (c) who was it approved by, (d) what was the total amount approved and (e) how much of the total amount has been expended.

Mr Hargreaves: The answer to the member's question is as follows:

- (a) Disc Golf.
- (b) In accordance with the *Financial Management Act 1996*, the *Government Procurement Act 2001*, and Territory and Municipal Services' Chief Executive's financial instructions, a tendering process is not required for this scale of work.
- (c) The (then) Asset Maintenance Program Manager, Canberra Urban Parks and Places.
- (d) Materials, paints and labour costs totalling approximately \$1000 were provided to the artist, for the painting of this mural.

- (e) All materials were used during the painting of this mural.
-

**Works—expenditure
(Question No 1564)**

Mr Stefaniak asked the Speaker, upon notice, on 1 May 2007:

- (1) What has been the progress of capital works expenditure for the Assembly as at 31 March 2007;
- (2) What works have been undertaken during 2006-07 and at what expense;
- (3) When will the projects outlined in part (2) be completed;
- (4) Will there be any work on these projects next financial year;
- (5) Are these projects being completed according to budget or have there been significant (a) overspends or (b) underspends on the projects;
- (6) What have been the reasons for any significant (a) overspends or (b) underspends on these projects.

Mr Speaker: The answer to the member's question is as follows:

- (1) The Assembly received \$200,000 capital upgrade funding in 2006-07 to undertake works and other improvements on the Assembly Building. As at 31 March, \$126,000 of this funding had been spent. As detailed in the answer to part (2) of your question, remaining capital upgrade funding from previous years has also been fully expended in works associated with the completion of the redesign to the public entrance and to the upgrade of security systems and arrangements.

The remaining 2006-07 funding will meet the cost of a new fire indicator panel to replace the current panel that is no longer supported in the case of failure; and the cost of an extensive hydraulic survey to identify problems with stormwater drainage.

- (2) The majority of works undertaken in 2006-07 relate to the redesign of the public entrance and the upgrade of security systems and arrangements. Initial funding for these works (totalling \$600,000) was provided in the 2004-05 budget, however the public entrance redesign project was subject to a series of delays – initially to allow redesign work to occur so as to reduce the cost to within available budget and, once the design was revised and the tender process completed, there were extensive delays in the project itself due to problems with manufacture and supply of key materials. The entrance redesign project was eventually completed in February 2007 and the upgrade of security systems and arrangements (the timing of which was linked to the entrance redesign project) is nearing completion.

It is difficult to distinguish expenses for the two projects because they were funded and managed simultaneously and the public entrance redesign had a number of elements that were security related. The initial funding for both projects was inadequate and had to be supplemented by other capital works funding provided in 2004-05 and part of the 2005-06 capital upgrade funding.

The combined capital works expense of both projects was \$749,118, not including \$181,338 which relates to a project to replace the lift at the public entrance, and that is scheduled for completion later this year.

The decision to replace the lift was taken after the Assembly received no industry response to a tender for a cheaper option that only involved replacing certain parts of the original lift. Originally, funds (approximately \$60,000) were set aside for this element of works as part of the public entry upgrade project (discussed above) but, following the lack of industry response, further funding from the Secretariat's 2006-07 capital upgrade budget was committed to the project to enable a replacement lift to be installed. While the physical works will not happen until later this year, contracts have been entered into and works have been scheduled to replace the lift in early 2007-08. These funds are now held by ACT Procurement Solutions who will release payments as required under the contract milestones that have been agreed by the Territory with the contractor(s).

- (3) The redesign of the front entrance project was completed in February 2007 and completion of the security system upgrade is expected by the end of June 2007. The new lift for the public entrance is expected to be installed during the second half of 2007.

Installation of the new fire indicator panel and completion of the hydraulic survey is expected by the end of June 2007.

- (4) As mentioned in (3) above, the new lift is expected to be installed during the second half of 2007. There may be some residual work associated with the security upgrade that might carry over in to early 2007-08. There is also some scope for delays with the hydraulic survey due to the need for that work to be undertaken in conjunction with related works being undertaken in and around London Circuit by ACTEW AGL.
- (5) and (6) As mentioned in (2) above, initial funding of \$600,000 was provided in 2004-05 for the combined projects of redesigning the public entrance (including an upgrade of the lift) and upgrading security systems and arrangements. The level of funding provided was less than the (then) estimated cost of the works so, in respect of the entrance redesign, further design work was commissioned to attempt to reduce the cost to within funding levels. In respect of the tenders for an upgrade of security systems, a second tender process had to be conducted because the calibre of the tenders in the initial process was assessed as poor in light of the quality and inconsistency of the tender proposals. Prior to the second tender process, the specifications were refined so as to maximise the consistency and comparability of tender proposals. Even following the second process, the price exceeded the original budgeted estimate and this was attributed to market conditions. Accordingly, additional capital upgrade funding from 2004-05 and 2005-06 was applied to the projects.

Also, due to the absence of any tenders for the originally specified works to replace parts of the original lift, a decision was taken to commit additional funds (\$126,000) from the 2006-07 capital upgrade program to enable a new lift car to be manufactured and installed.

**Dragway
(Question No 1565)**

Mr Stefaniak asked the Minister for Tourism, Sport and Recreation, upon notice, on 1 May 2007:

- (1) What has happened to the money set aside for the dragway in the Budget;
- (2) Will the money be kept in reserve or will it be reallocated to other capital works projects;
- (3) What approaches have been made to the Commonwealth Government about a site for the dragway;
- (4) What has been the response from the Commonwealth;
- (5) What environmental studies would have to be done before the proposed site could be used again as a dragway.

Mr Barr: The answer to the member's question is as follows:

- (1) The Treasurer has approved the money be retained in the Budget, whilst a possible new site for the proposed dragway is being investigated.
- (2) The funding will remain allocated to the proposed dragway until all options are exhausted.
- (3) I have written to the Federal Ministers for Defence, Finance and Administration, and Local Government, Territories and Roads to seek their assistance in re-instating the dragway facility on Block 520, Majura or other suitable National land near Canberra airport.
- (4) I have received responses from the Minister for Local Government, Territories and Roads and the Minister for Finance and Administration. These responses are reasonably positive and indicate that the Commonwealth is willing to investigate possible site options on National land. The Minister for Defence is yet to respond.
- (5) An environmental noise impact assessment would be required, with the level of modelling dependent on the scale of the facility proposed. If the level of activity proposed was the same as was previously undertaken at the site, then very little assessment would be required as monitoring data is recorded. If a similar facility to Block 51 is planned then the majority of the modelling already undertaken would feed into that assessment. As Block 520, Majura was used for the same purpose in the past there are not expected to be any significant environmental issues. The planning approval and environmental licensing processes would ensure that all environmental issues are adequately addressed.

**Autism spectrum disorders
(Question No 1566)**

Mrs Burke asked the Minister for Disability and Community Services, upon notice, on 2 May 2007:

- (1) How many people were diagnosed with autism spectrum disorders in the ACT for each of the last five years and what is the breakdown by age group diagnoses in the age ranges of (a) 0-4, (b) 5-9, (c) 10-14, (d) 15-19 and (e) 20+;
- (2) Is it a fact that in reporting Australia's Health 2006 the Australian Institute of Health and Welfare (AIHW) stated that (a) of those health conditions recorded in the Australian Bureau of Statistics Survey of Disability, Ageing and Carers, the 15 most likely to be associated with profound or severe core activity limitations are shown in Figure 2.11 and (b) of people aged under 65 years with autism in 2003, 82% reported such limitations, as did 79% of those with paralysis, 67% of those with speech-related conditions and 64% of those with cerebral palsy www.aihw.gov.au/publications/index.cfm/title/10321. Is it also a fact that in its Bulletin 42, the AIHW reported that 87.3% of children with autism and related disorders have a severe or profound disability ("core activity limitations") <http://www.aihw.gov.au/publications/aus/bulletin42/bulletin42.pdf>;
- (3) In the ACT does any other disability type have a higher rate of severe and profound disability in children.

Ms Gallagher: The answer to the member's question is as follows:

- (1) Paediatricians, psychologists (private practice), interstate services (eg ASPECT, NSW Autism Association) and Therapy ACT conduct assessments for ACT clients. Therapy ACT conducted approximately 330 assessments in the last five years. Of the assessments:
 - Children of 0-4 years comprised 30%; 5-9 years comprised 50%; 10-14 years comprised 20%;
 - 6 assessments have taken place of young people 15 years and older; and
 - 50% of assessments have resulted in a diagnosis.
- (2) Yes
- (3) Autism spectrum disorders, like other disabilities, vary in their severity and the degree to which individuals are able to function varies as a result. Therapy ACT treats individuals according to their individual needs and ability to function in the community.

Autism spectrum disorders (Question No 1567)

Mrs Burke asked the Minister for Disability and Community Services, upon notice, on 2 May 2007:

- (1) Is it a fact that (a) the federal Department of Health and Ageing issued a brochure entitled "Early intervention for children with autism spectrum disorders: Guidelines for best practice" that says on page 4 that children need intensive autism-specific early intervention at least 20 hours per week over an extended period of at least two years and (b) that a paper on autism in an Australian medical journal stated that it is now widely accepted that between 15 and 25 hours of specific intervention is adequate and services available differ between areas, and in Australia there are no government-

funded programs providing the recommended amounts of intervention (http://www.mja.com.au/public/issues/182_07_040405/wra10330_fm.html);

- (2) How many children in the ACT receive early intervention of the type that experts advise is essential for young children with autism spectrum disorders;
- (3) What service providers in the ACT deliver intensive autism-specific early intervention for at least 20 hours per week over an extended period of at least two years for young children with autism spectrum disorders;
- (4) What does it cost the family with a child diagnosed with an autism spectrum disorder to provide early intervention of the type experts advise is essential for young children with autism spectrum disorders;
- (5) How many families, in the ACT, with a young child diagnosed with an autism spectrum disorder can afford to pay for the treatment that experts advise their child would require.

Ms Gallagher: The answer to the member's question is as follows:

- (1) Yes. *Early intervention for children with autism spectrum disorders: Guidelines for best practice* refers on page 3 also to individual variation, "no one child with autism will have the same pattern of strengths and needs as another" and "no one program will suit all children with autism and their families".
- (2) Information is only available on the provision of Government Services. January 2007 internal working information indicates that 16% of Therapy ACT clients have a diagnosis equivalent of Autism Spectrum Disorder. At that time Therapy ACT had 2153 individual clients.
- (3) The number of hours per week provided is dependent on the individual needs of the client.
- (4) ACT Government services do not charge for services and private practitioner rates will differ.
- (5) ACT Government provides services for families free of charge. Family income and expenditure is not collected for this purpose.

University Admissions Index (Question No 1572)

Dr Foskey asked the Minister for Education and Training, upon notice, on 2 May 2007:

- (1) In relation to complaints about the ACT's University Admissions Index (UAI) system and the relationship between members of the Board of Senior Secondary Studies (BSSS) and the contractor employed to conduct an inquiry into the awarding of UAIs, who approved Professor Rob Hyndman as the independent expert to conduct the review of the ACT's UAI system in 2006;
- (2) Did BSSS Chairman, Tim Brown, recommend Professor Hyndman for this position;

- (3) Was the Minister's department aware that Mr Brown and Professor Hyndman had a long-standing professional relationship at the time of Professor Hyndman's appointment as head of the investigation into the BSSS's conduct;
- (4) How is the BSSS Chairperson chosen;
- (6) Is the Minister for Education and Training responsible for appointing or approving the appointment of the BSSS Chairperson;
- (7) Why was control of the UAI review given to the BSSS when it was this organisation's own processes which had been questioned;
- (8) Why was the BSSS allowed to chose its own consultant to undertake this review;
- (9) Will the Department of Education and Training be conducting an investigation into the validity and independence of Professor Hyndman's report in light of his documented links to the BSSS and its Chairman.

Mr Barr: The answer to the member's question is as follows:

- (1) The Chair and Executive Officer of the Board of Senior Secondary Studies.
- (2) No.
- (3) Professional relationships are a matter for the individuals involved. Professor Brown was not a member of the Board nor involved in the appointment of Professor Hyndman.
- (4) The Chair of the Board is appointed by the Minister following agreement by Cabinet and consideration by the Standing Committee on Education, Training and Young People.
- (6) Yes.
- (7) It is the responsible statutory authority.
- (8) The BSSS was asked to commission an independent review or assessment, by a person with appropriate measurement expertise.
- (9) No.

**Department of Territory and Municipal Services—mowing contractors
(Question No 1574)**

Mr Pratt asked the Minister for Territory and Municipal Services, upon notice, on 3 May 2007:

- (1) How many contractors have been engaged by the Department of Territory and Municipal Services to undertake mowing duties across the Territory since June 2006;
- (2) What are the details of the contracts outlined in part (1), including (a) duration of contracts, (b) individual value of contracts and (c) total cost expended on each contract.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) The Department of Territory and Municipal Services engaged seven (7) contractors for the provision of mowing services for the 06/07 financial year.
- (2) Details of contracts including duration, value and cost expenditure is provided in the table below.

Contract	Duration	Value (GST Incl.)	Predicted cost expended to 30 June 2007
C06266 -Provision of Urban Open-Space Horticultural and Asset Maintenance and Cleaning Services in the Woden Valley and Weston Creek Region	8 years	\$2,631,544.30/yr	\$1,193,090.44/yr (price for mowing component only)
C00098 -Provision of Urban Open-Space Horticultural and Asset Maintenance and Cleaning Services in the Inner North Region	7.3 years	\$1,674,940.30/yr	\$632,862.38/yr (price for mowing component only)
C06497 -Supply of Plant and Equipment for Dryland Grass Mowing – Rural Roads	12 months	\$84,652.26	\$84,652.26
Supply of Plant and Equipment for Dryland Grass Mowing -Rural Areas	12 months	\$110,000.00	\$110,000.00
C06498 -Supply of Plant and Equipment for Dryland Grass Mowing-Belconnen	12 months	\$95,040.00	\$95,040.00
C06501 -Supply of Plant and Equipment for Dryland Grass Mowing-Belconnen, Tuggeranong, Fyshwick	12 months	\$158,960.00	\$158,960.00
C06499 -Supply of Plant and Equipment for Dryland Grass Mowing-Belconnen, Gungahlin	12 months	\$112,744.00	\$112,744.00
C06500 -Supply of Plant and Equipment for Dryland Grass Mowing-Gungahlin, Yarralumla, West Deakin, Belconnen, Monaro Highway.	12 months	\$175,800.00	\$175,800.00

**Department of Territory and Municipal Services—redundancies
(Question No 1575)**

Mr Pratt asked the Minister for Territory and Municipal Services, upon notice, on 3 May 2007:

- (1) How many voluntary redundancies have been offered to employees of the Department of Territory and Municipal Services (TAMS) since June 2006;
- (2) If voluntary redundancies have been offered since June 2006, what is the breakdown of (a) what division the employees that were offered voluntary redundancy originated from and (b) how many TAMS employees in each division have been offered voluntary redundancies;
- (3) How many of the voluntary redundancies in part (1) have been accepted.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) 50
- (2) Environment and Recreation Network – 22
Enterprise Services Network – 9
Community and Infrastructure Service – 17
Office of Chief Executive – 2
- (3) 50

**ACTION bus service—security incidents
(Question No 1577)**

Mr Pratt asked the Minister for Territory and Municipal Services, upon notice, on 3 May 2007:

- (1) How many assaults on passengers and/or ACTION staff were reported for each interchange in (a) 2004, (b) 2005 and (c) 2006;
- (2) How many assaults on passengers and/or ACTION staff have been reported in 2007 to date;
- (3) How many assault and violent offenders were arrested, detained and subsequently charged for offences at each of the interchanges in (a) 2004, (b) 2005 and (c) 2006;
- (4) How many (a) ACTION bus drivers, (b) supervisors and (c) transport officers are on restricted duties or sick leave as a consequence of being victims of assault in the workplace;
- (5) How many thefts were reported from passengers or ACTION employees for offences occurring at each interchange in (a) 2004, (b) 2005 and (c) 2006;
- (6) How many thefts have been reported from passengers and ACTION employees for offences occurring in 2007 to date;

- (7) What are the details of police call out assistance and routine patrol arrangements that currently exist between ACTION and ACT Policing for each interchange.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) Assaults on ACTION staff

2004-05	2005-06	2006-07
9	10	16

ACTION does not have data regarding passengers.

- (2) 4 staff

- (3) This information is not provided to, or kept by ACTION.

- (4)

Bus Drivers	Supervisors	Transport Officers
4	-	2

- (5) N/A. Police responsibility.

- (6) See (5)

- (7) Police attend through the normal procedures of being notified of an incident. Routine patrol arrangements are a matter for Police.

ACTION bus service—security incidents (Question No 1578)

Mr Pratt asked the Minister for Territory and Municipal Services, upon notice, on 3 May 2007:

- (1) How many security incidents were reported by interchange transport officers in their routine reports, summarised weekly, for each of the interchanges for (a) September 2006 week 1, (b) October 2006 week 1, (c) December 2006 week 1, (d) January 2007 week 1, (e) February 2007 week 1, and (f) March 2007 weeks 1 to 3;
- (2) Do the incidents outlined in each week in part (1) appear within any of ACTION departmental reports for security incidents; if not, why not;
- (3) Are there any discrepancies between interchange transport officer routine security reports and departmental reports for the same periods; if so, why.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) An incident is classified as a 'security incident' when it is sufficiently severe to warrant formal reporting. These are recorded by ACTION staff, including interchange transport officers, through ACTION's formal accidents and incidents reporting process. For the period requested the following security incidents occurred:

Sept 06	Oct 06	Dec 06	Jan 07	Feb 07	Mar 07
Wk 1: 0	Wk1: 0	Wk1: 0	Wk1: 0	Wk1: 0	Wk1: 2 Wk2: 1 Wk3: 0

(2) Yes, see (1)

(3) No.

**ACTION bus service—security cameras
(Question No 1579)**

Mr Pratt asked the Minister for Territory and Municipal Services, upon notice, on 3 May 2007:

- (1) How many ACTION buses are (a) equipped with security cameras and are these cameras linked to an ACTION or ACT Policing monitoring base and (b) not equipped with security cameras and why;
- (2) How many security cameras have been installed on ACTION buses in (a) 2003, (b) 2004, (c) 2005 and (d) 2006;
- (3) How many ACTION buses (a) have distress alarm activation systems and are these linked to live GPS navigation and location systems and (b) are not equipped with distress alarm activation systems and why.

Mr Hargreaves: The answer to the member's question is as follows:

- (1) (a) 87 ACTION buses are equipped with security cameras. No, these cameras are not linked to an ACTION or ACT Policing monitoring base.

(b) 292 are not fitted with security cameras. A program to progressively fit these buses is underway. 75% of all buses will be fitted with CCTV capability by the end 2007.
- (2) 2003: 20; 2004: 21; 2005: 21; 2006: 12.
- (3) (a) All of ACTION's fleet, i.e. 379 buses, are fitted with GPS based alarm activation systems.

(b) N/A

**Public service—consultants
(Question No 1581)**

Mr Stefaniak asked the Minister for Planning, upon notice, on 3 May 2007:

How much did the Minister's department spend on consultancies during (a) 2001-02, (b) 2002-03, (c) 2003-04, (d) 2004-05, (e) 2005-06 and (f) 2006-07 as at 1 May 2007.

Mr Barr: The answer to the member's question is as follows:

- (a) and (b) – Details of expenditure on consultancies for the then Planning and Land Management Group are included in the Annual Report of the then Department of Urban Services for the financial years 2001-02 and 2002-03.
 - (c) to (e) Details of expenditure on consultancies by the ACT Planning and Land Authority for each of the years 2003-04 and 2005-06, inclusive, are included in the Annual Reports of the Authority, as a separate entity.
 - (f) Details of expenditure on consultancies by the ACT Planning and Land Authority for 2006-07 will be provided in the Authority's Annual Report for the current financial year.
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**Public service—consultants
(Question No 1587)**

Mr Stefaniak asked the Minister for Education and Training, upon notice, on 3 May 2007:

How much did the Minister's department spend on consultancies during (a) 2001-02, (b) 2002-03, (c) 2003-04, (d) 2004-05, (e) 2005-06 and (f) 2006-07 as at 1 May 2007.

Mr Barr: The answer to the member's question is as follows:

- (1) The above information has been advised in past annual reports except for 2006-07 (as at 1 May 2007). Accordingly Mr Stefaniak should consult the relevant annual report for the completed financial years. In the case of 2006-07, consultancy detail will be provided in this year's annual report, which will be available after 25 September 2007.
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**Public service—consultants
(Question No 1588)**

Mr Stefaniak asked the Minister for Territory and Municipal Services, upon notice, on 3 May 2007:

How much did the Minister's department spend on consultancies during (a) 2001-02, (b) 2002-03, (c) 2003-04, (d) 2004-05, (e) 2005-06 and (f) 2006-07 as at 1 May 2007.

Mr Hargreaves: The answer to the member's question is as follows:

I refer Mr Stefaniak to TAMS and the then Department of Urban Services Annual Reports. The information sought for 2006-07 will be provided in this year's TAMS annual report.

**Public service—consultants
(Question No 1589)**

Mr Stefaniak asked the Treasurer, upon notice, on 3 May 2007 (*redirected to the Acting Treasurer*):

How much did the Minister's department spend on consultancies during (a) 2001-02, (b) 2002-03, (c) 2003-04, (d) 2004-05, (e) 2005-06 and (f) 2006-07 as at 1 May 2007.

Ms Gallagher: The answer to the member's question is as follows:

I am advised:

- (a) This information is available in the Department of Treasury's Annual Report 2001-02.
 - (b) This information is available in the Department of Treasury's Annual Report 2002-03.
 - (c) This information is available in the Department of Treasury's Annual Report 2003-04.
 - (d) This information is available in the Department of Treasury's Annual Report 2004-05.
 - (e) This information is available in the Department of Treasury's Annual Report 2005-06.
 - (f) This information will become available in the Department of Treasury's Annual Report 2006-07 which will be released in September 2007.
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**Housing—evictions
(Question No 1591)**

Mrs Burke asked the Minister for Housing, upon notice, on 3 May 2007:

How many Housing ACT tenants have been evicted for breaching their tenancy agreement for (a) rental arrears and (b) criminal or anti-social behaviour during (i) 2005-06 and (ii) 2006-07.

Mr Hargreaves: The answer to the member's question is as follows:

- (a) Rental Arrears
 - (i) 23 (2005-06)
 - (ii) 27 (2006-07)
 - (b) Other reasons
 - (i) 3 (2005-06)
 - (ii) 0 (2006-07)
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**ACT Health—capital works
(Question No 1592)**

Mr Smyth asked the Minister for Health, upon notice, on 3 May 2007:

- (1) In relation to the program of new capital works for ACT Health, what planning has been undertaken for the two new Territorial projects that are identified as Capital Upgrades;
- (2) Are these projects progressing in accord with the timetable set out in the 2006-07 Budget papers;
- (3) If there have been any delays with these projects, what (a) is the reason for these delays and (b) impact will these delays have on the proposed completion date for the projects;
- (4) What spending has been completed on each of these projects as at 30 April 2007;
- (5) What spending, that had been approved for 2006-07, will remain unspent on these two projects as at 30 June 2007;
- (6) If any funds are expected to remain unspent on any of these two projects; why.

Ms Gallagher: The answer to the member's question is as follows:

- (1) The two new Territorial projects that are identified as Capital Upgrades are actually groupings of projects that fall within the sub categories of the Capital Upgrade funding as identified on page 172 of budget paper No. 4. Recurrent funding is made available to Calvary Hospital for capital upgrades on an annual basis for minor new works. The projects for each year's Capital Upgrades Program are determined by Calvary each year based on service needs and known replacement / refurbishment based on assessment of the condition of the facilities.
 - (2) Capital Upgrades are usually completed in the financial year the funding is allocated, however these two projects are behind the expected schedule as explained in answer (3).
 - (3) Maternity Area Upgrades
 - a) The Maternity Bathroom Upgrade was delayed as a result of delays in completing the Keaney Building (Sub & non acute facility) and the need to plan the work around the best time to transfer patients to other wards in order for Calvary to still meet its service delivery obligations. The alternative to have undertaken staged upgrades, that is a room or two at a time, would have resulted in high cost penalties associated with undertaking the project that way.
 - b) To ensure that the project is fully completed within available funds, Calvary will decant the maternity wards in their entirety in October/November 2007 providing the contractors full access to the affected areas. This method of implementation will minimise the impact to operational costs and significantly shorten the implementation work schedule.
- Electrical, Lift and Major Plant Upgrades
- a) The Electrical project had been programmed to commence in November 2006 – the expected completion date of the Keaney Building. Subsequent delays in the completion of that facility, and the need to commit additional resources to that high priority project, resulted in the commencement of this project being delayed.
 - b) Expected completion date of this project is now August 2007 due to the delays in the delivery of equipment and poles.

- (4) \$25,000 has been spent as at 30 April 2007 – the remainder of funds are committed under contract.
 - (5) It is expected that the \$0.340M allocated to the Building Refurbishment and Upgrades will remain substantially unspent as at 30 June 2007 due to the operational requirement of needing to delay the construction work.. It is expected that \$0.155M will remain unspent on the Electrical Lift and Major Plant Upgrades as at 30 June 2007 but will be fully expended by 31 August 2007.
 - (6) The unspent funds are as a result of delays in commencing the two projects as detailed above – namely the priority need to complete the Sub-acute services building, operational management of decanting the Maternity Service and awaiting arrival of equipment needed for the Electrical Project.
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ACT Health—capital works (Question No 1593)

Mr Smyth asked the Minister for Health, upon notice, on 3 May 2007:

- (1) In relation to the program of new capital works for ACT Health, what planning has been undertaken for the (a) proposed Extra Car Parking project, (b) proposed Linear Accelerator Procurement and Replacement project and (c) four new departmental projects that are identified as Capital Upgrades;
- (2) Are these projects progressing in accord with the timetable set out in the 2006-07 Budget papers;
- (3) If there have been any delays with these projects, what (a) is the reason for these delays and (b) impact will these delays have on the proposed completion dates for the projects;
- (4) What spending has been completed on each of these projects as at 30 April 2007;
- (5) What spending, that had been approved for 2006-07, will remain unspent on each of these projects as at 30 June 2007;
- (6) If any funds are expected to remain unspent on these projects, why.

Ms Gallagher: The answer to the member's question is as follows:

- (1) (a) The Yamba Drive Car Parking project is the result of a detailed car parking and traffic survey of the TCH campus which looked at current and future growth needs. The study was undertaken by Cardno Young on behalf of ACT Health.
- (b) The Linear Accelerator Procurement and Replacement project follows on from detailed feasibility planning that took into consideration current and future demand for radiation oncology services for Canberra and the surrounding service catchment area. Aurora Projects performed the feasibility planning on behalf of ACT Health.
- (c) The four new departmental projects that are identified as Capital Upgrades are actually groupings of projects that fall within four sub categories of the Capital Upgrade funding as identified on page 171 of budget paper No. 4. Recurrent funding

is made available to ACT Health for capital upgrades on an annual basis for minor new works. The projects for each year's Capital Upgrades Program are determined by ACT Health each year based on service needs and known replacement / refurbishment based on assessment of the condition of the facilities.

- (2) (a) The Extra Car Parking project now has an expected completion date of September 2007.
- (b) The proposed Linear Accelerator Procurement and Replacement project is currently on schedule for full implementation of June 2010, with the third linear Accelerator due to be operational by June 2008.
- (c) The four new departmental projects that are identified as Capital Upgrades are on schedule to be physically complete by June 2007.
- (3) (a) There have been delays to starting two of the projects. The Extra Car Parking project has been delayed to a starting date of mid June 2007. This was due to a longer than planned design and planning process. The proposed Linear Accelerator Procurement and Replacement project construction start has been delayed until June 2007 due to a delay in appointing a project manager after finalisation of detailed design documentation, with the procurement of the equipment on schedule.
- (b) The Extra Car Parking project is now expected for physical completion in September 2007, which means that additional car parking spaces will not be available till then. There will be no change to the expected completion of the proposed Linear Accelerator Procurement and Replacement project as the delayed start will be picked up across the duration of the project.
- (4) The latest reconciled financial figures as at 30 April 2007 are:
- (a) \$114K for the proposed Extra Car Parking project.
- (b) \$429K for the proposed Linear Accelerator Procurement and Replacement project.
- (c) \$77K for the four new departmental projects that are identified as Capital Upgrades.

These are cash payment records and don't necessarily accord with the status of the physical work or progress;

- (5) It is expected that \$550k for the Extra Car Parking project and \$5.170m for the Linear Accelerator Procurement and Replacement project will be rolled over into the 2007-08 program. All other projects are expected to be physically complete as at 30 June 2007 with payment dependent on the timing of invoices from the contractors through Procurement Solutions.
- (6) It is not expected that there will be unspent funds from these projects.

**ACT Health—capital works
(Question No 1594)**

Mr Smyth asked the Minister for Health, upon notice, on 3 May 2007:

- (1) In relation to the program of new capital works for ACT Health, what progress was been achieved during 2006-07 on (a) the project to refurbish the roof of the Old Analytical Lab Building in Holder, (b) the project to relocate Medical Records at The Canberra Hospital, (c) stage 1 of the project to upgrade fire systems at The Canberra Hospital, (d) the project to refurbish the Imaging Department Reception area at The Canberra Hospital and (e) the project to complete a new Sterilising Facility at Calvary Hospital;
- (2) If there have been any delays with these projects, what (a) is the reason for these delays and (b) what impact will these delays have on the proposed completion dates for the projects;
- (3) What spending has been completed on each of these projects as at 30 April 2007;
- (4) What spending, if any, that had been approved for 2006-07, will remain unspent on each of these projects as at 30 June 2007;
- (5) If any funds are expected to remain unspent on each of these projects, why.

Ms Gallagher: The answer to the member's question is as follows:

- (1) (a) The project to refurbish the roof of the Old Analytical Lab Building in Holder was completed in 2006-07.

(b) The project to relocate Medical Records at The Canberra Hospital is due for completion with staff scheduled to move into the new area in mid June 2007.

(c) Stage 1 of the project to upgrade fire systems at The Canberra Hospital has two components i.e: fire doors and passive works. The contract for the fire door component of the project has been awarded and work has commenced with completion expected by 30 June 2007. Noise transmission issues have delayed the passive works with the fire safety engineer looking at new technology solutions to overcome this issue with work expected to commence on this stage in June 2007.

(d) The project to refurbish the Imaging Department Reception area at The Canberra Hospital is nearing completion and will be physically complete by the end of June 2007.

(e) The project to complete a new Sterilising Facility at Calvary Hospital is physically complete.
- (2) (a) The reason for the delay to the fire systems project is explained in answer 1 (c), all other projects will be completed this financial year.

(b) The fire systems project is expected to be completed in September 2007.
- (3) The latest reconciled financial figures as at 30 April 2007 are:-

(a) \$833K for the project to refurbish the roof of the Old Analytical Lab Building in Holder.

(b) \$2.113m for the project to relocate Medical Records at The Canberra Hospital.

(c) \$582K for stage 1 of the project to upgrade fire systems at The Canberra Hospital.

- (d) \$235K for the project to refurbish the Imaging Department Reception area at The Canberra Hospital.
 - (e) \$1.756m for the project to complete a new Sterilising Facility at Calvary Hospital.
 - (4) It is anticipated that \$600k will be rolled over into the 2007-08 program for the project to upgrade fire systems at The Canberra Hospital. All other projects are expected to be physically complete as at 30 June 2007 with final payment subject to the receipt of invoices.
 - (5) It is expected that all funds will be expended against these projects.
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**ACT Health—capital works
(Question No 1595)**

Mr Smyth asked the Minister for Health, upon notice, on 3 May 2007:

- (1) In relation to the program of new capital works for ACT Health, was the (a) Sub/Non Acute Inpatient Services facility and (b) the Plant and Building Upgrade project at Calvary Hospital completed on time and on budget;
- (2) If there have been any delays with these projects, what was the reason for these delays;
- (3) If spending on these projects was not in accord with the budget, (a) what was the variation from budget and (b) why did this variation occur.

Ms Gallagher: The answer to the member's question is as follows:

- (1) (a) The Sub/Non Acute Inpatient Services facility is physically complete and is expected to be financially complete and within budget once the final contractor invoices are received.

(b) The Plant and Building Upgrade project at Calvary Hospital is both physically complete and financially complete to budget.
 - (2) The Plant and Building Upgrade project at Calvary Hospital is complete and was finished one month later than anticipated due to a delay in obtaining electrical switchboards. The Sub/Non Acute Inpatient Services facility was occupied 3 months later than scheduled. This delay was caused by the inability to secure trade subcontractors and the general skills shortage caused by the over heated construction market in the Canberra region.
 - (3) (a) There is no expectation of a variation to the Sub/Non Acute Inpatient Services facility.

(b) There has not been any variation from budget for the Plant and Building Upgrade project at Calvary Hospital.
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**Sporting facilities
(Question No 1596)**

Mr Smyth asked the Minister for Tourism, Sport and Recreation, upon notice, on 3 May 2007:

- (1) In relation to the program of new capital works for the Department of Territory and Municipal Services, what planning has been undertaken for the new departmental project that is identified as Capital Upgrades for Sporting Facilities;
- (2) Is this project progressing in accord with the timetable set out in the 2006-07 Budget papers;
- (3) If there have been any delays with this project, what (a) is the reason for these delays and (b) impact will these delays have on the proposed completion date for the project;
- (4) What spending has been completed on this project as at 30 April 2007;
- (5) What spending, that had been approved for 2006-07, will remain unspent on this project as at 30 June 2007;
- (6) If any funds are expected to remain unspent on this project, why.

Mr Barr: The answer to the member's question is as follows:

- (1) The 2006-07 program of works is on target, with some aspects complete, such as new training lights at Garran and Jerrabomberra Ovals, and others nearing completion, including new changerooms and storage at O'Connor enclosed oval, a toilet facility at Conder neighbourhood oval, and the installation of a water treatment plant at Manuka Swimming Pool.
- (2) No detailed program was proposed in Budget papers.
- (3) No significant delays have occurred beyond the normal minor issues surrounding procurement for building projects, such as supply of materials, availability of trades, and programming of work. The work at Manuka Swimming Pool could not be undertaken until the end of the swimming season.
- (4) As at 30 April 2007, expenditure was approximately \$732,000.
- (5) It is expected that funding will be fully expended as the program is completed.
- (6) See answer to Question 5.

**Ovals—capital works
(Question No 1597)**

Mr Smyth asked the Minister for Tourism, Sport and Recreation, upon notice, on 3 May 2007:

- (1) In relation to the program of on-going capital works for Sports and Recreation, what progress has been achieved during 2006-07 on the (a) project to develop the Lyneham Precinct, (b) Phillip Oval project and (c) two projects for the Manuka Oval;
- (2) If there have been any delays with these projects, (a) what is the reason for these delays and (b) what impact will these delays have on the proposed completion date for the project;
- (3) What spending has been completed on these projects as at 30 April 2007;
- (4) What spending, that had been approved for 2006-07, will remain unspent on these projects as at 30 June 2007;
- (5) If any funds are expected to remain unspent on these projects, why.

Mr Barr: The answer to the member's question is as follows:

- (1) (a) Lyneham Precinct – considerable planning activities have been undertaken, culminating in development of a revised Precinct Master Plan.

(b) Phillip Oval project – a consultant team has been appointed to develop a master plan for Phillip Oval and the immediate surrounding area, and to follow up the completion of this plan with the supervision of the first stage of redeveloping the Oval as a viable community sporting facility.

(c) The capital works at Manuka Oval – roofing and fencing – were largely funded in 2005-06 and have been completed. A further \$58,000 was appropriated in 2006-07 to cover final invoices on this project.
- (2) (a) Phillip Oval project did experience some delays, largely because of additional time required to resolve some of the issues surrounding the provision of car parking in the areas immediately adjacent to the Oval.

(b) This delay will have little effect on the completion of the project.
- (3) (a) Lyneham - Expenditure at 30 April 2007 was \$83,741.

(b) Phillip Oval - Expenditure at 30 April 2007 was \$187,575.

(c) Manuka Oval - Expenditure at 30 April 2007 was \$1.780m.
- (4) (a) Approximately \$116,000.

(b) There may be some minor expenditure up until 30 June 2007, depending on invoicing from the consulting team working on the master plan project. Of the \$1.7 million approved for the project, it is expected that approximately \$1.5 million will carry over into the 2007-08 financial year to allow for its completion.

(c) All funding has been spent. Final invoices on the Manuka Oval works totalled \$32,604.26 – the remaining funds were used to address ongoing maintenance and OH&S issues at Manuka Oval that were identified in a 2004 report.

- (5) (a) Planning of the Lyneham Precinct is continuing – it does not have an identified completion date and is influenced by planning activities concurrently being undertaken by precinct stakeholders.
- (b) Delays in finalising the traffic and parking aspects of the project led to delays in procurement processes, requiring the carryover of the funding into the new financial year.
- (c) n/a
-