



Debates

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Wednesday, 29 August 2007

The Assembly met at 10.30 am.

(Quorum formed.)

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

Crimes (Street Offences) Amendment Bill 2007

Mr Stefaniak, pursuant to notice, presented the bill and its explanatory statement.

Title read by Clerk.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (10.32): I move:

That this bill be agreed to in principle.

This bill introduces, for a series of street offences and some other minor offences, an infringement notice system which would enable police to issue infringement notices along the same lines as they can for speeding, going through red lights and minor traffic matters such as that.

Recently, I completed a visit to all the police stations in the ACT. I thank the police minister for helping to arrange that. Every single police officer I spoke to indicated that this would greatly enhance our justice system and their ability to reduce the number of street offences.

Street offences are certainly not the most serious offences in the world, but if they are not curbed, quite often they can lead to more serious offences. For example, with people fighting in a public place, if that is not curtailed it might lead to something a lot more serious—serious assaults and possibly even death. So it is very important that the police have adequate powers and tools to enable them to counter these types of offences.

Street offences include urinating in public, and offensive behaviour and offensive language, which are at present truncated into offensive language but I am proposing in this bill that they be separate offences. We used to have it, and it used to be particularly effective in the old police offences ordinance. It is also present in the New South Wales legislation. Other offences on the statute books, such as fighting in public places and defacing premises, are of great annoyance to law-abiding members of the public, and indeed to the police. As I said, they are often a precursor to people committing much more serious offences such as serious assaults.

In visiting the police stations, at the Civic station I spoke to one officer who had recently transferred to the AFP, having worked in New South Wales. About five years ago, New South Wales introduced infringement notices for street offences. In the district of Sydney in which this officer worked, the incidence of street offences actually halved, and that is of benefit to everyone, including the offender.

The infringement notices in the bill would carry, in most cases, a \$200 fine. That would save an immense amount of police and court time. At present, if someone is caught urinating in public or fighting in a public place, police have to arrest them, take them back to the station, process them and put them before the court. It is a very lengthy process and it takes up an inordinate amount of police and court time. Quite often, nothing much happens to them there, anyway. The police can be better used on the beat, combating more serious crime. It will also save valuable court time and at the end of the day it saves the offender time. As with traffic matters, when people get an infringement notice, invariably they tend to pay it. I would imagine the same would apply here; it certainly applies in other states where it is used. But the option is also there for the offender to have their day in court.

As I said earlier, when this scheme was introduced in New South Wales, the number of offences halved in a very short period of time. I would hope that the government would back this sensible measure, or at least back it in part. There are a number of offences which police indicated they would like to see included here as well, such as shoplifting. There are a few technical complications with that, but that is probably not a bad idea. I have concentrated here on basic street offences, together with some related offences under the Liquor Act. The Australian Hotels Association and businesses are very keen to see infringement notices in this regard. For things such as under-age drinking, it simplifies what can be a very time-consuming and lengthy process. Of course, if people want their day in court, they can have it.

There are a couple of instances in the bill where the current penalty is two penalty units or less, and in that case I propose a \$100 infringement notice. In most instances, however, it is about 10 penalty units, which is \$1,000. In a couple of instances there might even be a term of imprisonment involved. The legislation would apply to everyone to whom the police deem it necessary to issue an infringement notice. So I think it is a very sensible scheme.

I will now go through what is contained in the bill. Firstly, the name of the act, the commencement date and what it amends—that is all standard. There are a couple of new dot points. I have enhanced the current offensive behaviour section, section 392, to add a couple of additional definitional points regarding disorderly or offensive behaviour. I think they enhance the police's ability to deal with this behaviour, having regard to any problems they have had with the definition of the offence. These definitional changes will greatly assist in that area. Clause 5 deals with disorderly or offensive behaviour. Currently, section 392 states:

A person shall not in, near, or within the view or hearing of a person in, a public place behave in a riotous, indecent, offensive or insulting manner.

The new offence I am proposing greatly enhances this by stating that a person must not behave in a disorderly or offensive manner in or near a public place or school. It was felt, in my discussions with police, that by including "school", it left beyond any doubt that they would have this ability. Such incidents have cropped up, and this provision may well assist police in diffusing any problems that might take place in or near a school.

The bill then states that an offence against this section is a strict liability offence, and we then define what “disorderly” means. “Disorderly” includes violent or riotous behaviour, and “violent” is a new definition on top of what is already contained in the old section 392. “Near”, for a public place or school, includes within view of, or hearing of, the place or the school.

“Offensive” is defined as “intimidating, indecent, threatening, abusive, obscene or insulting”, whereas currently it is just “riotous, indecent, offensive or insulting”. “Abusive” and “intimidating” clearly can be very offensive types of actions which people might undertake. I think it is important, and the police think it is important, that they be added, to ensure that the range of actions is covered by the section.

The new offence of “offensive language” was very effectively used until it was discontinued. It has been reactivated in a number of states. It is simply not acceptable for anyone in our society—innocent people going about their business—to be abused, to be subject to a tirade of often very aggressive, offensive language. I know that the use of common swear words these days is quite usual, but the real problem relates very much to how they are used, and it can be terribly offensive. I rely on the good sense, training and ability of our police in the Australian Capital Territory to use properly any powers they have. They have a strong history of using their discretion sensibly in terms of knowing when to book someone, when not to book someone and knowing when to caution someone.

We have experienced police officers; in fact, more so now perhaps than last year, because at least there are some more police in the beat squad now—and I commend the attorney for that—who are able to use that discretion sensibly. This proposed new section, which is just a revision of the old one, states that a person must not use offensive language in or near a public place or school. It is a strict liability offence and it defines what “offensive” means—that is, “intimidating, indecent, threatening, abusive, obscene or insulting”.

I think that is a very important addition. Only last night, I was walking with a couple of women during the meal break, and one person was really quite abusive to us. Whilst he was not threatening us, he was using absolutely foul language, and it was his aggressive, loud tone that scared a number of people, including some elderly people who were in the vicinity. Normally, the police would ask that person to tone it down and he would be warned, but if that person continued to use language in that form, under my new section they would be able to be given an infringement notice. If they carried on even further, you would probably get to a charge type situation.

With these sorts of offences, quite often it is because people have too much liquor on board. An infringement notice will curtail the activity. It is a nexus breaker. The person will go home, probably wake up in the morning and realise that they had made an absolute goose of themselves the night before, and pay the infringement notice. The thing about it is that it is not a conviction; it is not recorded. It is the same as a traffic notice. In many cases people who seem to be going over the top but who are otherwise reasonable members of the community will benefit from something like this because it will not appear on their record, and it also saves any embarrassment in having to go to court, let alone the immense amount of police and court time that is taken up.

Those are the fundamental changes to the existing sections. There is an enhanced offensive behaviour section, which will be called “disorderly and offensive behaviour”, covering those definitions which the police need and which have proved to be problematic by not being included in the section in the past. There is also the offensive language section, which will be an important tool to assist police.

The rest of the bill deals with what the prescribed offences are: defacing premises, additional offences on territory premises, misbehaviour at public meetings, fighting, disorderly or offensive behaviour, offensive language, indecent exposure, noise abatement directions—failure to abide by one of those—and three offences under the Liquor Act in relation to consumption of liquor in certain public places, sale or supply of liquor to under-age people, and buying, possession and consumption of liquor by under-age people.

The “prescribed penalty” means that if the penalty for the offence to which the prescribed penalty relates is more than two penalty units—that is, \$200 or more—the infringement notice will be \$200. If it is two penalty units or less, there will be an infringement notice of \$100. This will be particularly useful with respect to anyone causing offensive behaviour, but especially younger people, be they 16, 17, 25 or whatever. It not only enables the problem to be nipped in the bud but also gives the ability to pay an infringement notice, just as you would pay a speeding fine, rather than go through the court process.

Let me now turn to the specific sections. Firstly, defacing premises, under the Crimes Act, relates to people who fix papers or placards or mark or paint any private premises without consent. In the first instance, under section 119 (1) the penalty would be an infringement notice of \$200, because there is a maximum penalty of \$1,000. Subsection (2) deals with marking public streets, roads, footpaths, et cetera.

Section 154 of the Crimes Act deals with additional offences on territory premises. A person who, without reasonable excuse, trespasses on government premises commits an offence. That attracts a fine of \$100, imprisonment of one month or both. In that instance, it would attract an infringement notice of \$100. Subsection (2) involves obstruction of people or vehicles in and out of government premises, behaving offensively or being disorderly on government premises, and refusing or neglecting to leave those premises upon being asked to. The fine is \$250 or imprisonment for three months. That would attract an infringement notice of \$200.

We then come to the other offences. The offence of misbehaving in public meetings currently attracts a \$1,000 fine, imprisonment for six months or both. That would attract a \$200 infringement notice. We then come to the offences which I have listed in my bill. Section 391, fighting in a public place, currently attracts a fine of \$1,000. That would involve an infringement notice of \$200. Offensive behaviour, as I said, would also involve an infringement notice of \$200 because there is a maximum penalty of \$1,000. The same penalty would apply to the offensive language section.

Indecent exposure attracts a penalty of up to 20 penalty units, which is \$2,000. Again, because that is one of the classic street offences, there would be an infringement notice of \$200. With respect to noise abatement notices, which is when people are

told to tone down the noise and they refuse to obey those directions, that would be a \$200 penalty unit offence because the maximum penalty in the statute is \$1,000.

I now turn to the Liquor Act. Section 139 (1) states that a person must not consume liquor in a prescribed public place. That is usually within 50 metres of bus interchanges and licensed premises, or such areas as prescribed. I recall former Attorney-General Terry Connolly prescribing parts of Northbourne Avenue during Summernats, for example, as a prescribed public place. The penalty for that is five penalty units, so that would attract an infringement notice of \$200.

Section 139 (2) states that a person must not possess an open container of liquor in a prescribed public place with the intention of consuming the liquor in that place. That is a two penalty unit offence, so that would involve an infringement notice of \$100. I recall Terry Connolly bringing that one in, and I think the first one was one of mine, from way back then.

Section 152 of the Liquor Act deals with the supply and sale of liquor to under-age persons. It states that a person shall not sell or supply liquor to a person under 18. That attracts a maximum penalty of 50 penalty units, which is \$5,000, and that would attract an infringement notice of \$200. Obviously, in that case, the police discretion would be used as to whether that is appropriate or whether something more substantive could be done. It should be remembered that these are at the discretion, and I think sensibly so, of police officers. It does not mean they have to impose a penalty unit. If an offence warrants something more than that, they should be arrested and charged. They have administered schemes like this exceptionally well in the past and I know they will do so again.

Section 154 relates to buying, possession and consumption of liquor by under-age people. People under 18 cannot buy liquor or possess or consume liquor. Currently, that involves a penalty of five penalty units, so that attracts an infringement notice of \$200. The AHA is keen to see infringement notice schemes used.

What I have put before the Assembly is not exhaustive. There are a couple of other matters. I mentioned shoplifting—and I appreciate there are some issues there—and there are possibly a couple of other areas where things could be added. At the end of the day, we are in the hands of the Assembly; there is a majority government. I have heard the minister indicate that he was looking at infringement notices for events like Skyfire. There may well be some other offences that should be included here; there may be some that the government, for whatever reason, spurious or otherwise, may want to take out. That is their prerogative; they have the numbers to do so.

But remember this: every single police officer I spoke to at the five stations I visited wanted this scheme. The beat squad with which I went out with Steve Pratt in August regarded this as an essential tool which would greatly assist them in curbing anti-social behaviour. It has benefits in terms of saving police time; they can get on with the job of addressing more serious crime. It saves money because it saves time, including court time, and it saves offenders' time as well. So these things are often win-win situations all round.

This additional tool will enable police to perhaps nip more serious matters in the bud. Also, industry groups like the AHA, publicans and people I have spoken to over a number of years have been keen to see the introduction of an infringement notice scheme along these lines. That is a strong argument for it, as is the experience in New South Wales. I remember speaking to a constable from a city police station; we had a detailed discussion about how effective this had proved to be in New South Wales when it was introduced.

I commend the bill to the Assembly. I think it will greatly assist police in doing their job; it will greatly assist the courts in terms of greater efficiency. Ultimately, it will greatly assist offenders by perhaps stopping them doing something a lot more serious and getting themselves into trouble. It will give them another option rather than going to court. They can always go to court to defend the matter, if they wish. I think this bill will greatly assist our justice system. It is a very simple bill, and I hope members will be sensible enough to support it.

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

Public health system

MRS BURKE (Molonglo) (10.53): I move:

That this Assembly:

(1) notes the lack of:

- (a) basic equipment and supplies being readily available to nursing staff at ACT public hospitals;
- (b) management oversight in regard to consistent infection control protocols and procedures being followed at both ACT public hospitals; and
- (c) appropriate methods of allocating staff to hospital wards;

(2) notes that the Australian Nurses Federation has developed its own "Critical Staffing Notice" warning management of insufficient staffing levels and safe accommodation of patients; and

(3) calls on the Minister for Health, Ms Gallagher MLA to:

(a) publicly:

- (i) assure the community that patient care is not being compromised in relation to part (1); and
- (ii) encourage nurses and all medical professionals to report on breaches of protocol and failings in the health system without fear of losing their jobs;

(b) table all relevant protocols, procedures and practices relating to part (1); and

- (c) urgently investigate all matters raised in this motion and report back to the Assembly by the last sitting day in November 2007.

First, I apologise for a typographical error in the wording of the motion. It should read “Australian Nursing Federation” not “Australian Nurses Federation”.

We know we have a problem when even federal Labor can see there are some major problems with our health system across Australia—all managed, incidentally, by Labor governments. Unfortunately, throwing more money at the states and territories—and let us face it: \$2 billion is not exactly big bickies in health—will not solve anything because what federal Labor will not acknowledge is that the failure is systemic mismanagement, inefficiency and waste by the states and territories.

The issue came to a head recently when the Australian Nursing Federation voiced its concerns about the quality of care being compromised because nurses are overstretched. This is what the ANF said in their release of 30 July after the biennial conference of ANF delegates:

ACT nurses attending the ANF ACT Branch Biennial Conference on Friday 27 July resolved that it has become essential to notify the ACT community that staffing levels in the public and private health sectors cannot sustain the work demands on health services and that nurses are concerned that standards of care may be compromised and need to alert the community of this genuine concern.

The health minister put out a line of spin, of course, maintaining that the problems at the ACT’s public hospitals were all to do with a bad flu season, which meant more patients presenting and more nursing staff off sick. But this had the opposite effect to that intended, because many nurses working in the ACT public system were incensed by this misrepresentation of the true situation at our hospitals. They and families of patients who have recently been treated or who, in some cases, gave up after waiting for hours and hours, rang me to tell me an entirely different story. Nurses told me that blaming the hospitals’ problems on a flu season was simply laughable. Winter ills are pretty predictable and good management should be able to deal with that. The issue snowballed as more and more nurses contacted the opposition to raise a range of concerns about the lack of basic supplies and equipment readily available to nursing staff and problems with management of staff.

Let us turn to equipment and supplies. Over recent weeks the opposition has been told that the ACT public hospital system is struggling to provide basic supplies such as dressings and intravenous tubing, heavy lifting equipment, chemo drugs and icy poles for post-chemo treatment. Where these items have been available, they have been in very limited supply, forcing already stretched nurses to run from ward to ward in search of these supplies.

What was the health minister’s response? She said the hospital stockpiled these items. Well, that is the principle but not the practice, according to both nurses and patients’ families. The ANF instructed nurses to fill in critical shortage alerts where appropriate. The form states:

I am obliged to inform you that the ward cannot safely accommodate any additional patient/s and that at this time there is insufficient skilled and experienced nursing staff provided by management to competently meet the care needs and workload demands.

And never likely to be so, if nurses were running from ward to ward to get what they needed to do their job.

When the opposition drew attention to these alerts, the minister replied that none to date had been lodged—perhaps for a very good reason. The opposition then received concerning reports that nurses felt intimidated because they believed that management was monitoring them closely to see who put in forms. According to one nursing source, anyone who put in the form would be scrutinised for any minor misdemeanours, like taking biscuits from the patient area, which could be used against them as part of a disciplinary action. This was corroborated by ANF secretary Colleen Duff on the ABC's *Stateline* program last week, on 24 August 2007, when she said:

If someone spoke about the system, they believe their employment would be jeopardized. That is why they come to the Federation.

The health minister and the Chief Minister maintained that the claims of hospital equipment shortages were baseless and, in an act of unconscionable bullying, the Chief Minister insisted in the Assembly late last week that I reveal my sources and table my evidence. Well, Mr Speaker, inconveniently for the government, the Chief Minister's demand was in breach of both section 12 of the Chief Minister's own Human Rights Act, which protects the privacy of individuals, and Westminster parliamentary practice, which provides that "as a general rule only documents which are of a public or official character should be ordered to be laid before the house".

As a result of the serious concerns raised with me, I have now asked the Auditor-General to conduct an audit of the adequacy of basic supplies and equipment at Canberra's public hospitals. Yet again, where is the open and accountable government that the Stanhope government promised us way back in 2001?

The government simply does not want the truth to come out. I am in no doubt that the claims about equipment shortages that I have put forward are absolutely true. Last Friday, when the Chief Minister went on radio to hose down the issue, even more evidence emerged of the equipment and supplies shortages identified by the opposition at the ACT's public hospitals over the past few weeks.

One caller told of his mother-in-law recently having to wait for four hours on a lounge before being admitted for treatment at a Canberra public hospital. The lady was put on an airbed that went flat during the night, and a sheet at the window in a nearby area had to do service for blinds that had been taken down and never put back. The caller's comment was that nurses are overworked and the system is overloaded. It was not something that Mr Stanhope was wishing to hear. His response was instructive:

Well, I can't respond. I can respond generally but not to specifics. I am sure the hospital would have an explanation or response to the specifics.

That was what he said on ABC radio on 24 August 2007. We are still waiting for an explanation, as indeed we are waiting for an explanation to be given to another family whose father's care was compromised due to lack of equipment and supplies. What appears to be indisputable is that these incidents happened and no amount of explaining will take away from that.

We will move on to the serious issue of infection control issues. On the back of Professor Peter Collignon, director of the infectious diseases unit and microbiology at Canberra Hospital, raising concerns about the need to improve infection controls, a registered nurse, Louise Wright, has been dismissed by The Canberra Hospital, supposedly for poor time keeping, not being a team player and something called "vertical bullying" when she raised her voice to a superior. It appears that the registered nurse had angered hospital authorities by raising concerns about management and infection controls. According to Ms Wright, a nurse with many years experience, she sought advice from the hospital's infection control unit after a patient suffering a gastro-intestinal infection resistant to antibiotic treatment was placed in the day surgery admission unit, in an alcove in the same room as 12 to 15 patients awaiting surgery. This bacteria, called VRE, is highly contagious and active for lengthy periods on surfaces, including clothing. Its effects are debilitating and the risk was heightened by the affected patient having diarrhoea.

Ms Wright sought advice and was advised that the infection control requirement was for nursing of such a patient to be done by a single nurse in a single room with a door and with another nurse to act as a runner for supplies. While the patient was later moved to a corner in a neighbouring recovery area, it was still not an isolated room. Ms Wright told *Stateline* there were no single rooms in the area. The hospital has denied any breach of clinical protocol.

I have called on The Canberra Hospital and the minister to reinstate the sacked nurse, Louise Wright. It is not good enough to arrange a so-called counselling session with a letter of termination in hand, ready to present to the person being counselled. Another nurse has also told me that she has been campaigning for a couple of years for proper processes for dealing with patients with infectious diseases. At issue has been the lack of proper isolation areas for patients with infectious diseases. Surely, isolation units should be a necessity, not a luxury.

Let us not shoot the messengers. The hospital system needs skilled staff, so I am appealing to the hospital to reinstate Ms Wright and take on board the concerns with management of infectious diseases control. It has taken an enormous amount of courage for the nurses to speak out. This is the health minister's chance to take constructive action to deal with all of the problems identified by the nurses.

Looking at staff allocation, I have been told that there are many trained nursing staff who want to work in the hospital system but refuse to do so in the current climate of management. That is supported also by the ANF. The matters of staffing are far worse than the government or the health department are admitting, according to nurses, who are stretched beyond reasonable limits to care for patients because of administrative and organisational failures. Nurses say they feel demoralised, devalued and unappreciated. Nurses believe that there is a great deal of "budget before bodies" and .

they are most concerned that they are becoming increasingly unable to provide the level of care they want to give their patients. I think Colleen Duff referred to it as a factory mentality. Nurses say they have to psych themselves into going to work because of the intolerable conditions.

By way of a suggestion, perhaps team nursing could be reviewed. I am simply told that it is not working out how they thought it would. A potentially serious situation is arising whereby, as the more mature workforce leaves the profession, nurses just out of training are being left in areas like the emergency department. There are major concerns that patients are being sent back to the general wards from the intensive care unit far too soon. Nurses say that after-hours coordinators are cancelling night staff. Why is that? Despite money being spent on an anti-bullying program, nurses say they are still subject to bullying in the workplace. Too much stress and too little help from management are mentioned by some nurses as making their work burden often intolerable.

It is interesting that the ACT health minister is trying to have it both ways, by saying there are no problems in the public hospital system while then making excuses for the problems. The minister has stated that the ACT is ready for a disaster but is admitting, albeit indirectly, that the system is only just about coping with an increase in patients due to winter ills. Nurses believe that hospital management is top-heavy and there are just enough people to do the patient care. Double shift requests are commonplace. Nurses are still being told by senior nursing staff to take more patients onto the wards, regardless of staffing levels.

Let us now look at patient care. Nurses say, quite properly, that patient care is paramount, but the system is clearly not putting patients first. ACT public hospitals have the highest management costs in Australia, some 24 per cent above the national average, which has not translated into better services. It has also resulted in hospitals being driven by the needs of bureaucrats rather than patients and the doctors and nurses who care for them. Nurses are telling me that there is now too much paperwork for them to complete. Nurses tell me they were aware of the latest health plan but yet again were not directly consulted.

One of the key problems with management, as identified by nurses, is that the process used to calculate the number of nursing staff per patient per 24 hours on each ward is flawed. Apparently, the acronym for this is “WPPED”, and that is exactly what the nurses feels is happening to them.

The calculation presently being used does not take into account the acuity of a patient, which affects the degree of nursing care required. To make matters worse, these calculations, it would appear, also include administrative staff, who do not, of course, provide direct nursing care. This is why nursing staff find themselves so stretched and wards are being closed—because management is not managing workloads realistically according to the needs of patients. I am further told that new graduates are leaving because of their dissatisfaction with the unacceptable workloads and conditions. With an ageing workforce, there will be insufficient professionals coming through to take their place. Even more disturbingly, I am also told that many nurses are using up all their holiday leave, with the sole intention of leaving and getting out of the system. The problem has been building for 18 months to two years, and the government’s

refusal to accept there is a problem beyond winter ills does not augur well for finding solutions.

Finally, on reporting breaches, the complaints of a lack of equipment and basic supplies are just the tip of the iceberg. Nurses should not be threatened with the sack if they speak out on these issues. Last week, sacked nurse Louise Wright spoke out on *Stateline* because she cares. The message that is being conveyed to other nurses is, I am told, "Don't speak out, or you will be next." The minister has stated that she wants nurses to put in the ANF critical stress notices when they believe it is appropriate. From the tenor of the Stanhope government's attack on me in the Assembly last week for exposing the problems in public hospitals in the ACT raised with me by numerous individuals, I would need to be convinced that the minister's openness to receiving criticism is genuine.

What is right, just or even commonsensical about punishing nursing staff who are only trying to put their patients first? Isn't that what hospitals are supposed to be about? I commend the motion to the Assembly.

MS GALLAGHER (Molonglo—Minister for Health, Minister for Children and Young People, Minister for Disability and Community Services, Minister for Women) (11.07): The government will not be supporting this motion. I move the amendment circulated in my name:

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

"(1) notes that:

- (a) basic equipment and supplies are readily available to nursing staff at public hospitals; and
 - (b) infections control protocols are in place and being followed at both public hospitals;
- (2) notes that ACT Health reports publicly quarterly on a range of performance measures, including patient safety and infection control measures;
- (3) notes that all ACT Health staff are trained in the use of, and are required to report, risks and incidents in the health system;
- (4) notes that ACT Health has investigated all matters raised by staff in a timely fashion; and
- (5) notes with regret the misinformation campaign being run by Mrs Burke, who is continuously talking down the ACT public health system and the health professionals that work within it."

Thank you for the opportunity to talk today on our ACT public hospitals and the ACT public health system more broadly. I want to assure the Canberra community that basic equipment and supplies are readily available to nursing staff at public hospitals. We have had a close look at the matter in light of some of the public allegations made by Mrs Burke, and I can assure the community that there are no shortages of basic

supplies or equipment. Also, infection control protocols are in place and being followed at both public hospitals. The case covered by *Stateline* has been reviewed clinically and has been approved in terms of the protocols that were followed. I do not really want to go into it because of the patient involved, but it is not uncommon for patients to be cared for in this way considering that public hospitals are not built with single rooms everywhere. In fact, VRE is quite—

Mrs Burke: Collignon is wrong then, is he?

MS GALLAGHER: Professor Collignon had a look at this case, Mrs Burke. Inasmuch as he is the head of infectious diseases at the hospital, perhaps you will take his advice if you do not take mine. Professor Collignon says that he would like everyone nursed in single rooms in public hospitals; that is the gold treatment. But that is not the way our hospitals have been built. If someone with VRE needs day surgery, I am afraid they are going to have to be nursed in the day surgery unit—and nursed in accordance with the protocols that can be followed, which is what they were. VRE is quite common with, say, patients who have renal dialysis. We do not nurse them in private rooms. VRE is common in the intensive care unit; there are no private rooms in the intensive care unit. It is not uncommon not to nurse patients in isolated rooms, because that is not the way the hospital has been built.

The amendment I have moved notes that ACT Health reports publicly on a range of performance measures, which Mrs Burke wants me to table around infection control and public patient safety. For her information, we do table this quarterly. I encourage her to read it, because it has all the information she is seeking.

All ACT staff are trained in the use of a program we have in place at the hospital called RiskMan and are required to report against that. It is a web-based system. Staff use it—they use it all the time and are required to use it. That has followed from the huge change that we have had around patient safety in the hospital since early 2000. All issues raised by staff have been investigated by ACT Health—and, if they have been raised with me, by me—and looked into in a timely fashion.

The final part of the amendment notes, with regret, the misinformation campaign being run by Mrs Burke—

Mrs Burke: Prove it is misinformation.

MS GALLAGHER: who is continuously talking down the ACT public health system—

Mrs Burke: Prove it.

MS GALLAGHER: and the health professionals that work within it.

Mrs Burke: You know better than that.

MS GALLAGHER: Mr Speaker, if I could have the opportunity to use my time here without interjection—

Mrs Burke: Oh—

MR SPEAKER: Order, Mrs Burke!

Mrs Burke: It is all right for the minister to interject on me.

MS GALLAGHER: I interjected twice in yours when you got to the outrageous point. I have not even got to the bits that are going to get you going.

There are health professionals who have spoken to me who are going to seek to protect their reputation from the allegations that are being raised publicly by Mrs Burke, because of the unsubstantiated allegations that she keeps running. In fact, I have started collecting Mrs Burke's media releases—which she tabled as evidence of her allegations last week—to be able to go through some of this misinformation.

Let me begin on 1 August, which is when Mrs Burke got a spurt of interest in health. She put out a media release about the Canberra Hospital's emergency department and access block and made a whole range of allegations around the ACT's emergency department, citing a report that had been released by a Professor Drew Richardson—which the ACT hospital had not even been involved in—and using that as evidence.

On 6 August, Mrs Burke put out a media release headed "ACT hospitals short of basic equipment", saying:

... the ACT public hospital system is struggling even to provide basic supplies such as dressings and intravenous tubing.

Wrong. We have had it looked at: there is absolutely no shortage of dressings or intravenous tubing, and she has not been able to prove that there is. She says that nurses are threatened with the sack if they speak out about issues—again, wrong—and investigated—wrong. She has not been able to support her allegations.

On 3 August Mrs Burke took a big swipe at Calvary around the nursing hours per patient day, the allocation of staff on wards and that administrative staff are being counted in the calculations. We have agreed with the ANF on an EBA around this—specifically on this issue. But Calvary is managed by Calvary health care and the Little Company of Mary, and that is direct bashing of Calvary. On Friday, I met with the Little Company of Mary, who had—

Mrs Burke: I did not mention the name; you did.

MS GALLAGHER: Anyone who works in health knows who you are referring to. I met with the Little Company of Mary on Friday. I understand that they have been trying to contact Mrs Burke to talk to her about her allegations. They are extremely concerned. They are extremely concerned about the public lying and the public bashing that she is engaging in in relation to Calvary—not only the public system but Calvary private as well. On 13 August, a press release said:

... now we are on to our sixth or ... seventh health reform plan and the Stanhope Government is still unable to actually improve the health system.

Again, wrong. We are on to the second health plan. I know that in the adjournment Mrs Burke took the opportunity to read out a list of at least 12 other plans that sit within health. There are hundreds of them, Mrs Burke—hundreds. I do not know how reading out 12 of the hundreds that exist substantiates your claim—

Mrs Burke: I thought you said there were only two. You said there were only two.

MR SPEAKER: Order, Mrs Burke!

MS GALLAGHER: that there are six or seven health reform plans. There are two health reform plans. You say there are six or seven; then you cite 12. I do not think you are making your argument substantiated there.

Mrs Burke: I am making it very substantiated.

MR SPEAKER: Order, Mrs Burke!

MS GALLAGHER: The claims continue: “The ACT spends more”—

MR SPEAKER: Minister, direct your comments through the chair, please.

MS GALLAGHER: The media release states:

The ACT spends more per capita on overall management; the cost of caring for patients is 24 per cent above the national average ...

Not true. Again, read the Australian Institute of Health and Welfare report, which shows that it is now 14 per cent; it came down 10 per cent in one year following the government’s plans to reduce our costs around health. The media release continues:

... we have less beds per capita ...

There is the one truth in the media release—one truth. We know that beds were reduced by 114 during the period of the previous government. We are the only jurisdiction—this is what Mrs Burke does not go and say—that is actually increasing beds, to deal with the cuts that were suffered between 1996 and 2001, when 20 per cent of our bed capacity within ACT public hospitals was cut. So there was one truth there. The media release continues:

Our waiting lists are up by about one third despite all the so-called reforms or plans.

Wrong. Of course, she does not table any of the figures to support that. Wrong. The media release continues:

What we have seen under this Government is a 25 per cent increase in administrative staff.

Wrong. Again, she cannot table any figures to support that. I have figures in front of me that show that the administrative workforce in ACT Health has reduced from

18.3 per cent in 2002 to 15 per cent in 2006-07. But don't let the facts get in the way of a good media release. We go on. Mrs Burke, here is direct proof of talking down the public health system:

... the system is so bad Canberra recently achieved the dubious honour of topping the list of Australia's worst performing hospitals ...

When? Where did it top the list? Where is the report that lists a table of hospitals? It does not exist. But again, don't let that get in the way of a good media release. The media release says that nurses are running around the wards trying to obtain basic supplies for patients.

And here is a gem: "We have a Third World hospital system here." Have you been in a Third World hospital, Mrs Burke? A Third World hospital system? Do you think that the health professionals working in our hospitals think that you are congratulating them? Do you think you are doing them a favour, that you are backing them up by saying that they are working in a Third World hospital system, that that is the system they are delivering to patients? In the same interview, Mrs Burke says, "We are still being branded as the worst performing hospital in Australia." Wrong—and again there is no substantiation of that, no report for that.

"We put all this money into health, yet we are not seeing this translated into beds or nurses." What do you think the 147 beds are? Do you think that \$24 million actually buys 147 beds? They are very expensive beds if they do not come with nurses. The beds do not cost very much at all, Mrs Burke, but staffing the beds costs. I do not know how you can say that we have put all this money in and yet we are not seeing this translated into beds and nurses—147 beds that have been funded through our injections into the health system.

Here is another good one. In an interview, Mrs Burke starts off by saying, "We don't need another plan. The previous plans have not worked." Then, within a minute, she says, "The minister has known about this. We should have a good management plan in place." In the same interview, within a minute, she says, "We don't need any plans here, but things are so bad that we need a plan."

"What is happening here? What is happening to management?" You know, management are health professionals in the hospital. Again I am trying to get you to understand that by bagging management, as you see it, you are actually bagging health professionals within the system. "We are top-heavy. Our hospitals are running at 24 per cent above the national average." Wrong. And again, the next day:

ACT public hospitals have the highest management costs in Australia, 24 per cent above the national average."

Wrong. And again:

Nurses tell me they were aware of the latest health plan but ... not consulted.

Wrong.

Mrs Burke: Read the reports.

MS GALLAGHER: I have read all the reports, Mrs Burke. What your media releases show us is that you have not read any of them. You have not read the Australian Institute of Health and Welfare report. You have not read the *State of our Hospitals* report. You have not read the quarterly performance reports that we put out. What you have undertaken over the past month is this: to singularly smear the reputations of health professionals that are running our public hospital system. You have systematically done it. You have done it without substantiation, without any proof.

Mrs Burke: Withdraw that. You know that is not true.

MR SPEAKER: Order, Mrs Burke!

MS GALLAGHER: I will not withdraw it, because you are unable to prove any of the allegations. You have smeared reputations, and those people are starting to get angry. I am giving you a warning, Mrs Burke.

Mrs Burke: That is fine. I will stand up for the nurses if you will not.

MS GALLAGHER: Ease up, because reputations will be protected. I spoke to the ANF yesterday, in actual fact.

Mrs Burke: What about Louise Wright's reputation?

MS GALLAGHER: I have not attacked Louise Wright's reputation. I spoke to the ANF yesterday, as I do all the time. I speak to the ANF. They were furious that you had linked them to Louise Wright in terms of the allegations you are raising around nurses being sacked for being whistleblowers or raising issues. Don't you think the union would have a view on that? Don't you think they would be backing you up? Don't you think they would be haranguing the government, saying, "You are sacking our members because they are talking about patient safety"? And where are they? Where are they?

Mrs Burke: What about the critical forums? They have backed them up.

MS GALLAGHER: You are talking about two separate issues here. ACT Health has received one critical incident report.

Mrs Burke: Yes. They have been scared off; that is why. You know that.

MR SPEAKER: Order! Direct your comments through the chair.

MS GALLAGHER: Thank you, Mr Speaker.

Mrs Burke: Yes.

MR SPEAKER: And cease interjecting.

MS GALLAGHER: ACT Health has received one critical incident report. I spoke to Calvary health care last week about any incidents or any increases in complaints in

their hospital. As I have been saying, nurses are busy. They are stretched and they are under pressure. Winter has been tough. It is not about making excuses. I have never stood up and said that there are no problems in the public health system. You will not find a minister anywhere in the world who would stand up, put their hand on their heart and say, "There are no problems in the ACT health system." I have never said that.

I have said that, if you have got proof around the issues you are raising—around infection control, around nurses being sacked, around the management and overheads, around basic supplies and equipment—let us work it out. But you cannot. You do not have any evidence. I am working blind in the sense that I can only investigate what is raised with me. Even if matters are raised using a whole range of clichés and buried in a media release, I still try to get to the issue. But there is absolutely no proof to substantiate the claims: they are dangerous; they are talking down the reputation of our public health system. (*Time expired.*)

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.22): I hardly think that Mrs Burke is talking down the reputation of our public health system and our hospitals. It is the duty of an opposition—it should be a duty of all members—to listen to people—to listen to complaints: maybe sometimes sift the real from the imaginary, but listen to people, talk to people. If you lot did that a little bit more, you would not get yourselves into so much trouble. That is certainly the job of someone who has responsibility for health, be they in opposition or government. To me, Mrs Burke seems to be doing her job. In fact, I have heard her absolutely praise the excellent work done in our health system by individuals—both in the public system, at Calvary and Canberra hospitals, and in the private system. It is only through overcoming some of these difficulties—actually listening to people who are coming up with some real problems at any one point in time—that we can actually improve systems. Mrs Burke's motion is simply seeking to do just that.

It would be pretty easy—and the minister has sought to do it today—to assure the public, for example, that patient care is not being compromised. The minister indicates today—she seems to state—that she has something in place to encourage nurses and professionals to report on breaches of protocols and failings in the system. I am not quite sure about the fear of losing their jobs. That does concern me. And it is not just in this area that we hear concerns that people are worried about their jobs if they speak out in relation to any area of public service under this government. That is unfortunate. I see that much more than was the case with previous governments. Yes, with previous governments there would be people who would be worried about doing that too, but not to the same extent. That is something where you do need to lift your game. You do need actually to hear complaints—take complaints, and take them in the spirit they are meant—and do something about them, rather than just being totally defensive. Not everything is hunky-dory.

Not everything can possibly be hunky-dory in a health system. It is an incredible job. It is probably one of the most difficult jobs in government. I can think of only one minister who was lucky enough not to have too many problems when she was health minister, and that was Kate Carnell. Every other minister for health has gone through some fairly rough patches from time to time. That is part and parcel of the job,

because it is a demanding portfolio, but it is all the more reason to encourage people to come forward and to sort out problems in the system.

Mrs Burke is acting on reasonable complaints people are making and doing her job. Far from running any misinformation campaign, she is doing her job. She is acting on legitimate complaints people have. In that way, she is holding the government accountable—and, hopefully, holding them accountable so that they can take some action to improve the system.

It is a system where you are never going to improve it 100 per cent. But you can certainly do a hell of a lot more than you are doing at present. It is not as though you are not putting a lot of money into it. You are putting considerable sums of money into it. It amazes me how, despite that, there still are a number of obvious problems which are not actually being addressed. I will come to some of those shortly.

You see that there are problems in a system like this through court cases from time to time. We see one going at present; it deals with issues around what a certain doctor did or did not do in the system from about 1993 through to about 2002, going through the gamut of all governments. I myself was involved in a case which was, sadly, an inquest in relation to a number of things that went wrong back in 1993, when you, Mr Speaker, were health minister. Again, I must thank you for your openness and assistance to the family of the deceased in terms of rigorously looking at what went wrong with the hospital then and at various people or whatever at that particular time. Hopefully, some improvements were made as a result of that.

There is no need to be defensive about it. We all accept that things will go wrong. There is a need to move on and try to ensure that, if there are problems with basic equipment and supplies, we sort them out. For goodness sake, sort them out. I hope that that has happened now. I detect that it may well have happened. I hope so. I certainly do not want to see that happen again.

Make sure. Things like infection—yes, absolutely critical. If you have controls in place now, well and good, but let us make sure that they are being followed. Let us ensure that, if we have something in place where people actually can report risks and incidents, they can do so in an open way. They need to be able to do so so that they do not have any fear that they are going to get into trouble. Again, that does concern me. I know people in the system, and I get word back that there are problems.

I know that we face some significant problems. A very important part of Mrs Burke's motion is paragraph (2), noting:

... the Australian Nurses Federation has developed its own "Critical Staffing Notice" warning management of insufficient staffing levels and safe accommodation of patients ...

Staffing is an issue. Yes, we have a skill shortage. Yes, there are probably some ways that we can improve that in the medium term. I will come to those in the time remaining.

But let me just give my observations. They are fairly basic. I have a family: the kids get sick; my wife has a valve in her heart which necessitates certain medical treatment. I have coached sporting teams, so I have taken people to hospitals. I have noticed some really basic things. For example, in A and E, waiting times used to be two hours on average. That is backed up by statistical data. Now it is eight hours. I first noticed that in 2003 and I have noticed it on a number of occasions since. In some instances, it is a hell of a lot longer than eight hours. I have had cause to correspond with several health ministers of this current government in relation to some of those issues, one involving an 85-year-old woman who had to wait about 3¾ days for her arm to be fixed up. Clearly, there are some issues there. I hope that something is being done.

I want to again mention a matter that I raised in estimates. In April, my wife broke her wrist in Sydney. She was treated at Bathurst hospital. I commend them—one hour, 10 minutes; good job. But she was told to check it out in Canberra. We go down to Canberra. I did not think that it was that suspicious that she had to register again in Calvary—that is fair enough; it is a different state. But we went to Canberra hospital that night for an 8 o'clock appointment. That was good, but there were two staff stations, and in the course of the appointment she was sent from one to the other and they took the details again. I would have thought that perhaps we could have got them from Calvary. Then she had to go back to the next staff station—which had sent her to the first one to start with—and they took all the details again. I thought, "Hello. Let's cut out the middleman here." I raised this in estimates, and I was assured that those sorts of things are being attended to. And they need to be, because that is just crazy. It is a waste of time and a waste of staffing resources. Perhaps you might need only one of those staff instead of two, and that might mean an extra nurse somewhere. Then, of course, my wife actually saw the doctor.

And then there was going into the fracture clinic: great staff there, but not terribly many of them, with people waiting around for hours on end. It took ages before people could get a bed. The staff seemed to be run off their feet. I think that they were meant to finish at 5.30 or six. On a couple of occasions when I went there, they were still going at 8 o'clock. I have nothing but praise for the staff there, but again there is a resourcing issue. That lends weight to the points raised by the ANF in relation to staffing levels and the safe accommodation of patients. It lends weight to what Mrs Burke is trying to do today.

I know it is difficult to get nurses. Again, we discussed this at estimates, and I would certainly commend it to the minister. A lot of the older nurses basically went through the old classic apprenticeship—doing their nurse training in the hospital as opposed to the degree nurses. I think you need both. I am pleased to see that now at least some moves are being made to ensure that we can have people who do not have to get a degree who can go into those nursing jobs and that there are various levels so that we can get people into the system a lot more quickly than might have been the case in the past. We need to explore that.

Of course, someone coming in at the base level as an assistant can study and progress up the chain—maybe get a degree some day, if that is what they want. But we need to ensure that we at least get people in that capacity into the system as soon as possible so that there are adequate staff to look after patients—so that nurses are not run off

their feet; so that some of the older nurses I know do not have to do double shifts when they are in their sixties because there is a lack of staff and they feel they really have to do that or they would be failing in their job because there are patients who have to be cared for. They are dedicated to their jobs.

Those are the issues that need addressing. You might be making a few moves in the right direction. If you are, well done. But you need to expedite it. You need to improve that further. But that is exactly what Mrs Burke is talking about here. It is what people are telling her. It is what the staff are telling her. It is what the ANF is telling her. They are the sorts of things you need to address as a government. You need to listen a lot more than you are doing.

There are some improvements. I am pleased that at least this minister does not purport to say that the system is 100 per cent. That is realistic. But she does need to listen more. She does need to listen to more people and she does need to speed up some of the essential improvements that are needed in this most critical area. Health and education are the big complaints you get all the time, and health always seems to top the list.

MRS BURKE (Molonglo) (11.32): If there are no other speakers, Mr Deputy Speaker, I will speak to close the debate. There was an interesting reaction, but one that was nevertheless predictable. It always is an issue for any opposition to come out against any health minister. As Mr Stefaniak said, it is a very touchy area. It is a very difficult area; it is a very complex area. It was interesting that Ms Gallagher said, I think, that I had taken an interest in health only since 1 August this year. Clearly that is a silly thing to say, and she knows that now, as she walks off laughing. For some years now, I have been on the standing committee for health in this place, so it flies in the face of that.

I am not about to play tit for tat with what the health minister did—just reading off and trying to deflect everything I have ever said since I assumed shadow portfolio responsibilities. I have made the issue public. I stand by everything that I have said and done and everything that I have put out there, using information from reports such as Australian Institute of Health and Welfare reports and the June 2007 report *State of our public hospitals*, and information from other commentators who have added to the debate, not least the federal government, which shares similar concerns.

I think it is true to say that public policy is now saying that any politician focusing simply on the hospital system is beating a dead horse. Yes, we have got problems. The minister has acknowledged that. That is a problem. But it should not stop us from having a debate to get these issues out into the open so that they can be fixed.

The minister asked for evidence; the Chief Minister has asked for evidence. Of course, they know that I am not going to table evidence that would reveal sources. They know that; they are just playing politics. However, with that little discretion there, I have raised the issues with the minister. I am pleased to see that in the amendment moved by the minister she is noting the things that I have asked for. She is talking about quarterly reports and so on.

I have raised the issues with her. She said she has looked into the matter. That is good. Something good has come out of this public debate. Nurses were not getting anywhere trying to raise the issues. At paragraph (5) of her amendment, she says that I have continuously talked down the ACT public health system and the health professionals who work within it. That is scurrilous. That is really off the mark. The minister will say, "Every time you talk about the administration, you are talking about nursing staff." I am talking about the top administration—the people who can do something about it. If I am talking about them and they feel under pressure, that is not my problem. I have to take this debate somewhere to a point where somebody is going to listen to those people doing it tough.

If we cannot do stuff, let us just say so. But let us not try and obfuscate or duckshove—use any other cliché you want to. As Mr Stefaniak has said, let us really listen to those people on the front line who do not lie. They do not lie, minister. Otherwise, why would they come to me and why would I stand in this place putting my reputation on the line? But it is not about my reputation. This is about the reputation and the wellbeing of nurses, doctors and allied health professionals right across our public health system. More importantly, it is to do with the patients and the care of those patients. We as an administration are charged to watch over that. If we are not doing that to the best of our ability, I will stand here every day of the week if I have to. I will cry from the rooftops to say, "Fix the system. Let's do what we can do."

I know that time and again the minister has said that there is more work to do. I applaud that. I have never said that she has always said that things are perfect. I just do not appreciate her saying things that are simply not true in terms of misinformation. What that does is cast a slur on the many people who have contacted me. It casts a slur upon them. How is the minister making those people feel? She is now talking down our health professionals, and that is sad.

What the minister did in her speech was simply decry everything I have said, taking it very personally. Obviously, it has hit some nerves. It got a reaction. That is what it was intended to do. Making this matter very public was intended to get a reaction—and ultimately to get some action. Mr Stefaniak said that taking matters personally is not going to solve anything.

In the cold light of day, the minister needs to read through everything I have said. Certainly she can take me to task on areas if she believes that I have done something wrong. But, similarly, she needs to listen to nurses and health professionals—and doctors and the like—who are saying that there are problems in the system. It is no good avoiding it, ignoring it and being in denial. The aim of my motion today was to put this debate on the public record.

The health minister should heed what I am trying to do here. I could simply sit back and do nothing at all. Perhaps that is what she does not really like: the fact that I am so active and proactive—being out there and trying to do what I can to agitate. Yes, I would use that word; I do. I will agitate to make sure that we get a system that can be run as properly as possible. Hospitals are difficult beasts to manage; I do not deny that. But when we come down to the basic thing of not having general day-to-day supplies

available for nurses on wards, we have a problem. My reference to a Third World hospital or Third World health system was because we should expect better here. That was my point.

I will continue to watch and monitor. I will continue to make public where I have to, where I feel the need to. I will not back away or resile from what I have done. I stand by everything I have said in an effort to support the nurses on the front line and our health professionals right across the health system. I ask the house to support my motion. I will finish on that note. I just ask that members of this house look at what I have said—look at it seriously and support my motion today.

Question put:

That **Ms Gallagher's** amendment be agreed to.

The Assembly voted—

Ayes 8

Noes 7

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

Question so resolved in the affirmative.

Motion, as amended, agreed to.

Road safety and driver education

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

That the moving of the motion be postponed till the next day of sitting.

Waste management

DR FOSKEY (Molonglo) (11.45): I move:

That this Assembly calls on the ACT Government to:

- (1) re-commit to the target and timeline of the No Waste by 2010 strategy;
- (2) develop targets by the end of 2007 to close recycling loops, and reduce the net production of waste; and
- (3) adopt measures to achieve the No Waste by 2010 target that include:
 - (a) siting recycling bins beside all landfill rubbish bins in town centres;
 - (b) a scheme for the safe disposal of fluorescent and compact fluorescent light bulbs;

- (c) a drop-off scheme for the safe disposal of batteries, preferably through chemists and camera shops;
- (d) a green waste mulching scheme;
- (e) mandatory paper and cardboard recycling for commercial operations;
- (f) the pick up and compost of commercial kitchen waste; and
- (g) ending the use of skips and trash-packs for mixed waste and recycling dumping at landfill sites.

I put this motion on the notice paper because I think it is timely that we discuss the ACT no waste by 2010 strategy, do a small evaluation of its progress and suggest some ways forward. This strategy, which was introduced by the Liberal government in 1996, occurred after extensive consultation conducted by the Labor government which preceded it. As an interested citizen I was involved in those consultations, which I believe were good consultations and which totally endorsed the no waste by 2010 strategy, at that time an aspirational strategy.

People wanted to reduce their waste. The government took it up, took it beyond aspirations and made it a policy that we would work towards no waste by 2010. With 2010 just around the corner what do we see? Eleven years into the strategy, or 79 per cent of the way, it would be great to see that our waste reduction was also 79 per cent of the way. Alas, I fear that that is not the case. Instead, the Greens are extremely concerned to see that, despite the strategy, the targets are not being met and the overall amount of waste being produced is not being reduced.

This motion is an eleventh hour proposal to try to rescue the strategy—after all, 2010 is only two years away—to ensure that it is meaningful and perhaps to help the government prioritise some of the larger portions of waste which are still ending up in landfill, as well as some of the smaller but more toxic issues. In a moment I will go into detail about each of the points in the motion, but I want to use the motion to encourage us to work together as a community to leave the planet in the best possible condition for future generations, not to leave toxic landfills, and not to leave large areas of land that cannot be used because they are dedicated to ever-increasing landfills.

This motion is also about climate change. It is not too complex to understand that the more we produce, the more we buy and the more we waste, the more greenhouse gas emissions are produced. I want to refer members to two articles to strengthen my assertion that this is a climate change issue. I refer, first, to an article from Canada in which Rod Muir, founder of Waste Diversion Canada, states:

There is a very strong connection between waste diversion and the mitigation of climate change.

In aggregate nearly half the energy we produce and consume, is used to manufacture the goods we consume and discard.

The energy which is lost when our waste is either buried or burnt and must be completely replaced typically via fossil fuel combustion, resulting in completely unnecessary GHG emissions.

There is an enormous amount of literature on the issue of waste management because every country in the world is grappling with it. It is a pity that the minister does not think it is worthwhile listening to what I am saying because I am quite sure that he will refute it in a moment. But what will he be refuting? Will he be refuting it on the grounds that he knows what I said?

There are also concerns that co-mingled waste collections, which are what we have here, might have an impact on climate change. Because of the difficulties of dealing with co-mingled waste collections there is the potential for greater quantities of recyclables being shifted elsewhere for sorting, simply because the technology is not available. I know that we have the technology here and I will be interested to see whether the minister says that we are having similar problems to those that are being picked up in Europe, where paper recyclers are having trouble removing broken glass from paper pulping machines.

I understand that the government will be producing a new action plan to take us through from 2008 to 2010. I look forward to seeing that plan and its new targets, and I hope that it is far more optimistic about what is achievable. I think this has been the major downfall of the government's thinking on the strategy. I think that it is just too hard and it has given up. It is not too hard and we should not give up. We just need to learn from other municipalities around the country, and certainly in other parts of the globe, where they are much more advanced in this area simply because they have to be. They do not have extensive tracts of land on which to increase infill sites.

Any decent waste minimisation strategy starts with reduce, reuse and recycle—a refrain that is well known to many of us, certainly to people who grew up in Victoria, because that was a sign that we saw all around the place. We hear very little about it in Canberra, so I do not think the message is getting through. Canberra is a very affluent society. I heard recently that the average wage for males in Canberra is about \$20,000 higher than the average wage for other Australian males. That means we are also a community that consumes more per capita.

I do not think we need to be scared of promoting the “reduce, reuse” part of the waste minimisation mantra like we really mean it. By the way, the conservation movement added the word “refuse” to the refrain “reduce, refuse, reuse and recycle”. We could also add the word “repair”, because we are very much in the habit of throwing away things when they do not work; in fact, they are made to throw away. When I was a child there was a way we could have every appliance in our house fixed, and we did. That is still a good principle. It is a principle that would also increase employment, an area into which we will have to go very soon.

We could be ahead of the crowd, and we were ahead of the crowd in our waste strategy. While Mr Hargreaves's amendment claims that we are still ahead of the crowd, I believe that we have fallen quite distinctly behind. That indicates a lack of information about other municipalities, let alone other places in the world. ACT

residents are great recyclers. I think people largely think, “Oh, it is okay, it is being recycled.”

Statistics show that a higher proportion than ever of our waste is being recycled. I have the graphs from the budget and also from the 2003 State of the Environment report. It is obvious that we are recycling more of our waste, but the fact is that we are producing more waste overall so, in that sense, it is not really dealing with our problem.

We now have an increasing number of products that require being thrown away. Unfortunately, in the last few years, we have seen a shift over to bottled water. We have perfectly good drinking water here. Nonetheless people, for some reason or another, are prepared to pay more for their bottled water than they would for a litre of petrol so we have a new litter product—used water bottles and other bottles. We produce energy drinks so after a fun run we see trails of plastic bottles. We have individual yoghurt portions and our cheese slices are separately wrapped.

In our rush to improve our hygiene we are increasing our waste, something that we are doing without even thinking about it. My concern about sewage recycling is that even supporters of the recycling scheme will use that as a reason to increase their consumption of bottled water. They might not say that is why they are doing it, but I suspect that they will.

Reducing waste includes simple steps such as setting printers throughout government offices, including the Assembly, to print double-sided as a default; installing bubblers in town centres, local shops, parks and other places where people walk to reduce the demand for bottled water; and running programs to promote school canteens to stock more fresh food rather than pre-packaged food. Eating fresh fruit rather than fruit packaged in plastic not only reduces packaging; it is also healthier.

Reusing products is also very simple. It is interesting that the two members who have foreshadowed amendments to this motion are not even bothering to listen to this debate. Will they be able to add to the quality of debate after something like that? No doubt their advisers are listening. On a territory level I would like the government to reinstate container deposit legislation—I am not sure whether we ever had it in the territory; we certainly did in Victoria—which will not only provide a good income for children and other needy people but also reduce waste. South Australia still maintains a 5c container deposit.

In the domestic construction area we should ensure that all roof tiles are reused and not sent to landfill. An enormous amount of building waste is still being sent to landfill. The other day I saw the Canberra Labor Club being demolished in such a way that it would have prevented the reuse of those materials. Recycling is largely what this motion is all about. This government has simply put too many issues into the too-hard basket. If we look around the corner at some of the initiatives being taken by ANUgreen we can see that solutions do exist, and even these actions can be undertaken in Canberra.

We need to develop targets by the end of 2007 to close recycling loops and to reduce the net production of waste. I also stress the importance of ACT government

procurement policies as this is where a full lifecycle analysis comes into play. Unless we are purchasing products such as 100 per cent post-consumer recycled paper for all our office paper needs, we are still not closing the loop and we are continuing to contribute to the general over-consumption malaise.

My advice would be to start by looking at ECO-Buy, a Victorian local council initiative—a centralised scheme that evaluates the needs of local councils across the board in Victoria and recommends which products are the most sustainable. It is a very successful program from which the ACT could learn a lot. At the moment I have an intern in my office who is working to see how we can make our procurement policies more sustainable.

I recognise that the ACT is not a great producer of manufactured items. Thus it makes it difficult to introduce meaningful legislation, such as extended producer responsibility, which is really where we need to be going and which is where many European governments have gone. It requires production companies to take responsibility for production waste, packaging and the product itself.

There are a number of other measures in my motion which include siting recycling bins beside all landfill rubbish bins in town centres. It is absurd that we do not have the ability to recycle in our city. If we are responsible citizens it means that, when we are away from home, we have to take our rubbish home. I do not think that is always realistic. We need a scheme to dispose safely of fluorescent and compact fluorescent light bulbs, which we will all have very soon, but they have a certain component of mercury and should not just go into landfill.

We need a drop-off scheme for the safe disposal of batteries, which we are all buying in much greater quantities due to our little Walkmans and other products that run on batteries, but at the moment we do not have a safe way of disposing of them. We need a green waste mulching scheme and commercial operations must be required to recycle paper and cardboard. We must have schemes such as the ANU's HotRot system that enables the picking up of commercial kitchen waste.

Finally, we need to ensure that waste that is put into skips and trash packs is recycled at landfill sites. At the moment if you hire a skip the stuff just gets put into the landfill and is not recycled at all. So we have a big issue on our hands. The ACT used to be cutting edge with its waste disposal schemes. It is no longer cutting edge, even though the minister will try to tell us later that it is. Nonetheless, as he did not really listen to anything that I said in my speech I do not expect a fulsome response to it.

MR HARGREAVES (Brindabella—Minister for the Territory and Municipal Services, Minister for Housing and Minister for Multicultural Affairs) (12.01): I was listening to what Dr Foskey was saying and I was also—

Dr Foskey: I do not think so.

MR HARGREAVES: Dr Foskey does not listen to me if I interject. I was listening to Dr Foskey and I was also discussing the motion with Mr Pratt—something that we have not had an opportunity to do because the motion was put on the notice paper on Tuesday and yesterday we spent six hours debating the budget. If the motion had been

placed on the notice paper earlier we could have discussed it and I suspect that we might have found ourselves more in agreement with it. So Dr Foskey should not get all antagonistic about it. I move the amendment circulated in my name:

- (1) commends the success of the ACT Government's No Waste strategy in achieving a best practice recycling and resource recovery rate of 76% of all waste generated in the ACT; and
- (2) notes that:
 - (a) the ACT continues to lead the way in the development of sustainable waste minimisation and management initiatives;
 - (b) the current No Waste strategy *Turning Waste into Resources—Action Plan 2003-2007* is coming to an end;
 - (c) a review of the NoWaste achievements and progress to date has commenced and will include an examination of what opportunities may exist for further sustainable waste minimisation; and
 - (d) the aim of the review is to provide a sound foundation for the development for the *No Waste Action Plan 2008-2011*; and
- (3) supports the Stanhope Labor Government's aspiration of achieving international best practice of 95% resource recovery and 5% residual non-recyclable landfill".

Dr Foskey moved a motion that outlines a program for waste minimisation and recycling initiatives in the ACT. I welcome Dr Foskey's motion. I have moved an amendment to it but I still welcome it because I think it is something we need to talk about. I am pleased to report to members that the ACT government already has a very successful waste minimisation and recycling program, namely, our no waste strategy. I do not take kindly to people denigrating the achievements we have made through that strategy. However, I will proceed.

This strategy has made significant progress and is leading the way both nationally and internationally. The government has already achieved great success with its no waste strategy. Currently, 76 per cent of all waste generated in the ACT is diverted into recycling and resource recovery. Dr Foskey said it is a shame that our waste recovery level was not at 79 per cent, a three per cent differential. I suggest that members could be a little more reasonable about that.

While we are quite proud of the achievement there is no room for complacency and there is room for improvement. The ACT continues to lead the way in the development of sustainable waste minimisation and management initiatives, including free household and commercial green waste recycling, with over 208,000 tonnes per year of garden waste recovered and turned into valuable mulches, composts and soil products that are returned to our soils and agricultural production systems. That picks up one of the recommendations in Dr Foskey's motion.

Household and business recycling at the Hume Materials Recycling Facility recovers around 55,000 tonnes per year of standard recyclables including paper, cardboard,

aluminium and steel cans, glass and juice containers and mixed plastics. At the reusables facilities at Mugga and Mitchell reusable and repairable items can be deposited free of charge. This service also includes a household on-call, fee for service, bulky goods pick-up service. Incidentally, we now have two reusable facilities at Mugga—Aussie Junk and Revolve—so let there be an end to discussion about those two facilities.

Other initiatives include the establishment of a network of construction and demolition waste recycling facilities—there is no mention in Dr Foskey's motion about that—and the development of an active and growing market-based resource recovery sector that is not only diverting waste from landfill but also generating jobs and creating positive economic benefits for the Canberra community.

As the no waste strategy action plan 2003-2007 is coming to an end a review has commenced to examine no waste achievements and progress to date. In addition, the review will examine opportunities for further waste minimisation, options for moving forward to create sustainable waste minimisation and management practices, and recommend a forward no waste action plan for 2008-2011. I repeat: The review will recommend a forward no waste action plan for 2008-2011, which is a recommitment to the aspiration of no waste.

Dr Foskey called on the government to undertake a number of initiatives to progress waste minimisation in the ACT, and I would like to address them individually. The first paragraph of her motion reads:

- (1) re-commit the target and timeline of the No Waste by 2010 strategy.

Firstly, I would like to clarify that we have a no waste strategy which sets out the government's program for waste minimisation. This strategy has been progressively improved and has been subject to formal review and evaluation. The outcomes have then been used to develop the next three-year action plan to drive further progress towards our no waste objective.

Secondly, we have a no waste by 2010 aspirational target that was established as a mechanism to drive ambitious community change in the ACT. Again I would like to make a point of clarification. This no waste target does not mean zero waste going to landfill. Long ago we established a benchmark that in practice no waste can at best be 95 per cent resource recovery with a five per cent residual of non-recyclable materials still requiring landfill. By way of example, that may very well be toxic substances such as asbestos as it is discovered in homes and needs to go to landfill. The second paragraph of Dr Foskey's motion reads:

- (2) develop targets by the end of 2007 to close recycling loops, and reduce the net reduction of waste.

Closing recycling loops or, to be more specific, implementing resource recovery programs that divert materials from landfill then sort and process those materials into usable products, that value add to materials where possible, and that develop sustainable markets for waste material, has always been a central theme of the no waste strategy. We are literally turning waste into resources, which is what our current action plan is entitled.

Targets for individual material types have not been established under the no waste strategy. Instead, we have focused on a clear strategy of actions and initiatives required to move us towards no waste. The progressive implementation of these actions and initiatives has delivered the current 76 per cent resource recovery rate of all waste generated in the ACT. The future initiatives of the next action plan will build on the government's current no waste success.

Waste generation in the ACT, Australia and most developed countries continues to rise at an alarming rate. On average, an additional 30,000 tonnes of waste is generated in the ACT each year. We are an affluent society with high consumption patterns that result in high waste levels. Research tells us that a great deal of goods and materials purchased are not consumed or used and ultimately are discarded.

I agree with Dr Foskey the waste production and generation need to be addressed and I note that the Waste Minimisation Act 2001 establishes a waste management hierarchy of avoidance, reuse, recycling and reprocessing, and disposal as a last option. The act also has the objective of minimising consumption of our precious natural resources. Waste avoidance and resource efficiency policies and programs continue to be developed and implemented through my department's sustainable policy and program initiatives, targeting businesses, government agencies, educational institutions and the general community.

The third paragraph of Dr Foskey's motion reads:

- (3) adopt measures to achieve the No Waste by 2010 target that include:
 - (a) siting recycling bins beside all landfill rubbish bins in town centres;
 - (b) a scheme for the safe disposal of fluorescent and compact fluorescent light bulbs;
 - (c) a drop-off scheme for the safe disposal of batteries, preferably through chemists and camera shops;
 - (d) a green waste mulching scheme;
 - (e) mandatory paper and cardboard recycling for commercial operations;
 - (f) the pick up and compost of commercial kitchen waste; and
 - (g) ending the use of skips and trash-packs for mixed waste and recycling dumping at landfill sites.

Many of the no waste initiatives that are currently being implemented address the areas outlined by Dr Foskey. I also want to highlight areas where further work will be required before some waste items can be targeted for resource recovery. Currently we are trialling public place recycling systems in Glebe Park and, over time, we will expand these systems to other areas that justify public place recycling. However, we must first ensure that we can overcome the problems associated with high levels of garbage contamination in public place recycling systems.

There is little point in going to the effort and expense of collecting material for recycling that simply ends up in landfill due to high contamination rates. I am advised that property maintenance companies around Canberra already recycle commercial quantities of fluorescent lights removed from commercial and office buildings. After the Commonwealth's recent decision to phase out incandescent light bulbs, which will result in the transition to fluorescent bulbs, my department has commenced investigating the possibility of having fluorescent bulb recycling drop-off services at the Mugga Lane and Mitchell resource management centres.

Just flicking back for a second, while I am talking about companies recycling, I need to congratulate REECO as it recycles about 95 per cent of the packaging and everything else. We already have good recycling services for mobile phone rechargeable batteries and car batteries in the ACT. However, at this point in time, it is not viable to implement a recycling program for alkaline batteries, that is, the common household battery, as no reprocessing facilities are currently available.

Advice from the Environmental Protection Agency is that alkaline batteries pose no risk of environmental harm by being disposed of to landfill. I will repeat that for the benefit of Mr Pratt as we had a discussion about this earlier. The EPA says that alkaline batteries pose no risk of environmental harm by being disposed of to landfill. When alkaline battery processing facilities become available I am sure this initiative will be pursued.

As I outlined earlier, the ACT already recycles over 208,000 tonnes of garden waste a year. Green waste is accepted free of charge at the government's Mugga Lane and Macgregor facilities. In relation to mandating recycling practices within the business sector through legislative mechanisms which are difficult to enforce, we have instead chosen to work with the business and waste management sectors to bring about a change in practices.

We have progressively introduced pricing mechanisms that send a clear message: If you want to dispose of waste to landfill it will cost significantly more than taking up cheaper recycling alternatives that are readily available. Businesses can actually save money by recycling; a great incentive to encourage recycling in the business sector. The current gap between landfill charges and recycling charges is around \$40 per tonne.

My department is in the advanced stages of discussions with a private sector resource recovery operator who is looking to establish commercial food waste collection and processing operations in the Hume resource recovery estate. However, for commercial in-confidence reasons I cannot provide specific details on this initiative at this point in time. I acknowledge the interest of Mrs Dunne in this initiative. When those commercial in-confidence issues have been taken care of I will be back to inform Mr Pratt, Mrs Dunne and Dr Foskey.

Under the new resource recovery contract at Mugga Lane and the current Mitchell Resource Management Centre contract, resource recovery from mixed waste is already taking place. One of the investments in the Mugga Lane resource management contract is for a mixed waste processing plant to be constructed and operated that will

accept mixed waste from skip bin and trash pack operators and separate out the various materials for recycling.

This is yet another positive example of the government's commitment to no waste. I believe that the government has achieved great success in progressing the no waste strategy with commendable gains in resource recovery. We are international leaders in waste minimisation, something about which the ACT community should be very proud. I look forward to seeing further waste minimisation gains to be made under initiatives currently being implemented and, importantly, to the next no waste action plan that will take us forward on our path to a no waste future.

I trust that I have been able to address most of the things that Dr Foskey raised with me. I again thank her for raising the issue because I welcome any opportunity to get the no waste message into the community. That is why we hand out no waste awards, that is why our officers go and talk to businesses and that is why we are signatories to the national packaging covenant. There will always be a little something like asbestos that will need to go to landfill. We cannot do much about that, which is a frustration. But I think that a 76 per cent achievement at this point in the cycle is a good response to the target, and something that is not matched anywhere else in Australia.

MR PRATT (Brindabella) (12.16): I welcome Dr Foskey's motion. In the nanoseconds available this morning in this rather rushed debate I discussed with the minister the points he raised that are relevant to his amendment and I have given his amendment the quickest consideration I can give it in light of this compressed debate. I endorse the minister's statement that, if we had known about this motion a little earlier, we might have been able to come to a more sensible arrangement in relation to the issues we support and the issues we seek to amend.

Given the opposition's criticism of the government for not having moved quickly enough on the no waste strategy, the opposition will not be supporting the government's amendment to Dr Foskey's motion, nor will it seek to try to amend it. That brings me back to this point: In general, we find Dr Foskey's motion attractive but we will seek to amend it. Therefore, I seek leave to move my amendment, which will add value to Dr Foskey's motion.

MR SPEAKER: There is still a question before the house, that is, Mr Hargreaves's amendment. We have to dispose of that.

MR PRATT: You are quite right; we are discussing an amendment to the motion. I foreshadow that the opposition will not support the government's amendment. As I just outlined, I will circulate my amendment which seeks to add value to Dr Foskey's motion. I will, therefore, talk to Dr Foskey's motion and to my foreshadowed amendment.

MR SPEAKER: You can speak only to the question that is before the house, that is, that the amendment be agreed to. That is Mr Hargreaves's amendment.

MR PRATT: I will do that, Mr Speaker. I will commence by reiterating the opposition's position on the no waste strategy. I would like to quote some elements of

the vision of the last Liberal government. Minister Tony De Domenico, who laid down the vision for the 2010 no waste strategy, said:

By 2010 it is envisaged that waste will have been eliminated by a community that:

- has encouraged the producers of goods to take responsibility for the form in which their products are sold to ensure that waste is not generated with the initial production, during use or at the end of the product's life;
- has created an environment for developing innovative solutions to avoid generating waste;
- only buys what it needs. Whether they be building materials or groceries, waste is avoided by efficient buying and production practices;
- has created cost-effective methods for recovering resources so that materials can either be re-used or reprocessed into valuable products;
- has created industries dealing in unwanted materials;
- has extended the opportunities for resource recovery to the Canberra region; and
- takes pride in its achievements in eliminating waste and includes environmental education as a key element in achieving the vision.

I have not quite discovered whether the government stuck to that vision or whether a no net waste increase to landfill by 2010 position was arrived at. Nevertheless, the goal of achieving no waste by 2010, hopefully, a gross no waste landfill by 2010, was an admirable objective. I am pleased that the Greens want to hurry us all along in that direction.

I have a problem with Dr Foskey's motion in that the timeframe is unrealistic. It is not that Dr Foskey has not done a proper time and space appreciation; it is just that the government has brought us to a position where it is physically impossible, given the fact that it dropped the ball over the last six years, to reach a stage where we have no waste and we eradicate landfill by 2010. That is simply not possible. So that target date must be amended. I ask Dr Foskey to establish whether we can include a more realistic deadline to achieve that objective.

The 2010 strategy will not work. Opposition members will have a lot more to say about this when we table our policy on waste management in the next six months or so. We will lay down what we believe to be a realistic target—a target that has to be readjusted because the government dropped the ball. A no landfill strategy and a no waste strategy are simply not possible now because of this government's failure to achieve certain targets.

The government must meet new environmental standards by significantly reducing our reliance on the waste management and landfill strategy. We need to develop a more diversified waste recycling and rubbish collection system. We are at one with the Greens on that. It does not involve just providing residents with green waste bins

and additional waste pickups; opposition members believe that we must look at the sorts of strategies that were addressed today by the Greens.

We want to minimise the attendance at general landfill and encourage more recycle drop-offs. It is necessary for the government to reduce its reliance on revenue from tip fees but, at the same time, we must deter consumers from dumping everything just because they can. We will be seeking to reinvigorate and recommit to a no waste strategy. I want to refer to some of the issues in the Greens' motion, which I think is a reasonable framework from which to plan. As I said earlier, the target dates in paragraphs (1) and (2) are not possible, although I agree with that part of paragraph (2) that states "develop targets by the end of 2007".

It is encouraging that the minister said he will now go beyond the end of the current 2007 government strategy, and that the government will introduce a new 2008-2011 strategy. Clearly, developing strategies by the end of this year will sit well with that objective. If the government is fair dinkum we would support that. Paragraph 3 (a) of Dr Foskey's motion states:

(a) siting recycling bins beside all landfill rubbish bins in town centres ...

The implementation of that proposal would be at a significant cost but the opposition does not rule out analysing that possibility to establish a cost-benefit analysis. We must all take bold steps, produce landfill strategies and move to a no waste objective. However, as I said earlier, there will be a cost but we must analyse that cost and weigh it against the benefits. Paragraph (3) (b) of Dr Foskey's motion states:

(b) a scheme for the safe disposal of fluorescent and compact fluorescent light bulbs ...

That is an important point but it will be interesting to see how it can be achieved. People might have to be asked to dump those sorts of things in prescribed areas. I will not flag it as a policy point but I believe that someone should look at the feasibility of encouraging residents to drop fluorescent light bulbs and disposed of batteries at publicised collection points, at fuel stations, at Bunnings, outside supermarkets and those types of places. Collection points should be publicised and people should be encouraged to drop those things into discrete bins.

The minister said earlier that there is evidence to show that alkaline batteries do not create a problem in landfill. I note that he referred today to EPA recommendations to that effect, but the opposition is still very concerned and does not necessarily agree with that finding. At this point why do we not simply dump batteries discretely and in two, three or four years time find other ways and means of disposing of them? We generally agree with the direction of the Greens' motion but we think that the timeframe should be adjusted. (*Time expired.*)

DR FOSKEY (Molonglo) (12.26): It is necessary for me to respond to Mr Hargreaves's speech and to his amendment. Firstly, this motion was put on the notice paper, which is the normal way that things are done in this Assembly and it was available at lunchtime yesterday. That motion and all the other motions that we have been discussing today would have been dealt with had there not been a calling on of executive business, which I assume will succeed.

Secondly, my motion in no way denigrates those people who work to help us dispose of our waste and implement the no waste practitioners. I am sure that our bureaucrats are mature enough to separate political discussion from their work and I commend them for that. I wish to refer to several issues that Mr Hargreaves touched on in his speech. The Glebe Park pilot program has been running for quite some time. I am interested in how it is going, whether there is any monitoring, how long it will be a pilot program and when it will be implemented in other places.

Anecdotally, I have heard that it is going well. People having picnics, at least in one part of the ACT, are pleased when they are able to recycle. Referring to the fluorescent light drop-off, people have to drive their cars to the Mugga Lane facility to get rid of their rubbish so I am not really sure how that helps our greenhouse problem. One of the things that the ACT is lacking is kerbside collections for a number of things, including green waste. We should rethink the Sunday recycling program as it is probably not the most effective way of recycling things that people might want.

Mr Hargreaves mentioned that there might be a HotRot or similar composting facility at Hume. I commend him for that and I am excited about the idea. It is way overdue but it is a really good idea. Places like Waterfront, luxury apartments that I had the pleasure of looking at a couple of days ago, should be encouraged to set up composting schemes. No doubt quite a bit of green waste will come from multi-residential developments, of which there are so many in the ACT. It is okay for people with gardens to compost, but it is really difficult for people who do not have access to any ground to do that.

I moved this motion because I want the government to recommit. I am not impressed by the third paragraph of Mr Hargreaves's amendment which refers to the Labor government's aspirational target. We know that John Howard will be going to APEC with a Kyoto aspirational target to reduce greenhouse gases. China, the biggest producer of greenhouse gases in the world, will be happy about aspirational targets simply because it does not have to meet them.

I would support Mr Hargreaves's amendment if the word "aspiration" in his third paragraph was replaced with the word "a". That wording would indicate that the government really wanted to achieve such a target. The word "aspiration" is very nice but it will not achieve that target.

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

Sitting suspended from 12.30 to 2.30 pm.

Questions without notice

Emergency services—FireLink

MR STEFANIAK: My question without notice is to the Chief Minister. In the Auditor-General's report on the FireLink project that was released yesterday, the Auditor makes the following key finding:

In May 2003 ... the Government approved overall funding of \$26.7 million to upgrade the communications systems of the Emergency Services Bureau (the New Radio Project). There was no documentary evidence that a detailed business case supporting this funding decision was prepared and considered by Cabinet.

Chief Minister, why did you and your ministerial colleagues approve the expenditure of more than \$26 million on this communications project without there being a business case prepared for the project?

MR STANHOPE: The Minister for Police and Emergency Services is responsible for this area of government administration. I ask him to take the question.

MR CORBELL: I thank Mr Stefaniak for the question. It is quite clear that the Auditor-General has identified a range of problems with the administration of this project. As Mr Stefaniak rightly identifies, one of those is the documentation the former authority failed to provide to cabinet. It is important to stress that cabinet was acting on the advice, and receiving the advice, of its emergency service officials and it was in the context of a newly appointed emergency services commissioner. Let us remember that there was unanimous agreement that there should be an independent emergency services commissioner and an independent authority to advise government on the resources, the projects and other material that was needed for the emergency services to do its job.

Mr Smyth: It did not exist in May 2003.

MR SPEAKER: Order, Mr Smyth!

MR CORBELL: The Emergency Services Authority advised cabinet that a global amount was required for upgrade of communications systems. The government agreed with that advice and provided the funding. The real failure here is that the development of that project was not properly tested through a business case.

Mr Smyth: Did cabinet ask for one?

MR CORBELL: The trial of the project was approved by the emergency services after only eight days, in effect. Let us remember, the government signed off on a four-month trial—

Mr Pratt: Or the Emergency Services Bureau.

MR SPEAKER: Mr Smyth and Mr Pratt, no more interjections, please.

MR CORBELL: And after eight days the former commissioner and other senior management in the then authority indicated that the trial was a success—after eight days. Clearly that was inadequate and inappropriate.

Mr Smyth: Point of order. Under standing order 118 (a), the answer has to be concise and confined to the subject matter of the question. The question relates to cabinet decisions in May 2003, when the emergency services authority did not exist. Would you ask the minister to confine his answer according to the standing orders?

MR SPEAKER: Order! The minister will come to the subject matter of the question. The subject matter is what cabinet did about a business case.

MR CORBELL: Indeed, and I am answering that question, I thought, quite explicitly. It may not be the answer the opposition wants but that does not mean I am not answering the question. I would have thought after three years in opposition members opposite may have worked that one out. You do not always get the answer you want but you do get an answer from this government on these issues. The very clear advice to the government at the time was that a certain amount was required for a range of communications projects, and that was provided to the authority.

This report highlights that without an appropriate level of governance, of oversight of these projects, we saw these problems occurring. The Auditor-General makes it very clear—and I want to put this ESB-ESA argument to rest—in her report, and I draw members' attention to it, that it was on the advice of the newly appointed commissioner that these decisions were taken. That is very clear. These decisions were taken on the advice of the then commissioner, and you cannot escape that reality. This report confirms and justifies the government's decisions that were taken in last year's budget.

Mrs Dunne: No it doesn't.

MR SPEAKER: Order, Mrs Dunne!

MR CORBELL: Last year's budget said we need better governance of the financial and IT projects within the Emergency Services Authority. Let us do a quick compare and contrast, and we can see this for what it is.

MR SPEAKER: Order! There are too many conversations going on in the chamber. Supplementary question?

MR STEFANIAK: Minister, what responsibility do you accept for the problems that have resulted from this decision?

MR CORBELL: I accept, of course, political responsibility on these matters, and I accept the responsibility to have these matters addressed and fixed.

What did the government do and what did I do as minister to address these problems? Two key things. The first was to ensure that the ESA had appropriate governance and oversight arrangements, which meant bringing that authority back into the realm of the community safety portfolio. That single step has ensured that a culture of appropriate governance has come back into place—is put into place. The proof is in the pudding. It is in the pudding. For the first time in three years, this financial year—just past—the ESA came in on budget. It was on budget for the first time in three years. In addition, the legacy of poor management, such as the FireLink project, has been addressed. The bringing back of the ESA into the community safety portfolio—and that is what it is about: community safety—

Mr Pratt: No FireLink; \$5 million wasted; low morale.

MR SPEAKER: Order, Mr Pratt!

MR CORBELL: The outcome of that is that legacy projects such as FireLink have now been addressed. Detailed internal investigations have been undertaken. The Auditor-General's report confirms the findings of those investigations. It confirms and vindicates the government's decision not to proceed any further with this technology and to put in place appropriate governance arrangements to ensure that these problems do not occur again. That is the responsibility I take, Mr Speaker.

Emergency services—projects

MR GENTLEMAN: My question is directed to the Minister for Police and Emergency Services. Can the minister advise the Assembly of the measures in place to ensure the effective financial management of projects and activities in the ACT Emergency Services Agency?

MR CORBELL: I thank Mr Gentleman for the question. This really is at the heart of the question. It is in many ways related to the question Mr Stefaniak just asked me. The key requirements that the government has put in place following the 2006 budget are in effect a pre-emption of all the recommendations that the Auditor-General has made, in particular the issues around the management of these projects through the cabinet process.

In the middle of last year, following the 2006 budget, the government made explicit its decisions about how major IT projects were to be managed. The recommendations that the Auditor-General makes—such as putting in place detailed business case analysis and justification, appropriate processes for tendering and so on—have already been implemented by the cabinet through its decisions following last year's functional review. We took the very deliberate decision that coherent and coordinated oversight of these projects was required. We have put that into place.

The other very important reform—and one that those on the other side of the house simply will not accept, even when the evidence is in black and white from the Auditor-General—is that you need appropriate governance of the management of our emergency services. I am very pleased that our new commissioner, Mr Manson, has taken this task very much as a first priority. He is achieving excellent outcomes. He has put in place comprehensive reviews of all the IT projects within ESA. His reviews and the reviews commissioned through the justice and community safety portfolio identify all the issues raised by the Auditor-General.

We have implemented those reviews and their recommendations, so much so that the government can and does agree with all six of the recommendations made by the Auditor-General. We have already identified these problems and acted on them. It is a strong endorsement of the government's position—of the steps that the government has taken—that the Auditor recognises these, recommends that they should be done, and that we are in a position to say that we agree and they have been done.

The real challenge for the Liberal Party in this is to recognise that their critique about shifting the authority back to the agency is fundamentally flawed. It is fundamentally

flawed because they do not propose an appropriate mechanism for governance and oversight that will prevent a recurrence of these issues.

If they get their way, what will we see in ESA? We will see budget blowouts. We will see poor budget management. We will see a failure to appropriately run our emergency services so that money is spent on the frontline, not on wasteful administration, which results in budget blowouts and poor project management. We want to see these dollars spent on the frontline. We want them spent in supporting our firefighters, supporting our SES volunteers, supporting our ambulance officers to deliver a safer community.

As a result of the reforms the government has put in place, as a result of being able to agree to every one of the Auditor-General's recommendations, we can quite clearly say, "We will make sure those dollars are spent where they are needed, not wasted in the sorts of legacies which the Auditor-General identifies."

Emergency services—FireLink

MR PRATT: My question is to the Minister for Police and Emergency Services. Minister, on 12 December 2006, you advised the Assembly in response to a question from me:

FireLink does work. It is operational currently in RFS and SES. It does work and it is an excellent piece of technology. It provides our emergency services with the ability to locate vehicles in the field, to know where their resources are and to be able to deploy them effectively and most efficiently.

In the same month, JACS commissioned two expert, independent reviews of emergency services ICT projects, including FireLink, given concerns raised about the performance of these projects by a wide range of authors in the field—permanent—and in this place. Why, in December 2006, did you assure the Assembly that FireLink does work when your department had considerable concerns about its performance, leading to the commissioning of two expert and independent reviews of emergency services ICT in the same month?

MR CORBELL: The very reason those reviews were commissioned was as a result of a decision taken by this government to bring the ESA back within the community safety portfolio. The decision was taken that, given the magnitude of all those projects and the dollar value attached to them, it was appropriate to undertake a review to see how well they were being managed. The problems were not being identified at that stage but they were identified subsequent to that month and, as a result of that, the government started to take steps to address the issues that were identified.

The commissioner has made very clear in previous comments, publicly and elsewhere, that the reporting by the ESA to me and my predecessors about this project was hopeful and, he believes, not accurate, given the understanding that was occurring within the ESA at that time. He has indicated that. The whole reason that those reviews were commissioned was to ensure that these projects were performing according to their specifications. Those reviews found that, in relation to FireLink, they were not. As a result of that, we took steps to fix it. So I see no contradiction between the decision to commence those reviews and my comments in December.

MR SPEAKER: Is there a supplementary question?

MR PRATT: My supplementary question is this: given the very explicit quotes by you that I read out in the previous question, why didn't you correct the record in the Assembly at the earliest opportunity, as required by the ministerial code of conduct, and will you now table the two expert, independent reviews?

MR CORBELL: I am very pleased to give consideration to tabling those reviews. I will do that and come back to the member as soon as possible. In relation to the matters around my comments, my comments at all times were accurate and were based on the advice I received from the emergency services authority at that time. I do not think the ministerial code of conduct requires me to correct comments I made if the circumstances changed after I made those comments.

Mr Smyth: It does; it actually does.

MR CORBELL: I do not believe that any ministerial code of conduct requires a minister to correct the record if circumstances change after they make the comments. The requirement is that the comments are factual and accurate at the time they are made, and I believe my comments were.

MR SPEAKER: There are two people on warnings on the opposition bench, and I still sense that there are some mumblings. I am serious about those warnings.

Emergency services—FireLink

MRS DUNNE: My question is to the minister for emergency services. Minister, following the release of the Auditor General's report on the FireLink project, you said on ABC radio this morning that the four-month trial for this project was deemed a success after only eight days by the former authority.

Minister, why did you say today that the authority foreshortened the trial when it clearly states on page 16 of the Auditor-General's report that the foreshortening of that trial was carried out by the emergency services bureau because the authority did not exist for another two months?

MR CORBELL: Mr Speaker, this is the great furphy that we have from those on the other side of the chamber on this matter. The reality is—and all of us who were there at that time know it to be true—that, following the 2003 fires, the new authority was effectively in operation even before the legislation was formally enacted.

The government had appointed a new head of the ESB who was the commissioner designate. For all intents and purposes, the ESB was already operating as an independent authority and was already advising government directly on these matters. The then chief executive of the Department of Justice and Community Safety was accepting the advice of the new head of ESB, shortly to become the commissioner, on all matters affecting emergency services.

Just imagine the outrage from those opposite if, in the immediate months following the 2003 fires, the Department of Justice and Community Safety was still seeking to

exert influence over how the emerging authority was to do its job. Imagine the criticism from those opposite if they felt and they heard that the Department of Justice and Community Safety should be overruling the advice of the emerging authority.

It was a time, quite clearly, of transition. But let us make no mistake about what was happening. The newly appointed head of emergency services, the commissioner designate, was in place. He was advising government directly and his advice was being accepted by the chief executive of the department and by the minister, and that is what those opposite wanted to happen as much as this government did at that time.

MR SPEAKER: Do you have a supplementary question, Mrs Dunne?

MRS DUNNE: Thank you, Mr Speaker. Minister, what responsibility did the minister for emergency services have for decisions made by the emergency services bureau in that period, and specifically in relation to the foreshortening of the trial?

MR CORBELL: Mr Speaker, can I answer that question? I was not the minister at the time.

Budget—increased charges

MR MULCAHY: My question is to the Treasurer. Treasurer, in the latest budget papers there is a table that compares ACT taxes with New South Wales taxes, but that table does not include a comparison of the water abstraction charge, increased by an average of \$75 last year, the fire and emergency services levy, which this year will cost each household \$87, the method used to calculate increases to charges, which in the ACT is the rapidly increasing and compounding WPI, or the utilities network facilities tax. Why are these charges not included in this table when you have done a comparison with New South Wales?

MR STANHOPE: I will have to take that question on notice. I do not know the answer but I am happy to get back to the shadow minister with that information.

MR MULCAHY: I ask a supplementary question. Will the treasurer consider instructing his department to develop a new table including these taxes?

MR STANHOPE: Yes, I will consider that.

Schools—bank balances

MS PORTER: My question is to the minister for education. Minister, it has been reported that bank balances in public schools collectively total \$21 million. Can you advise the Assembly why bank balances total \$21 million and how the money will be spent?

MR BARR: I thank Ms Porter for her question and for her ongoing interest in public education in the ACT. It was reported in this morning's *Canberra Times* that our 88 government schools have just shy of \$21 million in their bank accounts. This is welcome—that schools are so well resourced. I am very pleased to be able to advise

the Assembly that, as a result of the government's record injection of money into public education and a four-year program of investment—

Mr Mulcahy: Why are parents dipping into their pockets—

MR SPEAKER: Order!

MR BARR: schools are so well resourced and there is so much activity occurring across every public school in the ACT. It is important to note that the amount of money that is sitting in school bank accounts represents an average balance of about \$240,000 for each school and that this represents a snapshot in time: the bank balance is taken at one moment in time. Of course, there are a number of factors that influence the total amount within a school bank balance. They can include the receipt of payments from the commonwealth and receipt of payments from the ACT government. There are a variety of sources of income for schools. They also—

Mr Mulcahy: Parents.

MR BARR: Parents make voluntary contributions—

Mr Mulcahy: Voluntary?

MR BARR: Voluntary contributions.

Mr Mulcahy: Woe betide them if they don't pay them up in some schools.

MR BARR: Voluntary. They are voluntary—and made voluntary by the Education Act 2004. I draw your attention to that act, Mr Mulcahy. There are voluntary contributions from parents, but they are a very small proportion of the total funding that is provided to government schools.

It is worth noting that about 53 per cent of those school bank balances are in funds that are the working capital of the school—to pay for electricity, water and minor maintenance: the day-to-day operations of the school. Twenty per cent are cash reserves held for specific purposes—the acquisition of assets, one-off ideas or proposals. For example, Calwell high is saving to purchase a school bus. There are a variety of major asset purchases that schools undertake. Then there is 27 per cent that relates to externally funded programs—prepayments on behalf of students and library and building funds, for example.

It is important that we recognise that this money is accounted for in the school's annual report each year. All of the annual reports are available on the internet. I thought it was worth while going and having a bit of a look to see what schools are spending the money on. Canberra college, for example, is spending nearly \$50,000 upgrading student computers. It is spending about \$33,000 on painting and furniture, new carpet. It has upgraded its hospitality area and it is setting up an IB program.

The Amaroo school is spending money on the purchase of interactive whiteboards—about \$30,000. It is purchasing guided reading resources and home readers for beginning readers—\$10,000. There is \$5,000 worth of musical instruments for its

band program. There is \$12,500 for numeracy resources. There is professional development for teachers and communication infrastructure for the school. And there is a \$20,000 values education program.

Dickson college is spending money upgrading its grounds, replacing ceilings in the science area and upgrading classrooms. Belconnen high school, in addition to the new gymnasium that is being provided by this government—

Mrs Dunne: You are saying the money for the gymnasium is in that account, are you?

MR BARR: In addition to the money that the government is providing for their new gymnasium—a specific request of the school board—out of the \$90 million capital upgrades, the money that Mrs Dunne says is throwing good after bad—

Mr Stanhope: That's right: good after bad.

MR BARR: On the record, continuously, Mrs Dunne—the most anti public education shadow minister in the history of self-government in the ACT. Belconnen high school is spending about \$34,000 purchasing extra resources to further enhance cross-curricula learning outcomes as part of the curriculum renewal project. And they are upgrading their computers.

All of these projects are occurring across a range of schools—primary schools, high schools, everywhere—in addition to the record amount of money that the ACT government is contributing. And a certain amount of money is being contributed by the commonwealth. Mr Humphries is at it again, with another press release lauding that they have provided \$11.3 million in the last four years. It is \$11.3 million from the commonwealth into public schools and \$350 million from the ACT government. Senator Humphries calls this investing in the best stock there is. Again, I could not agree more. This government is investing 30 times the amount that the commonwealth is over four years. (*Time expired.*)

Budget—revised forecasts

MR SMYTH: My question is to the Treasurer. Treasurer, in the last quarter of 2006-07 the ACT received an additional \$90 million of revenue that you failed to forecast. Inevitably, this will have an impact on the forecasts contained in the 2007-08 budget, a budget that was introduced less than three months ago. Treasurer, what will this impact be and when will you provide the people of Canberra with an accurate picture of the budget position?

MR STANHOPE: I thank the member for the question. I am always pleased to be able to comment on the delivery of the strongest budget ever delivered by a government in the Australian Capital Territory—a budget that stands in stark contrast to the Liberal Party's history of budgeting in its seven years of government. For the sake of the contrast, if we look at seven Liberal Party government budgets in the Australian Capital Territory we find four delivered deficits under the Australian accounting standard of \$685 million. Under the current method of accounting we are looking at a combined aggregate deficit over the period of around \$1 billion.

Mr Mulcahy: Point of order. The question related to the impact of the additional revenues and asked when the Chief Minister would provide the people of Canberra with an accurate picture of the budget position. I do not think that a trip down memory lane is really what was contained in the question.

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

MR STANHOPE: Thank you very much, Mr Speaker. The government has provided and continues to provide updated information for the Assembly and indeed for the community in relation to the budget position for the territory. The most recent of those was last week when I tabled the essential final position for the last financial year. The document or the documentation that was the source for the question that was just asked actually reflects the up-to-date position of the ACT budget. That is precisely what it was.

But for the tabling of that document or documentation, required pursuant to the Financial Management Act, we would not have had an up-to-date exact act with the precise position of the ACT budget. I think I tabled last Tuesday the 2007 June quarter consolidated financial report, which provides a precise statement and account of the current budget position for the territory. It was as a consequence of the preparation and tabling of that report that the member was able to ask his question.

When are we going to do it? I tabled the June quarter consolidated financial report last Tuesday and that is the most up-to-date state—admittedly it is now two weeks old—of the ACT budget position. Of course, we will update it again with the tabling of the next quarterly report and we will update it again after that, three months later, with a very precise position of the budget at the end of the year. Then we will provide a mid-year review on how the budget is travelling and we will follow that with a further quarterly financial statement and a budget.

So every quarter up-to-date fine details of the budget position are provided. One was provided just 10 or 12 days ago, which the member is now relying on for the purpose of asking his question, exhibiting quite obviously that he did not understand the document or the documentation and what it was that it was revealing. In the context of the budget position there will be an update to that through the mid-year review.

In that review we will take into account changes and those risks that emerge, decisions that may or may not be taken, issues around expectations at the time in relation to the performance of the budget, and the predictions that are incorporated within the budget and underpin the assumptions that have led to the budget estimates. That is the process and it surprises me somewhat that the member was not aware of that.

MR SMYTH: I ask a supplementary question. Treasurer, having definitively ruled out tax relief or meaningful projects for the people of Canberra what are your plans for this windfall?

MR STANHOPE: I answered a question last week, I think from the shadow treasurer, who actually pays some attention to these matters and who at least has some

level of understanding, and I said that I would not rule out reviewing our tax regime. I answered a question just last week. This is what Mr Smyth does. He stands up and asks a question based on a falsehood, “having ruled out any tax relief”, which I have never done. Of course, it is impossible to answer these questions. The question was prefixed with a false statement, “having ruled out”, which the government has never done.

In fact, I answered the question last week when I was asked whether I would review our taxation regime and I said, “Well, yes, we do it every budget.” I have now sat in on six budget cabinets and I have been involved in the production of six budgets. In every one of those six budgets there has been a detailed discussion by the cabinet around our taxation regime and the range of revenue measures that are incorporated within the budget.

It is probably fair to say—though I would have to confirm it—that in relation to each one of those six budget cabinets that I have been involved in the Treasury produces a separate and specific submission essentially entitled “Revenue”. It provides a detailed assessment to the government of issues around revenue, taxation, fees and charges, and we will be doing it again. We have done it every budget for the last six budgets and we will again, as we do in every budget discussion or round. We will give consideration to the revenue measures that are part and parcel of the budget. In that context let me repeat what I have stated on a number of occasions over this last week: the ACT government is not a high taxing regime.

Mr Mulcahy interjecting—

MR STANHOPE: It is fundamental to the question that was asked. In the consideration that we will give to our revenue measures, to a taxation regime and to whether or not there should be some adjustment to any of the taxes and charges, we will take account of our relative revenue effort as against the rest of Australia and having regard to our expenditure effort. As everybody in this place knows, against national averages our expenditure effort sits well above the national average—somewhere of the order of at least 20 per cent—whereas all of the advice available to us from the Australian Bureau of Statistics and from the Commonwealth Grants Commission is that our revenue efforts essentially meet the Australian average.

As I have indicated previously, the Australian Bureau of Statistics, in the latest data available to us, indicates that total state and local government taxation in the ACT is \$2,386 per capita against a national average for state and local government taxation of \$2,594 per capita, showing that there is a pretty large gap and that Australian Capital Territory state and local government taxation revenue is lower than the national average. The Australian Bureau of Statistics reveals that the ACT’s per capita state and local government taxation is lower than New South Wales, Victoria, Western Australia and South Australia.

We do not tax at the same rate; we tax at a lower rate in the ACT than New South Wales, Victoria, Western Australia and South Australia, despite providing government services at a far higher level of resource than any of those places. It is interesting that in the constant parroting by the Liberal Party in relation to rates within the ACT that the increase in general rates in last year’s budget, whilst they better

reflect the cost of services and they ensure our capacity to maintain essential municipal services for people in the ACT, still lead to a result where, on the average value land in the ACT, rates are \$146 lower than the rates on equivalent value land in Queanbeyan.

So there is the great furphy. Rates in the ACT, when compared value for value against Queanbeyan, are \$146 less; rates are lower in the ACT than they are in Queanbeyan. *(Time expired.)*

Budget—community submissions

DR FOSKEY: My question is to the Treasurer. It concerns community submissions on the budget. I am told that community organisations were informed that submissions on the ACT budget are due by 28 September this year, as distinct from November in previous years and that they are being forced to organise swiftly to gather input for their submissions within the six-week period they have to do so. Could the Treasurer please advise why the decision to bring forward the submission date was made, and when and how that was conveyed to the groups concerned?

MR STANHOPE: The decisions in relation to this year's budget, the range of decisions that the government is required to take in actually setting a framework and a program and a timetable for budget consideration and delivery were taken in the context of our own planning requirements, which will see us begin budget considerations for next year in October of this year with a view to delivering a budget earlier than the June date that was chosen for this particular year and have led us to bring forward by a month all of our timing and our entire timetable. It is really as simple as that.

The government is working to a different timetable this year for the delivery of next year's budget than for this year's budget. It is really quite simple, Dr Foskey. The government has adjusted its timetable, its own work schedule and timetable, with a view to producing a budget in the traditional time, which traditionally has been May. In order to meet that timetable, we have brought forward by a month all of the milestones that we will pursue in relation to a budget. It is as simple as that.

I must say that I did believe that a six-week time frame for the delivery by community organisations or the community generally or peak organisations or representative organisations provided ample time for consultation and the preparation of those submissions. If it is causing some difficulty for some organisations, I do regret that. But it is a long and very involved and complex process, the process of developing a budget, and it is as simple as that. We have adjusted our timetable. We have brought it forward and it does, of course, impact on all the milestones in relation to the preparation and delivery of a budget.

MR SPEAKER: Do you have a supplementary question, Dr Foskey?

DR FOSKEY: Could the minister please describe the process for ensuring that issues raised by community organisations will be considered in the budget?

MR STANHOPE: The circumstance or circumstances in relation to the receipt of budget submissions are the same for all submissions received by the government in relation to any consultation process. The invitation for submissions is issued genuinely. These issues are important to the government.

Submissions, upon receipt, would be referred to relevant departments and advice prepared for ministers. They are given detailed consideration. Ministers will be provided with specific advice. Departments will take submissions into account in the preparation of their business cases for submission to budget cabinet. Ministers, of course, will be informed of all relevant issues raised by any constituent organisations in the consultation process. It is a serious process and we take it seriously.

The putting together of a budget is a difficult and detailed and complex issue that requires the making of myriad value judgements around priorities, and expenditure priorities particularly. It is a hard thing to do in government to choose between a legion of very worthy initiatives and proposals that are made not just by the community but indeed by our agencies in relation to the contest for very, very scarce resources.

It always needs to be understood that we are a small jurisdiction with a relatively small budget. Our budget continues to be less than \$3 billion. In a small jurisdiction with a relatively small budget with incrementally increasing demand for services such as health and services demanded by an aging population, the focus that we have through investments such as the \$350 million investment in education allows for what might be described as very limited discretionary funds to be available to a budget cabinet in the ACT to fund the legion submissions or requests or opportunities that are put to the government by the community, indeed by our departments. It is probably fair for me to guess or to speculate that, of the submissions that are put to the government annually for budget funding, more than 90 per cent are unsuccessful.

Budget—increased charges

MRS BURKE: My question is directed to the Treasurer. Treasurer, budget paper No 3 from 2006-07 shows that your decision to punish Canberra residents by increasing your government's charges annually by the wage price index rather than the consumer price index is forecast to reap you \$1.7 million in 2006-07. Your government has wasted \$3.5 million on the busway and \$4.5 million on the FireLink project, is building an unwanted arboretum, and will spend over half of the amount raised by WPI increases last year on a monument.

Minister, because of your decision to calculate increases according to WPI rather than CPI, pensioners and other residents are forced to pay a greater proportion of their income on ACT charges. Why should people tolerate wasteful and unnecessary projects when they are suffering under the weight of tax increases?

MR STANHOPE: I welcome the question and the opportunity to again reiterate that the ACT is not a high taxing jurisdiction. As I just indicated—regrettably, Mrs Burke appears not to have been listening—the Australian Bureau of Statistics, in the most recent data available for the Australian Capital Territory, has reported that the total estate and local government taxation in the ACT is \$2,386 per capita.

Mrs Dunne: Mr Speaker, I rise on a point of order. Standing order 118 (b) requires that the Chief Minister not debate. The question was: why should people tolerate wasteful and unnecessary projects while suffering under the weight of tax increases? There is nothing in this question that would lead the Chief Minister to talk about relative taxation between one jurisdiction and another.

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

MR STANHOPE: In the context of the point of order and the desire of Mrs Dunne and the opposition that the question be directly answered, the answer is that they should not.

MRS BURKE: Mr Speaker, I have a supplementary question. Treasurer, by how much will WPI increase taxes imposed on the people of Canberra in the 2007-08 financial year?

MR STANHOPE: I will take the question on notice.

Canberra—improvements in amenity

MS MacDONALD: My question is to Mr Hargreaves, in his capacity as the Minister for Territory and Municipal Services. Can the minister inform the house what measures would assist in developing the amenity of the city and suburban areas?

MR HARGREAVES: I thank Ms MacDonald for the question.

Mrs Dunne: On a point of order, Mr Speaker: I seek your direction, and maybe a rereading of the question, but it seemed from the wording that Ms MacDonald was asking a hypothetical question.

MR SPEAKER: I will listen to it again.

MS MacDONALD: What measures would assist in developing the amenity of the city and suburban areas?

Mrs Dunne: I was just checking.

MR SPEAKER: Mr Hargreaves?

MR HARGREAVES: Thanks, Mr Speaker. I thank Ms MacDonald for the question, and I thank Mrs Dunne for taking up 30 seconds of my answer. The Stanhope government has taken great steps in ensuring that Canberra is a great place to live. Thanks to initiatives put in place by this government, it is easier for Canberrans to live, work and play in this great city.

The 2007-08 budget delivers significant funding to provide the necessary infrastructure to support the growing population of Canberra and improve the look and feel of the city. For example, thanks to our outstanding investment in roads, it is easier to move around the city. The government provided new capital funding of

about \$51 million in the 2007-08 budget for new roads and upgrades to our road network. This includes, among other projects, \$15 million to improve movement in the road network around the airport; \$1.2 million for the Southern Cross Drive extension; \$3.4 million to duplicate Athllon Drive; \$700,000 to make improvements to the Cotter Road; and \$14.7 million for new roads in Canberra's newest suburbs of Crace, Bonner and Forde. That is a significant investment of many millions of dollars.

While we are actively encouraging the use of sustainable transport methods, it is also the responsibility of government to ensure that we have adequate parking to cater for the needs of our motorists. To this end, the government has increased car parking in Canberra, providing \$3.5 million in this financial year for new parking developments.

Of course, in an age of greenhouse gases and climate change, we must increasingly look to sustainable public transport methods. Accordingly, \$56 million is provided for ACTION bus services, including funding to improve safety on buses. A further \$16 million is provided for the replacement of the ageing bus fleet and to install a new ticketing system. For those people who shudder at the words "sustainable transport plan", I would like to emphasise that we are putting in \$56 million for ACTION bus services, and a further \$16 million for extra buses, while \$3.5 million is provided for car parking. So there is a ratio there which even they could understand.

An additional \$5 million over four years is provided to maintain Canberra's parks, playgrounds, suburban shopping centres and public open space; \$2.9 million will be spent on improving shopping centres in Ainslie, Garran and Melba, including upgrades to lighting, pavement, drainage and street furniture; and \$2.2 million is provided to upgrade local and district parks across the territory by improving playgrounds, barbecues, seating and shading areas, with enhancements ranging from a new flying fox at John Knight park to an exercise track at Edison park.

Mr Stefaniak: What about the tax on outdoor chairs and tables?

MR HARGREAVES: What we have not done is to paint grass green at stadiums, nor have we painted slogans on the sides of aeroplanes. We have not improved the look of the city by painting the grass green; we have in fact made provision for wheelchair-bound children to have the opportunity to experience the sensation of swinging, with \$210,000 in funding provided for two new liberty swings at Yerrabi Ponds and another in the Tuggeranong area. More than \$1.5 million will be spent over three years to maintain the city's young trees and remove hazardous and dead trees, with over 2,300 dead or drought-affected trees to be removed from within the urban area alone.

This funding is in addition to the \$55.1 million provided for the planning and maintenance of the city's parks, plantations, reserves and open space area as ongoing budget—a \$2.5 million increase in base funding from the last year, 2006-07, \$40 million for road maintenance and \$8 million for providing ranger functions, domestic animal management and other environmental regulation functions contributing directly or indirectly to improving the look and feel of the city.

MR SPEAKER: A supplementary question?

MS MacDONALD: My supplementary question is: how can the measures outlined assist in improving the quality of life in the ACT?

MR HARGREAVES: Thanks, Ms MacDonald, for the supplementary question. Additionally to what I have just outlined, we have provided \$10 million as capital upgrade funding for existing infrastructure, including libraries and government-owned properties. Also, additional infrastructure to the tune of \$9.5 million committed to the building of a new Tharwa bridge, scheduled to open at the end of 2008. Hang on to your hat, Mr Pratt, because I will be talking about you in the TAMS section of the budget. You will look forward to that, I am sure.

Also, \$3.5 million will be invested in the construction of new infrastructure at the Woden Town Centre to integrate residential development with existing retail, public transport and office developments. The upgrade and refurbishment of the National Convention Centre is scheduled to be completed later this year, with a further \$18 million rolled over from 2006-07. A further \$52 million will be spent on the GDE, scheduled to be completed in June of next year.

The government has introduced every one of the initiatives I have described here today, and a range of others in other portfolio areas, with the fundamental aim of improving the quality of the lives of the people of Canberra. That is why we are the government and they are not. The improvements to our road systems, through capital works and ongoing maintenance programs, make it easier for people to travel around the city. While I realise that such projects may cause inconvenience in the short term, and we thank the public for its patience while these works are conducted, the long-term vision we are working towards is an efficient road system that will provide reasonable access for all people of Canberra. This is ongoing work. As the city expands, so too must this vision and our planning around it. While we respond to the demands of today through our road maintenance program, we are already planning for the future through projects such as the Majura Parkway.

This government will continue to improve our ACTION bus network to make sure that those who cannot drive, or choose not to, are mobile and have equal access to services, recourses and facilities. Our cycle paths offer Canberrans a convenient method of transport and a great way to stay fit and healthy. The ACT has one of the best cycle networks in the country and the world and one I know many people use for practical purposes and for fun.

We live in an increasingly fast-paced society. We are being constantly reminded by groups such as Beyond Blue of the importance of taking time out to relax. What better way to relax and unwind than by enjoying the beauty and sheer opportunity for activity and fun offered by Canberra's parks and playgrounds? We have some great outdoor attractions in this city—from Kambah Park, in my neck of the woods, to Yerrabi Ponds, Black Mountain Peninsula and many parks and playgrounds around the town. These facilities offer kids and adults alike the opportunity to get out there, get active and really enjoy the outdoors.

Another great way this government is encouraging people to enjoy our beautiful outdoors is through our great cycle paths, as I mentioned. The improvements that I have detailed will make our cycle network even more accessible to Canberrans. I take

this opportunity to encourage anyone in the community who has not already discovered how great they are to get out and give them a try as the weather improves and we move into spring.

While it is important that the government does all it can to ensure Canberra is as practically amenable as possible, it is the duty of the government to make sure this city is a place that its citizens can be proud of. This government has invested money and will continue to work to make sure the territory's infrastructure continues to be a source of pride for Canberrans. This is something that I think is different for all Canberrans. Some might like to think of our beautiful tree-lined streets that we will continue to maintain. Some may draw upon their local shopping centre or park. So people talk of how easy this city is to live in. However, most Canberrans, when describing their love for this city, will talk more broadly of the look and feel of the city. That is what this government is committed to maintaining and improving into the future.

The fundamental difference between this government and those opposite is that this government has put in hundreds and hundreds of millions of dollars into the look and the feel of the city that we know and love. These people over here continually talk it down to the extent where Mr Pratt has contributed to the eyesore of the week.

Mr Smyth: Point of order. Under standing order 118 (b), the minister knows he cannot debate the subject.

MR SPEAKER: Come back to the subject matter of the question. The Minister has finished his answer.

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

Paper

Mr Speaker presented the following paper:

Study trip—Report by Mrs Dunne MLA—Australasian Study of Parliament Group Conference on “Parliament’s Accountability to the People”—Adelaide, 24 and 25 August 2007.

Leave of absence

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

That leave of absence be given to Mr Seselja for today’s and tomorrow’s sittings.

Personal explanation

MR SMYTH (Brindabella): Mr Speaker, I wish to make a personal explanation under standing order 46.

MR SPEAKER: Have you been misrepresented, Mr Smyth?

MR SMYTH: I have, Mr Speaker. During question time, I asked the Chief Minister, given that he had definitely ruled out tax relief, what would happen to the windfall. The Chief Minister said that that was not true and that he had not ruled out tax relief. I refer him to his own press release of 15 August—

MR SPEAKER: Order! What does this have to do with misrepresenting you?

MR SMYTH: Well, he claimed he had not said it, and he has.

MR SPEAKER: That is not a personal explanation.

Executive business—precedence

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

That executive business be called on forthwith.

Appropriation Bill 2007-2008

[Cognate paper:

Estimates 2007-2008—Select Committee report—government response]

Detail stage

Debate resumed from 28 August 2007.

Proposed expenditure—Part 1.5—Department of Treasury, \$49,205,000 (net cost of outputs), \$31,821,000 (capital injection) and \$35,800,000 (payments on behalf of the territory), totalling \$116,826,000.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (3.27): In relation to this part of the budget, I wish to deal with the matter of formatting in the budget papers. The Stanhope government has made aspects of the government utterly inscrutable and difficult to understand by changing the goal posts for the formatting of the budget from year to year over the past few years. Proper and comparable measurements are fundamental for making sense of budget figures. In this year's budget, there were changes in the presentation of numbers, which makes assessing figures between budget years like comparing apples and oranges. For example, the 2005-06 budget gives data on staff head count while the 2006-07 budget figures are based on full-time employment numbers, FTEs.

The opposition is making a number of recommendations with respect to the format of the budget figures. We are recommending that where changes in presentation of numbers of any kind are implemented from one budget to another, the changes should be explained and comparative figures shown. That is fairly logical, I would think, and something that I recall happening probably about 10 years ago.

Future budget papers also need to disclose for estimated outcome the actual FTE numbers at the end of the quarter immediately prior to the budget release date, and the actual head count numbers as at that date and the number of approved FTE positions

as at that date. We on this side are recommending that future budget papers disclose for the relevant budget year the number of approved FTE positions for the year and the anticipated actual FTE staffing numbers for the year. Further, we believe that the budget papers disclose the FTE staffing profile by grade and number of approved positions for the estimated outcome as at the end of the quarter immediately preceding the budget release date in respect of each output and the budget for the relevant budget year.

Dr Foskey raised the matter of triple bottom line budgeting and noted that the budget papers did not contain any explicit coverage of the triple bottom line and how that might be measured. Therefore, the opposition is recommending in its dissenting report that budget estimates for each agency should include a triple bottom line impact statement. As to accountability indicators, that becomes a contradiction in terms if your indicators are so vague as to be meaningless and there are no benchmarks against which to measure them. We are recommending that accountability indicators are defined, measurable and able to be compared to recognised benchmarks. The opposition is also recommending that disclosures and presentation format for budget papers should be consistent from year to year with any changes identified and explained.

There is also an issue concerning the disclosure of the cost of contracted staff. FTE staffing numbers include contracted staff, but the costs of contracted staff are included in supply and services, not employee expenses. So we are recommending that the cost of employees be shown as currently, as employee expenses, but that the cost of contract staff, currently shown in supplies and services, be shown separately. Part of the vagueness to be found in the budget papers is that they often refer to projects and activities in generic terms, which makes the purpose of the funding allocation totally opaque. Accordingly, we believe that the budget papers should provide the detail of projects and activities rather than referring to them in generic terms. This would promote significantly more accountability, which presently is wanting.

It is hard to avoid the conclusion that the Stanhope government avoids scrutiny by changing the format of the budget papers from year to year. It is yet another nail in the coffin of open and accountable government from this government. Even the bureaucrats seem to have trouble with the changing goal posts. When invited by Mr Barr to provide some details on a matter, a senior public service officer replied, "We're just trying to get used to the new format of the budget papers." The changing budget format is just more smoke and mirrors from the government, which would prefer not to have its brand of sloppy, wasteful and vanity-saturated programs exposed to stern public view. We are recommending only minimalist changes to the format of budget papers and for them to be done in such a way that comparisons can be made easily with previous years.

Finally on the format, the budget papers provide no information on the detail of such significant joint ACT-commonwealth funded sustainability programs, with even the official answering the question on the detail flummoxed as to its components. The opposition recommends that future budget papers provide the detail of any significant government programs.

Most galling for many people in the community after the savage cutbacks and the 23 school closures announced last year is the unexpected surplus that the Stanhope government has posted. Last year the government projected a deficit of \$80 million for the 2006-07 financial year. But the entire amount has been made up in one year as the result of significant additional taxes, mostly on residential and business property in the ACT.

For example, stamp duty alone rose from \$157 million to \$198 million, an increase of over 25 per cent in one year. This may well be an underestimate. The figure could top \$500 million by the end of the financial year, according to the property council. Indeed, that would seem to be something that will be made out. Mr Hedley from the property council testified in the estimates hearings that Treasury had underestimated revenue for the coming year. He said:

... it is our submission that ACT Treasury persistently—year in, year out—grossly underestimate the amount of revenue from stamp duty, and an analysis of previous years' budget papers will bear this out.

The Chief Minister has been quick to point out that the federal government has also posted a surplus. But there is a significant difference between the unexpected surpluses posted by both the ACT Labor government and the Howard government. In the first case, punishing taxes, notably property taxes, resulted in the amassing of \$117 million surplus. In the case of the commonwealth, the underlying cash surplus was, I understand, \$17.3 billion in 2006-07, \$3.7 billion above what was estimated. The surplus was boosted by \$1.7 billion from higher tax receipts, with company tax receipts up by about \$1 billion a year. The rise reflected stronger company profits, which, in turn, reflects confidence in the economy.

What also needs pointing out is that while the Chief Minister claims that for Canberrans this surplus means money in the bank, it is merely returned to consolidated revenue. The human cost in the hike in ACT taxes and charges is that, as reported, significant numbers of Canberrans are seeking help to pay basic bills, and services across the board have declined. The *Sunday Canberra Times* story by Emily Sherlock on 19 August this year reported:

Canberrans are increasingly having difficulty paying the utility bills, with the cost of rent, electricity, transport and everyday living fuelling financial difficulties in the territory.

The Essential Services Consumer Council, which assists Canberrans facing gas, water and electricity disconnection, said the number of people seeking assistance had doubled since 2001. In the last financial year it received 1,200 new applications for assistance. This indicates that there are two economies. At a national level, the coalition government of Howard has encouraged growth and prosperity, which has driven unemployment down to 1974 levels and created 2.1 million jobs since 1996—I think it is even lower than 1974 levels—but at the local level around Australia we see Labor governments being wasteful and idle, and none more so than in the ACT. These Labor governments—the current government here in the ACT is notorious amongst them—have sought to make up for their own chronic mismanagement of government services, which have been allowed to deteriorate, by simply putting up taxes, fees and

charges which impact particularly badly on new home buyers, the sick, pensioners and low-income workers.

The commonwealth is putting its surpluses into projects that will benefit the whole community. It is investing \$7 billion immediately in the Future fund, meant to underwrite public service pensions and which a Rudd-led Labor Party has pledged to raid in its pork-barrelling projects. The Howard government is investing another million dollars in the higher education endowment fund, and another \$2.5 billion will be put in the health and medical investment fund. The federal government promised in the last budget to transfer \$5 billion into the higher education endowment fund. So the difference between the federal government's surplus and the ACT surplus is that one reflects prosperity facilitated by the coalition as a result of reforms of industrial relations and taxation and the other indicates the heaviness of the burden of increasing taxes and charges on individuals, families and businesses under a Labor government that thinks of squeezing money out of people regardless of deteriorating services and facilities.

On a national scale, Australia stands to reap a whirlwind of despair if Mr Rudd and his union mates get into power. It will take a few years, but nothing is more certain than that the economic mismanagement we see at state and territory levels, in varying degrees, is replicated nationally. Then the ACT government will not be able to ride on the back of a wealth-creating federal government, and we will all have big problems.

MR SMYTH (Brindabella) (3.36): In question time, the Chief Minister asserted in regard to cutting taxes that I had started with a false premise. Indeed, it was not a false premise, because the Chief Minister—and I will quote his own words back to him—said in a press release on 15 August 2007—

MR SPEAKER: I hope you are speaking to the appropriation.

MR SMYTH: I am certainly speaking to line 1.5, Department of Treasury, \$35,800,000.

MR SPEAKER: That would be good.

MR SMYTH: It is about revenue, and revenue, of course, is discussed under Treasury. The Chief Minister's words were:

While it might be tempting to see the one-off impacts on last year's interim result as an excuse to indulge in ... significant additional spending, or to cut revenue streams by winding back taxes, this would be irresponsible in the extreme. What these results—now and into the future—*do* allow for is some capacity for targeted, sustainable expenditure on infrastructure and priority services.

So that is what he is going to—infrastructure and priority services—no mention of tax relief in the Chief Minister's press release. Indeed, it would be irresponsible, he said. So we look forward to the future to see whether the Chief Minister will be consistent or, indeed, whether he will be irresponsible and give back to the taxpayers some of the money that his government, under the policy outlined by Mr Quinlan, has "squeezed them until they have bled but not quite died". This is the minister that gouges. This is the minister who gouges everyone, whether it be the property sector, small business or

first home buyers on revenue. This is how he has achieved his surplus. It is not through the supposedly courageous reforms that have torn the heart out of many communities in the ACT. It is through punishing people through taxation, which, of course, is administered by the Treasury, which we are discussing here in part 1.5.

The Stanhope government is the government of more taxes. Indeed, most of the initiatives it has put forward since it has been in office have failed and have had to be withdrawn. They have been shown to be faulty. As I will point out in my speech, perhaps a few of the taxes it has proposed this time are also in that category. However, with a majority government, you can do just about whatever you want. It is a government of more taxes, as well as a government of extracting relatively lots more revenue from the long-suffering community. This flies in the face of the speech that the Chief Minister gave when he was then Leader of the Opposition, when he said: “We want to be a low-taxing government. We know that low taxing governments are good for the economy.”

So, in contrast to what he said in opposition, this is the Chief Minister who has attempted in every one of his budgets to drive up taxation. When he was in opposition—indeed, on 28 April 1998 in his inaugural speech to this place—he said he believed in diversifying the base to lift the tax burden that is administered by the Department of Treasury, which, of course, is line 1.5 in this budget. It is something that has not happened. He laments it. He is sad about it, but he has done nothing to relieve the burden of taxation. In fact, he has added to the burden of taxation with a raft of property taxes this year. The windfall gain is not a windfall at all. It is just extreme taxation from this Chief Minister.

We then go on to things like utilities tax—a tax that has not been put in place anywhere in the country. It is a tax that is not necessary. It is just an impost that is simply another means of extracting revenue from the ACT taxpayers, nothing more and nothing less—except, in this case we will hide it. We will not put it on your rates bill or somewhere, we will put it on everybody else’s bill so you can blame the gas utility or the electricity utility that you use. We see this revenue rolling in to the Department of Treasury and it is the Chief Minister who is doing it.

There are two new taxes, a tax on duty deferred by new home buyers and the victim services tax. Whilst looking after victims is a good thing, these silly proposals involve hypothecation. Each new tax is poor policy. It is inefficient, it is small and it contradicts the spirit of the IGA, the intergovernmental agreement, to reduce these sorts of small nuisance taxes. Again, the Chief Minister, as Treasurer—as we discuss the Department of Treasury—wants to reverse history. He wants to go back to small-minded, inefficient taxes instead of broadening the tax base and finding streams of income that grow and are sustainable into the future. So at the heart of it the Chief Minister, the Treasurer, has got his taxation and his treasury policy wrong.

We also have a re-described revenue raising measure called the energy industry tax imposed on all utilities. It is in budget paper No 3, page 39, and it replaces previous charges imposed on utilities. In general we should describe revenue-raising measures as taxes, for that is what they are, irrespective of the names you want to put on them to disguise them. It is also important to note that the rate-free threshold is being phased out by 2010-11. So that brings properties with lower UAVs into the rates nets,

but it may improve efficiency. So we have this continued overreliance on taxes that are apportioned to business and to property. As I said last night and will continue to repeat, this is the Chief Minister who wants to build a bridge for the future. He said that the bridge for the future was the diversification of the economy, but he is making no attempt to fulfil the promises of the economic white paper, which of course was also put together by the Treasury.

The Chief Minister, when in opposition, also said that he would be more honest, more open and more accountable. What we have seen is a winding back on all three of those dictums when in office. The report that I particularly lament the loss of is the capital works progress report. The Stanhope government has denied the capital works quarterly progress report to the community for a number of very strange reasons. It was a valuable means of keeping the government accountable for a major portion of the annual expenditure programs. What makes me really angry is that this is a hypocritical decision because the government said it would be more open, and we have seen the winding back on that.

There is also the assumption by the government that we—that is, everyone in the ACT, except a certain number of bureaucrats, of course—are unable to read these reports, let alone understand them. We have one of the best educated, well-versed in public policy, well-versed in reading Treasury documents types of communities in the country. If any community can read these documents and these spreadsheets it is the ACT community. It is a ludicrous suggestion. It is insulting to those who have been excluded from reading these reports, particularly the community, as well as being a renunciation of the Stanhope government's commitment to being open and accountable. It is also petulant and childish and it has all the hallmarks of a government that is afraid of scrutiny.

If you are carrying out your capital works and, as Mr Hargreaves said to the Assembly the other day, they are on time and they are on budget, you would not have a problem with tabling them here on a regular basis. Yet we know, for instance, that Gungahlin Drive is not on time and not on budget, and that is why the government is failing to table the capital works report that is put together by Treasury.

Daily there are pieces deleted from the prison. The 374-bed prison is now only 300. There are questions over so many aspects of the prison, but again we are denied that information because the government is afraid. It is afraid of being questioned, it is afraid of being exposed, it is afraid of being held up to the ridicule that the community will make of it for not keeping its promises. These reports must be returned to the public domain so that the government's record on spending capital works money and its spending generally can be subject to the appropriate scrutiny not just of the Assembly but of the community at large. Treasury used to do that and I am sure Treasury still collects that data; the Chief Minister just chooses not to put it out there.

There is also the question of precisely who made the decision to hide these reports. Was it the faceless bureaucrat that seemed to be the sense of the article in the *Canberra Times* on 18 April this year, or was it a minister who is now not game to admit making that decision? Irrespective of the answer to this question of who made the decision, it must be reversed, and the person who can reverse that is the Treasurer.

If the Treasurer were keen to keep his promise of being more honest, more open and more accountable, he would do it immediately.

Housing affordability is an issue that is being dealt with by Treasury as well. It is a vexed issue. It is probably not a simple issue, but over the past couple of weeks—indeed, over the past couple of months—there have been a number of reports and a couple of seminars that simply point to the cause of housing affordability. A gentleman by the name of Bob Day wrote a book called *Home truths: what happened to the great Australian dream*. You just have to read the summary on the back, which says:

In this paper by Bob Day he:

- examines the social and economic consequences of declining home ownership, confronts the tyranny of urban planning—

And we are overthrowing now the regime that Mr Corbell, the failed planning minister, had in place from 2001 through to the bill that was passed last week. The summary goes on:

- exposes the culpability of State & Territory land management agencies
- reveals the truth and lies about urban growth

(*Second speaking period taken.*) I will not take all of the extra 10 minutes, Mr Speaker, but if you tempt me I could. I know how much you understand what home ownership means to the ordinary individual, and as the only voice of the little person in this big-spending, big-taxing cover-up sort of government, I know that you are interested in this stuff.

Not only did we have Bob Day saying that in his book, the UDIA, the Urban Development Institute of Australia, has said that in 2001 on all indicators in all areas in the ACT we have greed. Greed in this case means affordable. So under the policies of the previous Liberal government land and homes were affordable in the ACT as judged by the UDIA.

From 2002 through to 2006, as a consequence of planning regimes and land release policies—and that is what they put it down to—we have moved close in all areas in the ACT to a crisis in housing affordability. That is the independent assessment of the Urban Development Institute of Australia and that is what it has said publicly. That has been backed up in a seminar that was held a couple of weeks ago at the National Press Club, where international speakers, including a speaker from England, as well as local speakers, heads of a number of the larger development companies in Australia, basically said state and territory governments are making it hard to acquire land, and once you acquire land, are making it almost impossible to develop it without adding tens of thousands of dollars in costs that should not be there.

That is what is funding Jon Stanhope's surpluses. That is what is funding the Chief Minister's windfall. It is property, property, property. As we all know, there is only a finite amount of property in the ACT that we can continue to sell. When it has gone, what will build the bridge to the future that the Chief Minister is so keen on seeing

established? It will not be anything he will have done, because for the past five or six years all we have seen is one opportunity after another squandered.

Housing affordability is important. Clearly the Federal Government will get involved now because the eight Labor states and territories have, through their ineptitude, fooled the housing market against the poor and the young. Here the Stanhope Government has had three goes at dealing with the issue, three reports. What action has been taken after the first two reports? Absolutely nothing. The crisis has deepened; the crisis has got worse. I see we are joined by the former planning minister who, from 2001 to 2006, oversaw planning and land releases in this territory; the tax collector, the grim reaper of gouging. We now see the government has a third report. The question is: will it have any effect? It will not have any effect until the LDA is taken out of this equation.

It is interesting that yesterday the Chief Minister was quoting an REI report that said the ACT had the best housing affordability of any jurisdiction in Australia. If that were the case, why has the government had Treasury officials put together its housing affordability strategy? The Chief Minister is lauding this independent body. The REI has said we have the most affordable housing of any jurisdiction. On that basis we probably do not need a strategy. But we have a strategy. We have this big, thick document that was announced with a big hoo-ha on the day that Mr Corbell gazumped his leader and got out there, got out front and rained on Jon's parade, because he knew what was coming, that planning and LDA were going, so he thought, "I will get out there and I will be the hero of the proletariat. I will get out there and talk to the workers."

If just some short months later we do not have a crisis in the ACT, why do we need this report? So who do you believe? There is certainly little reason to believe the Chief Minister. Anecdotal evidence tells me—in fact, it tells everyone who is on a small income, a low income or who has teenage kids or kids in their early 20s or young marrieds—that there is a problem out there. It is extremely difficult for people seeking to buy a home to be able to do so.

The answer of the deferred duty proposal is ill-founded. I have spoken of that before. What they are going to do is put it off for up to five years and then pay it in a lump sum. If a young married couple or a young couple set up home and buy a house together, there is probably a fair chance that five years later they are going to go from a two-income family to a one-income family. There is a good chance they are going to have a child. Five years into their relationship and paying off their home, they are going to need a lump sum to pay off the deferred duty at an exorbitant rate of interest. It is something like 14 per cent. The Chief Minister had that wrong on a couple of occasions. He said it will be a bank rate, then it will be this rate and then it will be back this way. The rate changes daily on the whim of the Chief Minister.

Five years into their relationship, five years into paying off their house, there is a better than average chance that, through the ill-founded policies of this government over the past seven years, parents will not be able to stay at home. They will be forced back into the workforce earlier, forcing their kids into childcare instead of getting the nurturing they need at home so they can pay the Chief Minister's lump sum. He claims it will save them \$2,000. That is based on a false premise. That is based on the

assumption they would borrow to pay the stamp duty, and that would be a bad thing as well. So, this is another ill-founded tax from a poorly performing Chief Minister who has been bailed out time and again by the generosity and the commitment of the Howard government to the ACT.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services) (3.52): Mr Speaker, I think it is important to have some commentary on a range of issues and to address some of the issues that have been raised by opposition members when it comes to the area of land development, which of course now sits within the Treasury portfolio. I have noted a number of opposition members seeking to rewrite history when it comes to issues around land availability in the ACT.

It is very interesting that those opposite will seek to assert that any government role in land development activity is a bad and evil thing, which leads to what they consider to be all sorts of problems. In the first instance, I draw the attention of members opposite to the recently announced housing affordability strategy by the Queensland government. I note, in particular, that Mr Seselja and others have asserted that the establishment of the Land Development Agency was a reflection of 1950s thinking, I think was the term used. If it was such 1950s thinking, why has the Queensland government in its most recent housing affordability strategy announced that one of the measures it is going to use to improve housing affordability is to establish a government land development agency?

The Queensland government has recognised the importance of having the public sector actively involved in facilitating timely and high quality land release to the community. It has identified that its failure to be involved in the market has actually exacerbated the problem of housing affordability in its state. Obviously, the challenges faced by that jurisdiction are not the same as ours in every respect; nevertheless, I think it is quite interesting that yet another government has chosen to take the step to intervene in the market and to have a public sector role and presence.

There is another bit of history that has been rewritten by those opposite: issues around housing affordability. I heard Mr Seselja comment on these matters during the budget debate yesterday, when he questioned why the LDA was doing things, such as encouraging people to buy land in the Ginninderra Estate through a series of incentives such as white goods packages and so on, to encourage people to consider buying land at Ginninderra. The reason for that was that just over six months ago the market—including the Property Council of Australia, the MBA and others—was advising government to be cautious with its level of land release.

We are concerned about oversupply in the market. Indeed, the advice that I was receiving at the time from the residential land advisory committee, which has representatives from the MBA, HIA and others, was that there were serious concerns about an impending oversupply of land and that the government needed to be cautious with its level of land release. That is reflected in the fact that the LDA had to take some fairly significant measures to encourage people to buy land at Ginninderra because the land was not moving—it was not selling. The level of demand was clearly not there in the same way that it is now. What we saw following last year's federal budget—and this is more pronounced following this year's federal budget—was a sudden pick-up, a very real pick-up in demand for land. Those are the facts of the matter and they should never be forgotten by those opposite.

The land market is an incredibly difficult market to judge. That is the first thing that needs to be said. The second thing that needs to be said is that, in contrast to the very fickle nature of the land market and the very quick way in which it can turn, the lead times in supplying land are quite significant. You can announce sales of land tomorrow but the product will not be physically available for potentially 12 to 18 months simply because of the civil works that are required to be undertaken, the detailed planning that needs to be undertaken and so on. Those are some of the factors which those opposite fail to recognise.

But what concerns me most is that those opposite believe there is no role for the government in land development activity and simply believe that the land should be sold englobo, in total, to the market. You only have to look at what has occurred in places such as Gungahlin to see the consequences of that sort of policy. Go to areas in Ngunnawal, parts of Palmerston, or parts of Nicholls even, and you will see the consequences of the Liberals' *laissez faire* approach to land development activity. You see ill-defined and poorly coordinated development, narrow, crowded estates and a lack of public open space. Indeed, I can point to one street in Ngunnawal where the roads do not join up properly; they are the meeting point between two different privately developed estates. You have got this absurd dogleg in the middle of what is otherwise a straight street because of the way the two estates meet. That is the consequence of private sector land development in its purest form.

There is a role for the market, and the government recognises that that is a role for the market. The government has taken the decision that a level of englobo sale is appropriate to encourage and foster diversity of activity in the market. But let us not forget that, at the end of the day, the territory is a monopoly land supplier. Whether or not you have a public sector land development agency, the territory will remain a monopoly land supplier for as long as there is unleased land in this place; it is the nature of the leasehold system. People look at the role of the LDA and make assertions that it is time to break the monopoly land supplier. It is not the LDA that is the monopoly land supplier; it is the territory. And the territory will remain the monopoly land supplier for as long as there is unleased territory land in this place. It is important to keep those matters in mind.

The other issue that is of real importance is the territory's return on its land asset. It is important that land is sold at an affordable price. Land should be sold in a way that recovers the costs of the territory developing that land—unless, of course, the territory believes that there are other mechanisms to recover that cost and can sell land at less than cost value. The issue that needs to be addressed by those opposite is that that land is a public asset; it is owned by the community. Land assets contribute a significant level of revenue to the territory.

We have taken steps as a government to address this in our budgeting to reflect where that land return is reflected in the budget papers; nevertheless, it is still a significant asset sale. For that reason the question has to be asked: why would the Liberals deprive the territory of a return on the land asset, an asset which the community owns, by completely abrogating the field, withdrawing from the field and saying that this is not a matter for us in any way?

There is a role in public sector land development. Part of that role is to properly capture the value transfer, capture the improved value of the land and return it to the community so that it can be spent on schools, hospitals, roads, infrastructure and services—on all the things that are important to our community. These two issues are not incompatible with each other. Delivering affordable land and delivering a return to the community are not incompatible objectives and should not be viewed as such. *(Second speaking period taken.)* Nor should the issue of public sector land development and housing affordability or improving land supply be confused with each other. You can have a public sector land development agency and still increase land supply, because at the end of the day the territory is the land owner.

As a consequence of the government's housing affordability strategy, that is exactly what we have done. We have retained a public sector land developer to achieve the dual outcomes that I believe very strongly the community seeks: quality estates—estates that you can live in, that have good open space, good design and so on and are also affordable to the community. You can also achieve the outcome of a good return to the territory to meet the needs of the broader community in terms of funding, services, infrastructure and facilities. These are the issues that should be in our minds when we discuss the role of the public sector in land development.

Those opposite treat the issue with quite a level of disdain, ignorance and superficiality if they simply assert that the problem is the LDA and that to get rid of the LDA would fix the problem. It is simply not logical. It does not stand up to any significant level of scrutiny and fails to recognise the significant factors that are at play when it comes to delivering land in the territory. Always remember that this land is a public asset and there should be a public interest in it—that should be on sustainability and design grounds as much as on affordability grounds. The level of supply of land is a factor of government policy, not of the government's arrangements about how the land is delivered.

Those are the facts. Those are the arguments that cannot be addressed by those opposite. Those opposite do not really have the capacity to make the arguments around some of the complexities in this debate and the issues that should be in their minds as they formulate alternative policy. The territory would be the poorer for it if they ever were in a position to put in place their policies.

I am confident that the government's policies, as outlined in the affordable housing strategy, will deliver significant results. I think the government's policies achieve the appropriate balance. They achieve a balance on improved supply, a balance on focusing on affordability and designs of smaller block sizes, for example. The very significant injection of money into community housing in Canberra and what that will achieve is, I think, one of the great unsung elements of our housing affordability strategy—a massive injection of capital into community housing in Canberra to improve the stock of social housing in our community, as well as the other measures that the LDA will undertake directly in continuing to develop a percentage of estates. I think the housing affordability strategy goes a long way.

We have the mechanisms in place and the policy settings fixed in a way which I think will deliver better outcomes for our community. Hopefully it will mean that those

opposite will never get the chance to introduce their retrograde, ill-informed and poorly thought out proposals in this area.

DR FOSKEY (Molonglo) (4.07): I want to speak to the Treasury line in the Appropriation Bill. I particularly want to address today issues related to triple bottom line reporting in the budget, an issue that was raised during the estimates process. I note that the government has responded to recommendation No 9 in the estimates report. The committee recommended that future budgets articulate the framework used to apply triple bottom line principles. The government has rejected that recommendation. Interestingly enough, it has noted recommendation No 3 that I made in my additional comments. It gives a very similar answer to both of them.

Obviously, I do not consider myself uninformed on this issue; I have been following it ever since I got into the Assembly. Sadly, it looks as though I know a little more about what the government is doing on this matter than the government does. I was told, through the response not only in the estimates committee but also to my recommendation, that I should go to the document that was issued with the 2004-05 budget, "Supplementary budget paper: framework for future budget—discussion paper". I was told that the framework for the adoption of triple bottom line reporting is based on performance measures that are reported against in each budget. I was also told that Assembly members were consulted on this approach at the time. Indeed, Mr Quinlan made great play of the fact that none of the Assembly members actually responded except me.

I went to a lot of trouble to respond. I had an intern working for me who developed that response. Not only that but since then I have been to a couple of accounts committees, the Australasian Council of Public Accounts Committees, and tried to get triple bottom line and sustainability reporting on the agenda. It was rejected out of hand by four of the other states, including the commonwealth, led by Mrs Bronwyn Bishop, who, as you can understand, believes that the commonwealth is already on top of sustainability issues. She said that sustainability is not core ACPAC business.

I feel very frustrated by efforts in this territory to have triple bottom line reporting taken seriously. I was told to go back to the document that was produced in 2004-05 where it states that the government has already clearly outlined its approach to triple bottom line sustainability in the 2004-05 supplementary budget. In fact, on page 22 of the document it is stated:

A framework will also need to be developed that ensures appropriate degrees of verifiability, consistent with materiality of the measures and targets, as well as the nature of the particular measure.

The proposed structure is not definitive, and is provided as a reference for consultation and discussion. It is subject to change depending on the outcome of the consultation.

While the general structure is expected to be common to all agencies, the nature of performance measures, reporting format, time horizons etc. will be flexible, and adjusted according to the business and objectives of the specific agency.

This document that I and the estimates committee have been referred to as being so authoritative says that we need a framework. Four years later, when people ask where the evidence is of that framework in the budget, to be told “it is there; you just cannot see it” is really condescending in the least. I have never, ever in any of the briefings I have had with Treasury—and I have had a number on this—been given any indication that this issue of triple bottom line reporting is taken seriously, nor do I have any evidence that there are any officers in Treasury who are skilled in this area. I could well be wrong. What I am saying is that I do not have any evidence. I am not saying they are not there—they could be there—but I do not think they are working on triple bottom line frameworks for the budget.

Mr Mulcahy: Maybe they are triple bottom line sceptics, Dr Foskey.

DR FOSKEY: Maybe. It is worth going back to last year when we discussed the budget. It is just ridiculous that the same things have to be discussed over and over again. Last year when the estimates committee asked about the progress towards a triple bottom line reporting model—we were not treated quite as summarily last year, by the way—we were told that establishing an effective evaluation framework is an important ongoing project of Treasury with indicators being developed and refined for use by agencies and to assist the decision-making process within budget.

I had to stand on my head this year to try and work out what Treasury actually said, what the official actually meant when he told me why I could not find the framework for triple bottom line reporting. I had to try and work out for quite a while what the words I was told last year meant. All we could conclude was that they were cleverly designed to look impressive, but all they really meant was manana—maybe.

I just wanted to say that because I do not know if the government means it when it says it thinks it is ahead on everything. We heard that this morning in regard to the no waste by 2010 strategy—we are leading the field, apparently. We might have been back in 1996, when we introduced that, but 11 years have passed now. In relation to triple bottom line reporting, I hate to tell you, but there are heaps of other states that are way ahead of us. Instead of just saying, “Everything is fine; we have got it in hand; you just don’t understand, because you can’t see it and because you’re not an accountant or whatever”—I don’t know what—the government should just say, “We haven’t really got it right yet.” That is what it says in here. This document says: “We don’t know yet; we need to work it out.” That has been forgotten.

While I understand that the performance measures have been part of the budget for a number of years, what we are still not seeing, however, is the interrelation between these measures and the relevant funds. It is great that we now have both the numbers and the strategic indicators on the one page, so to speak, so now it should be an easy step for the government to take for it to show how an increase in spending here relates to an improved outcome there. Toddler steps will be coming soon, I hope.

It has been disappointing to see and to hear that, despite so much rhetoric, the government still does not understand some of the key concepts behind sustainability reporting—for example, that an increase in community mental health spending may look like a net loss but should bring down expenses in hospitalisation and show up in performance indicators as a reduction of admitted patient separations.

I have yet to see much evidence that the departments and other agencies are working with Treasury to produce measurable performance indicators that are meaningful and that can be tracked along the years. By the way, one of the indicators that is suggested in this proposed framework, which I applaud—it is prescient—is that among measuring environmental objectives—the objectives of reduced ecological impact—a TBL measure could be greenhouse gas emissions per day. Hey, that was three years ago, but I do not think we are doing it. There are many places in the budget where indicators were changed from last year to this year, making it difficult to measure any improvements or even see where we might be going backwards, although this is a good opportunity to note that it was disturbing just how many indicators simply did not have any improvements planned, and old targets were simply continued—old targets that were too easily met.

I think we are falling behind in two ways: first, we have not quite figured out how it works or how to report it; and, second, we are basing our budget not on actual improvements but rather on status quo. (*Second speaking period taken.*) If we take into account that we need to repair some of the damage done by last year's drastic cuts, it is not even a status quo budget. I note that recommendation 9—and I referred to this earlier—"that future budgets articulate the framework used to apply triple bottom line principles" was finally getting to the heart of the matter. I am very disappointed that the government chose to misunderstand the nature of the project. While there was a framework for triple bottom line budgeting produced a couple of years ago which we could refer to, it is not applied throughout the budget in a rigorous or a transparent manner.

While I note that the government has reminded us that it is up to the Auditor-General to determine its priorities, I would have preferred the government to share my enthusiasm for an Auditor-General review of progress in relation to triple bottom line reporting and budgeting, and I look forward to seeing the results. I do believe the Auditor-General is taking on that job—not, apparently, because the government asked her to but because that is one of the criticisms that she had of the budget. There is no evidence of it.

I also look forward to one day seeing the secret functional review. One wonders what it contains so that it has to be kept so top secret. Maybe it will be one of those things that we see from the archives in 25 years time. In estimates, we had discussions about the ACT government's use of the wage price index for increases as opposed to the consumer price index. I would like to reiterate that it is important to ensure that we are not discriminating against people on fixed incomes.

I would also like to point out that one of the biggest losers when it comes to indexation is the community sector. The sector suffers from charges being increased by the wage price index, but its funding rises according to CPI—and that is not all grants, mind you. In particular, I am concerned for the community groups who argued that the 3.75 per cent indexation on their funding fell short of addressing their ongoing problems of not being able to provide adequate services for those in need—a group that has increased since last year's funding cuts. That is something that echoes throughout most departments—at least with those who provide community grants.

Across the board, we often see expenses rising for community support services, peak groups, environment groups, the RSPCA—you name it—but their grants remaining close to static. For grant and donation dependent non-profit organisations, which generally have few reserves, when expenses continue to rise—and we are not just looking at wages; we are looking at quite a number of expenses, some of which are actually due to government revenue measures: rentals for premises, utilities taxes on electricity bills, increased petrol costs for transport—it means that they have to learn to be good at fundraising, even though it is not their primary objective. They do not have the skills to do it and it would be a great pity if already scarce energy had to go in that direction. It also creates a situation where only committed staff remain for any period of time, forgoing pay rises which would be the norm in any other sector.

I would like to highlight the need for a community sector representative on the ACT Skills Commission, as the commission has the potential to address many skills shortage problems. It would be negligent to leave the community sector behind again and also not to benefit from the particular expertise that they have for what is called the third sector. The community sector, the non-government sector, the not-for-profit sector is the third biggest employer in Australia and I think it deserves a bit more attention.

Proposed expenditure agreed to.

Proposed expenditure—Part 1.6—Territory Banking Account—\$214,000 (capital injection) and \$12,288,000 (payments on behalf of the territory), totalling \$12,502,000.

MR MULCAHY (Molonglo) (4.22): I do not have too much to say on this particular budget item but I do note that the government now plans to have minimal cash holdings in government departments and that, as a consequence of that, the territory banking account will involve the investment of surplus cash balances. Government departments will hold only so much funding as is necessary for a short period of operation. I think from memory it was in the order of a couple of weeks of expense.

The new arrangements were part of a process where legislation was rushed into this place earlier this year to allow further discretion to the Treasurer to advance money to departments who might find themselves financially stretched by unanticipated payouts to retiring employees. In fact, you will recall that the legislation was so rushed and so ill considered that it had to be withdrawn and redrafted after my office reported a significant drafting error that had the effect of nullifying the legislation. Fortunately the error did not affect the funds invested by the territory bank account, but it did take an unnecessary amount of our time. It is important that the Treasurer keep his eye on the ball when it comes to these matters.

This year the Treasurer will authorise loans of public money to the Department of Treasury for a revolving credit facility for the community housing project. Loans will also be made to Actew Corporation, ACTION buses and the Land Development Agency, the Treasurer being empowered to make such loans under the Financial Management Act 1996.

It is not clear from the budget how the government determines the terms of these loans as these are not made on a commercial basis, are not uniform and vary from loan to loan. For example, the government's current loan to ACTION buses uses a fixed interest rate of 5.5 per cent, whereas its loan to Actew Corporation uses an interest rate equal to the three-month bank bill rate, a swap rate, plus two basis points, which is likely to be higher than 5.5 per cent. The disparity in interest rates between loans and disparity from the market rate mean that some agencies may be induced into less efficient spending decisions than others. It is important that the government be mindful of this economic effect when considering loans under the act.

The dissenting report of the estimates committee has recommended that the government consider this matter and consider whether it should adopt a uniform approach to intergovernmental loans. I certainly welcome this recommendation and hope that the government will adopt this suggestion. The government is currently undertaking a review of its investments and, in particular, a review of the prospect of considering environmental, social and governance factors in its investments. I have raised questions about this review in estimates hearings because I want to be sure that the government deals properly with this issue.

Mr Stanhope has assured us that investment returns will not be sacrificed under any decision that is made. This is extremely important since economic performance is what drives all else in government. The ACT government is already taxing and spending substantial amounts of money, courtesy of the wallets of ACT residents. Any loss in investment revenue would increase pressure on the government, and I suspect that I know how the government might react to that pressure. It has shown again and again that it has difficulty constraining spending and instead relies on ever increasing taxation to keep its operation afloat. Any changes that might come as a result of that ethical review would be a matter of some concern. It is an area for extreme caution.

DR FOSKEY (Molonglo) (4.26): The issues that I would like to touch on regarding the territory banking account also apply to the superannuation account. The main issue is that very little or no consideration is being given to the ways in which the government's investment decisions impact adversely on the people of the ACT, the environment and labour standards, among other things. At least the procurement decisions of the ACT public service are moderated by policy guidelines that direct decision makers to take labour standards, ethical behaviour and environmental impacts into account. But the ACT's investment policies are silent on the issue of the kinds of activities we choose to support with our investment decisions. It is as if the government and its advisers believe that we can invest over \$3 billion into various corporations, yet somehow we do not share any responsibility for the activities those companies get up to with the support of our money.

There is an argument that most of our investment decisions could be seen as being of a procurement nature. The procurement act deals with the procurement of goods and services by territory entities. Many of the financial products and financial management services which the ACT government contracts for could reasonably be described as goods and services, yet no effort is made to apply the provisions of the procurement act to these procurement decisions. Perhaps a declaration and a writ of mandamus are in order.

There is one difference between the moneys in the territory banking account and the superannuation account—that is, the Treasurer's claim that it would be irresponsible for them to intervene in the investment of other people's money is even weaker when it comes to the government's own capital holdings. The claim is dubious in any case as the money held in the superannuation provision account is not the property of the people who will ultimately be entitled to it. It is a provision account, in recognition of a future liability. When that liability is realised, it does not matter whether it comes out of this account or a consolidated revenue account. Of course, a realistic sum of money, or a future earnings stream, must be set aside to provide for future superannuation liabilities, but I suspect the Treasurer is not really accurate when he characterises that account as other people's money over which he should not exercise any control.

I think it is irresponsible to try to avoid issuing directions as to what are acceptable investments. It is irresponsible to invest other people's money in activities that most people would consider to be deplorable and unacceptable. When I asked the Treasurer in this Assembly for a list of the companies in which the government had investments, my request was refused on the ground that it was too difficult to compile such a list. But when the *Canberra Times* asked for the list, it was produced in a flash. I could be wrong, but I think it took less than 24 hours to comply with the journalist's request. I would have thought that an MLA's request would be accorded higher priority than that of an employee of a private media company.

The Treasurer's actions display a breathtaking level of contempt for the processes of this place. Of course, they also show the power that the media wields over this government—but these are tangential matters. The point is that the list of companies revealed a plethora of companies and related parent companies or subsidiaries whose activities are actively and disproportionately contributing to social and environmental atrocities. In fact, they are doing many of the activities for which we, no doubt, set up the Human Rights Act and have fair labour laws in order to counteract them.

When it comes to investment policies, there is a glaring disconnect between the government's stated concerns and its actions. There is an urgent need for people, especially in affluent societies like Australia, to take responsibility for the consequences of their actions. This includes the consequences of our investment and consumption decisions. It is ludicrous for the government to pretend that it bears no responsibility for the fact that the ACT's investment funds are supporting the manufacture of cluster bombs or cigarettes, as well as a plethora of other socially and environmentally damaging activities. And what about investments in companies that are at the forefront of the fight to drive down labour standards? Are any of Chris Corrigan's companies being propped up by this Labor Party? It is possible. What about Gunns, that forest-destroying, ocean-polluting and legal-process-abusing parasite that seems to be exempt from environmental regulation?

The government is responsible for the guidelines that are issued to its funds managers. The fact that it did not know where its funds were invested is deplorable. Does anyone imagine that a funds manager would refuse to take their portfolio if it came with instructions that no moneys should be invested in an accompanying list of companies or activities? The Chief Minister was aghast at the idea that the government should

become involved in deciding which companies should be individually boycotted, but this is the crux of the matter. By refusing to give such instructions, by refusing to stick his neck out and to have the courage of his convictions, he must bear responsibility for the consequences of his omissions as well as his actions. The only guidelines issued to the ACT's financial managers are to achieve returns equal to or marginally in excess of a standard market benchmark. They are totally devoid of moral content—no social or environmental perspective whatsoever.

Given that investment determines the future of economic activity, it is no wonder that the world is in such a mess. The government is not alone, of course. The whole system is set up to make it easy for us to ignore the moral ramifications of our consumer and investment decisions. Company structures are complex, and even if one were minded to boycott products made by a company that, say, exploits child labour, illegally destroys old-growth forest ecosystems, or murders indigenous people who get in its way, it would take a fearsome amount of research to identify all the affiliated companies and subsidiaries and all the trade names under which they operate.

There is massive resistance in the corporate world, pushed through the WTO, expressed in trade agreements and supported by our federal government, to requiring or even enabling honesty in product labelling. But governments have ample resources to identify companies that engage in such undesirable activities and they have a moral obligation to do what they can to resist the spread of such dangerous values. Mind you, we invest in Imperial Tobacco Australia and Japan Tobacco, and it obviously does not take much imagination to realise that these companies are doing what they can to make sure that the drugs they sell end up costing the ACT taxpayer far more in health and other costs than we recoup by sharing in their dividends and share price increases.

The report of the review into ethical investment issues was due to be provided to the Chief Minister by the end of May. I have been told by the Chief Minister in estimates that it would be made available and I have inquired many times from his office and been told the usual thing: *manana*. The glacial speed with which these issues are being progressed seems to mirror the incredibly tardy response time which accompanied the release of the government's climate change policy. Of course, both policies are part of the same problem. While I do not foresee much meaningful change on this issue, I continue to hope that there will be. I certainly hope that the government discovers a greater sense of urgency in addressing this aspect of the damage that its actions are causing, which is well within its purview to change.

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs, Minister for the Environment, Water and Climate Change, Minister for the Arts) (4.35): I take the opportunity to thank members for their contribution and to respond most particularly to Dr Foskey's gratuitously offensive remarks addressed to me and the government in the presentation she has just completed. I say that advisedly. I was extremely disappointed, Dr Foskey, by that particular presentation, more so than anything else I have heard you deliver in this place, in that you sought to invest in me personal, moral responsibility for the actions of arms manufacturers around the world. This is another burden that you would ask me to bear in my day-to-day life—that I, as Chief Minister of the territory, need to accept personal responsibility for the actions of arms manufacturers and foreign nations regarding the arms they use, and for other issues around the world.

In your moralising on the health and nature of humankind in the world, I wonder what degree of self-awareness you have in relation to the most offensive comments you have just addressed to me. The offensiveness of the comments is exacerbated by the fact that, as you know, I responded to concerns raised, by yourself and others, in relation to the application of ESG principles to territory investments. I responded; I initiated a review of the application of environmental, social and governance principles to territory investment practices. It was a review that was handled, essentially at arm's length, by the Treasury Investment Advisory Board—three leading expert citizens—in relation to investment strategy advice to the ACT government. The secretariat was provided by the Chief Minister's Department.

As you know, the review has been completed. I am taking advice on that. I have asked my departments, the Chief Minister's Department and the Treasury, jointly to prepare a cabinet submission. We are all frustrated by delays from time to time. I do not believe these delays are undue. There was some delay in the delivery of the report to the government by the Treasury Investment Advisory Board. The report was received six to seven weeks ago. It is now in circulation throughout the ACT public service, through all my agencies, as a cabinet submission. The issue has been taken seriously. I took it seriously; I initiated a review. I have received the report. I am following appropriate and proper process in seeking input from all my agencies in relation to the ramifications of implementing the recommendations contained within that report.

It was a report on which there was broad consultation. Many organisations were invited to respond; a significant number did. These included the commonwealth Parliamentary Joint Committee on Corporations and Financial Services, Ethical Research, the Association of Superannuation Funds of Australia, the Australian Reward Investment Alliance, Australian Ethical Investments, the Australian Treasury, the Australian Department of Finance and Administration, the Queensland government Treasury, the Victorian government Treasury, the Western Australian government Treasury, the Northern Territory government Treasury, the New South Wales government Treasury, and yourself. Each of those submissions has been given detailed consideration.

The matter is in hand. In the context of the seriousness with which I have treated the issue—I have initiated a review; I am putting the review's recommendations to my cabinet—to slag off at me as being somebody who refuses to take the issue seriously, and to make throwaway comments that, despite the effort that I have taken and the processes that I have put in place, you have no expectation that anything will change, really begs questions about your seriousness. The fact is that, in the presentation you have just made, you were more interested in grandstanding and petty politics than in the issue.

DR FOSKEY (Molonglo) (4.39): I will use my second speaking period to respond because I want to apologise to the Chief Minister for anything in my speech that he thought was personally offensive. I also say that he will perhaps realise from the things that I have said about these issues that I do see it as really crucially important that one way in which governments should act on the world stage is through their investments, and that is why I have given so much weight to the matter.

I changed the wording in my speech from saying that I did not have any hope that things would change. That is not true; I would not be here today if I did not have hope that things would change. That is one of the reasons why I, like all members here, am an MLA—because we do hope and believe we can effect change. So while I do not resile from the content of my speech, I do apologise for the manner in which it was delivered if it caused any offence.

Mr Stanhope: Thank you, Dr Foskey.

MR MULCAHY (Molonglo) (4.40): I do not often heartily agree with the Chief Minister on a whole lot of issues, but my reaction was identical, in that I thought a line was crossed in those remarks. Whilst I note that an apology has been offered, I think the extreme sentence contained in that speech was so extraordinary that I look forward to sharing it with my colleagues who may not have heard those remarks.

I heard the line about the territory government “investing in companies that murder indigenous people”. Whatever differences I have with the Chief Minister, I think that in that area he professes to have a fair bit of commitment to improving their lot. I heard other statements made about guns that, if said outside this Assembly, would land one in substantial litigation. This extreme approach worries me. It worries me that any legislator would come up with this sort of approach to the investments of our public servants in the territory.

You can have ethical investments, but I find extraordinary this extremist approach of going to investment houses and listing all of the companies that Dr Foskey and her team disapprove of and then expecting the territory government to be involved in some global campaign to rid the world of every problem. Do we not put money in a bank because the bank might have lent to somebody who conducted inappropriate business? Where do we go in life? They were extraordinary words. I hope that they receive the attention and criticism they deserve from outside this place. On this occasion I have to endorse the sentiment of the Chief Minister.

Proposed expenditure agreed to.

Proposed expenditure—Part 1.7 Home Loan Portfolio—nil expenditure.

MR MULCAHY (Molonglo) (4.43): I do not have too many words on this item. Obviously, an appropriation of nil is always music to the ears of those of us who like to keep outlays to a minimum. I will note a couple of points about the home loan portfolio. We noticed a 39 per cent increase in administrative costs per home loan for this portfolio, going from \$837 per loan in 2005-06 to \$1,162 per loan in 2006-07. In 2007-08, the target is another increase of 33 per cent to \$1,548 per loan. This amounts to an increase of 85 per cent in just two years—the time since this figure was first reported.

The increasing cost per loan is due to the fact that the portfolio is now winding down and is currently in a residual phase, with fewer and fewer loans being administered, while administrative costs remain static. As this area of government is further wound down, the administrative costs per home loan will continue to increase. The Treasurer acknowledged this fact in answer to a question on notice.

This is a substantial increase in costs per loan, and one which might alert the government to the possibility of outsourcing this portfolio. As a result, I raised this matter in estimates committee hearings to see what kind of analysis had been done of this problem. In these hearings, Ms Megan Smithies of the ACT Treasury said that a previous review had indeed been conducted to determine whether the government could outsource this portfolio. The review found at that time that it was better value for money that the portfolio be retained by the government. She did not state when this review was conducted, and I would be interested to know that.

However, in answer to a question on notice, the Treasurer stated that the portfolio had undertaken an investigation into its management before the expiry of its previous management contract, which was some time in or before 2001. There was no mention of any review conducted since this time, some six years later. This is a bit of a worrying revelation. As can be seen from the figures I have cited, the administrative costs per loan are increasing at quite a dramatic rate and the government does not appear to have kept track of the viability of this portfolio. If its last review of the issue was conducted as far back as 2001 or before then, we have seen at least six years elapse without further review. Given that costs per loan have almost doubled in the last two years, we need to be looking at this issue somewhat more regularly.

Of course, I acknowledge that there is some difficulty with outsourcing this function due to the unique nature of the loans, which include terms favourable to the borrower that do not exist in standard commercial loans. Indeed, the government should be mindful of this difficulty in its future lending activities. It shows that there is some value in governments adhering to standard commercial practices, and this must be weighed against other objectives.

Despite these difficulties, there are clearly other means by which this portfolio can be wound down if necessary. If this portfolio becomes too expensive to justify retaining, there is always scope for the government to provide incentives to borrowers to refinance through commercial lenders. The government must consider every option, especially when costs are rising so rapidly.

I reject the Treasurer's statement, in his answer to question on notice No 207, that administrative costs could not be compared to the private sector because of the differences in the loans. This is a bit nonsensical. The numbers can easily be compared, and this comparison will tell us how much more the government pays to administer its loans than the private sector. The difference may be due to a multitude of factors, such as economies of scale, additional efficiencies within the private sector or even different kinds of loans. No-one is suggesting that the private sector figure is for the same kinds of loans. But the difference is nevertheless useful in understanding the additional administrative costs faced by the government in providing these kinds of loans compared with what the costs in the private sector are for its commercial loans. The government must look at all options. I am in no position, standing outside the agency, to tell it which one is the best. I can only make suggestions, and I urge the government to keep up to speed with its costs and options.

The dissenting report of the estimates committee recommended that the government regularly reassess the viability of this portfolio in the light of increasing costs per loan.

I welcome this recommendation and hope that the government will adopt it. It is disappointing that the main committee report saw nothing wrong with the head-in-the-sand approach and chose not to include such a recommendation.

DR FOSKEY (Molonglo) (4.47): It has been recommended by housing advocates that the money in the home loan portfolio could serve a double function. It is money that helped people to buy their government housing in earlier times, and it could also be injected into public housing. I believe that has happened once, under Bill Wood's stewardship, and I believe there is potential for it to happen again.

It is not unknown. In fact, only recently, it was suggested very strongly to superannuation funds that they should start making some investment in housing. This is much more commonplace in Europe, where institutional investors are prepared to put money into affordable housing. If the government does it, it is public housing; if private institutions and superannuation funds put money in, it is private rental. I recommend that the government consider doing this with these funds.

Proposed expenditure agreed to.

Proposed expenditure—Part 1.8 Shared Services Centre, \$5,405,000 (net cost of outputs) and \$3,101,000 (capital injection), totalling \$8,506,000.

MR MULCAHY (Molonglo) (4.50): The government has reported that savings from the Shared Services Centre have already been enjoyed, and this will be welcome news to all taxpayers. However, we should not get carried away prematurely with reports in the budget paper that one of the centre's aims is "continuing to achieve savings of \$20 million". The statement is misleading—probably unintentionally—in saying that there will be a continuation of that level of saving. Obviously, the Shared Services Centre cannot continue to make these savings as it has not yet achieved that target. I raised this matter during estimates committee hearings. At that time the Chief Minister was apparently unsure of whether the \$20 million saving had been achieved.

Mr Stanhope: It has in a pro rata sense.

MR MULCAHY: That is what is recorded in *Hansard* as your comment. The Chief Minister said: "It might be a pro rata rate." I asked: "Is it?" He then said: "I will ask Mr Vanderheide to respond." Mr Vanderheide said:

The \$20 million takes effect for the full financial year next financial year. I guess the wording may be a little unclear. The \$20 million kicks in next financial year and we expect to make \$20 million savings per year—ongoing.

I do not think that has been achieved at this stage, although I acknowledge there are reports of savings that have occurred to date. I am glad to hear that the Treasurer and staff of the Department of Treasury are confident of a \$20 million saving in the current financial year.

The government has championed the Shared Services Centre for all the efficiency savings it is intended to make. But it is not very clear—there is certainly nothing documented that I have seen, although there may be internally—how much it has

saved due to this supposed “efficiency” and how much has been saved from other measures, such as possibly cutting a few corners.

While some of the savings reported to have been made by the Shared Services Centre apparently may have been due to economies of scale—and that makes sense—some of these savings were also the result of other measures, including less frequent replacement of capital assets. In the estimates committee hearings on 26 June, the head of the Shared Services Centre, Mr Vanderheide, explained that some savings would be made by replacing computer hardware every four years instead of every three years. What difference was made by putting it all under one umbrella rather than each agency making the decision is beyond me. Anyone in a business can do that—let things run down a bit further or get a little more out of date. If that is a significant consideration in the way in which savings will be achieved, I think we ought to be a little uneasy.

This may be a sensible savings measure, and I am not saying that it is not appropriate if it is cost effective, although I must say that with computers a four-year life cycle is quite amazing. I am not sure I have ever seen things being run out that far. I had lunch with my old bookkeeper on the weekend, and I think she keeps her computers for that period of time. It is not what you would usually expect in a cutting-edge organisation. So we will watch with interest to see how that policy plays out. I am not one to criticise measures that reduce costs and, if that is the case, well done.

The budget, however, does not seem to allow us to determine what savings are made due to economies of scale and consolidation and what savings are due to these other methods. This will make it quite difficult to assess the real impact of the Shared Services Centre on the budget bottom line, and that is one of my concerns. If you look through the budget papers for each of the various departments, you will see a great many technical adjustments in the appropriations for these departments, each increasing the required appropriation due to a Shared Services Centre adjustment.

On page 3 of Budget Paper No 4, we see that there is a Shared Services Centre technical adjustment to the Chief Minister’s Department for an additional appropriation of \$123,000 in this year and the forward years. On page 73, we see that there is a Shared Services Centre technical adjustment to the Department of Treasury for an additional appropriation of \$510,000 in this year and the forward years. On page 175, similarly, there is an adjustment of \$2.406 million to ACT Health. On page 209, there is \$1.595 million in relation to the Department of Disability, Housing and Community Services. On page 250, there is an adjustment to JACS of \$1.9 million. On page 300 there is an adjustment to TAMS of \$2.559 million. On page 373 there is a technical adjustment to the Department of Education and Training of \$1.722 million. On page 403, there is a Shared Services Centre technical adjustment to ACTPLA for an additional appropriation of \$653,000 in this year and the forward years.

This amounts to technical adjustments of about \$11.486 million in additional appropriations for these departments. This pattern continues on and on for each of the territory authorities and corporations. We see, therefore, that the government has been forced to adjust its estimates of the savings for the Shared Services Centre. We are assured, however, that the high level of future savings will nonetheless be achieved.

In addition to problems in identifying savings, there are a few alarm bells about the level of service that will be provided, and possibly lower expectations of service standards in areas covered by the Shared Services Centre. This may not bring the Western world to a halt but, for example, in 2006-07 the average time taken for telephone service requests to be answered by the InTACT service desk was 15.54 seconds. The government had aimed to have only two per cent of these service requests being responded to outside the time frames set by its service level agreement. Instead, 10 per cent of these service requests were outside these times.

Confronted by this somewhat unappealing figure, one would expect that the appropriate officials would have a look at the cause of the situation and aim for better service next time. They might even decide that they had set their sights too high and revise their target. If they did so, you would expect they would at least aim to match their existing performance, and hopefully get better. Instead, in light of its failure to meet this target—its failure to get anywhere near this target—the government has not just revised its new target to reflect existing levels of service but it has set a new target for 2007-08 of an average waiting time of 25 seconds, over 60 per cent higher than the average time taken last year. This is a clear sign that the government is lowering its expectations of service. Presumably, it does not want to fail to meet its target again, so it has taken the easy route: set the bar as low as possible. It has even set it below the current level of service, which itself was clearly a failure.

One might cynically assume that there was an attempt to conceal this piece of information by changing the performance measure for the item, and it only came to light as a result of an answer to one of my questions on notice to the Treasurer. It is hard to say how many more of these instances have occurred where the government has obscured its poor performance or its lowering of targets by changing the relevant performance measure. It is certainly clear that a number of the performance measures have been changed in the budget, and that the outcome of discontinued performance measures has not been reported as an interim measure.

It will be interesting to see how this plays out. I have a bit of a self-developed theory about service standards—that is, the higher you make them, the more people complain and the harder it is to keep people happy. There was a particular hotel in this town which I will not name where the general manager said: “I ignore every single complaint I get. I throw them all in the bin.” He said, “Eventually people realise there’s no point in complaining because nothing ever happens.” It is a very interesting approach to customer service. It is not one of which I am a particular advocate; maybe somebody has come up with that theory elsewhere and believes that is how you stop people becoming unhappy: don’t give them the service they expect. I may be a little unkind to these folk. There may be good reasons why they have had to change the standard of service, but I do wonder about it.

Problems with the superannuation system continue to exist. We still have not seen a resolution to existing problems in areas covered by the Shared Services Centre. In particular, problems with the HR system CHRIS 21 are still unresolved. The government has not been able to fix this problem. Indeed, it has not even been able to provide assurances as to the scope of the problem or a timetable for fixing the problem. It has not been able to give a ballpark figure of the number of public

servants affected or a ballpark figure of the amount of money that has been over- or underpaid. (*Second speaking period taken.*)

The government have now been aware of this problem for over a year and it is difficult to see why they are unable even to explain the scope of the problem, let alone fix it. This now falls on the Shared Services Centre, which has shown little public evidence of progress.

I should also comment on the shared services centres in other states. I have flagged concerns already, and I would like to reiterate them today. There are worrying signs, particularly in light of the problems with the shared services centres in South Australia and Western Australia. In South Australia, the Auditor-General found that the shared services centre is behind schedule and over budget and there have been serious cost blow-outs. In Western Australia, the problems are the same. There have been problems with the implementation of shared services and the project is over budget.

The government have relied on what they say are important differences between the territory and these states which they believe will ensure that those things do not happen in the ACT. I hope that my apprehension is not well based. Mr Vanderheide and Mr Robertson, who are key players in this arrangement, are very able people. I hope that, for the sake of the taxpayer, they are successful.

We are told that because we are a small territory, with our Shared Services Centre up and running we will avoid the problems experienced by other jurisdictions. But it remains to be seen whether the centre will result in genuine efficiency savings or whether the government will rely on falling standards of service and cutting corners to record its pro rata savings. There are some early signs of that, over which we will maintain a close watch.

The dissenting report of the estimates committee recommended that the government reported to the Assembly on these matters and identify savings that are due to consolidation and economies of scale separately from savings due to other policies. I certainly welcome this recommendation and hope that the government will adopt it.

There is some worrying information that has emerged from this budget process about the Shared Services Centre. The government is determined to convince the public that it has saved vast amounts of money due to consolidation, economies of scale and efficiency gains. It has given a number of statements which, on the surface, give that impression. But if we scratch below the surface, it may be that the savings reported are not genuine savings but projected savings. The budget papers do not give us a clear picture on this, and the Treasurer is fairly relaxed—indeed, one might say blasé—about the difference.

What is more, some of the actual savings have nothing to do with consolidation into the Shared Services Centre. How much, we are not sure, because it is not adequately reported. We also see that the government is reducing its levels of service and its targets for future levels of service. They are setting targets that are below current performance, presumably in an effort to impress the public by being on target next time.

Proposed expenditure agreed to.

Proposed expenditure—Part 1.9 Superannuation Provision Account, \$130,500,000 (capital injection) and \$15,780,000 (payments on behalf of the territory), totalling \$146,280,000.

MR MULCAHY (Molonglo) (5.03): Gains in superannuation assets have been higher than expected in recent years, as demonstrated by the positive adjustments for expected long-term capital gains on superannuation assets. In discussing the item for the Department of Treasury, I have already discussed the importance of excluding these gains from the cited figure for the government's bottom line. I will not repeat my remarks this afternoon, except to say that the government's position is quite indefensible in light of what I have outlined in my remarks on the subject and, more importantly, the remarks of Professor Allan Barton, as published in the *Canberra Times*.

These higher than expected long-term capital gains on superannuation assets have given the government an ideal opportunity to accelerate its plan to fully fund superannuation liabilities by 2030. Currently, defined benefit superannuation entitlements owing to current and former ACT public servants are underfunded. As at 30 June 2007, they were estimated to be 65 per cent funded by superannuation assets. Obviously, in an ideal world, we would have outstanding liabilities to public servants and former public servants matched by assets invested on their behalf.

I am not suggesting that there will necessarily be a shortfall in assets to make payments. Because these are future payments, I am quite sure we can be comfortable that the government can meet these payments, as long as its targets are based on sound actuarial advice. Nevertheless, it is prudent to take a good opportunity when you are presented with one, and the higher than expected returns on superannuation potentially give the government such an opportunity. I hope it will not be too rigid to consider it. Unfortunately, this looks to be unlikely.

During the committee hearings on 26 June, Mr Roger Broughton, Executive Director of the Investment and Economics Division of the Department of Treasury, told the committee that the 2030 funding date "is more or less set in concrete, if you like". The Chief Minister did not put it in these terms, but, when asked to confirm these comments, he stated only that the 2030 target date is the government's current stated funding policy.

As I said when discussing the territory banking account, the government is undertaking a review of the prospect of considering environmental, social and governance factors in its investments. This could potentially include superannuation investments, depending upon the government's response to this review. I again stress that this review must be about how to maximise the government's investment returns and it should not compromise this goal. This is particularly important within the context of superannuation investment, given that the government's superannuation liabilities are underfunded.

DR FOSKEY (Molonglo) (5.06): No doubt the government and Treasury are watching nervously as the US subprime meltdown continues to exert downward

pressure on international equity markets, including Australia's. This is despite the fact that most of the Australian companies whose share prices have fallen in recent weeks are not heavily leveraged, are recording significant profits and are not significantly exposed to the US economy, let alone the high risk end of the US housing market. Such is the rationality of the market.

While capital markets are good at concentrating capital for investment purposes and applying some degree of competitive rigour to investment decisions by companies, they are also bad at providing longer term security for society at large or fostering any sense of social or environmental responsibility beyond that prescribed and enforced by national regulators.

The ACT government largely eschews direct investment and relies on capital market investments to safeguard and enhance the superannuation entitlements of ACT public servants. Nicholas Stern's report on the economics of global warming warned that climate change is the biggest example of market failure in human history. The extent of that failure is yet to be revealed. On Tuesday, Minister Barr said that climate change would present us with the greatest moral and economic challenge of our time. Business as usual, illuminated by a few low energy light globes, is not an adequate response to this critical issue. What it requires is leadership and a willingness to move ahead of the pack in seeking out solutions.

This budget, in my opinion, does very little to change the direction in which our society is moving, and any marginal salutary effect it may have is likely to be swamped by the damaging effects of some of our superannuation portfolio investments. I am very sorry that the Chief Minister felt personally offended by my comments regarding the responsibilities of his ministerial portfolio. I am very gladdened by the obvious priority that he has placed on the review of ethical investment practices. But if he does not keep MLAs in the loop regarding reviews that their concern has instigated, what can he expect us to think and say? It is my job to ask questions, and if we are told what is going on we do not need to ask them.

These are serious matters and I suppose I could feel insulted by the Chief Minister suggesting that I am playing politics with these issues. There are good ways to send signals to the market that some corporate behaviour is not acceptable to the people of the ACT, and I expect they would like their government to do that for them. In fact, it was quite obvious that Mr Stanhope did not know where most of the investments went until the *Canberra Times* produced that list. He was as surprised as anyone, perhaps, to find out that the ACT is investing in companies that produce munitions. That does not mean that I feel that he is responsible for producing cluster bombs, by any means. He did not even know that some of our investments went that way.

Investing in heavily polluting coal and uranium industries instead of investing in renewable energy companies because they have not yet made it into the blue chip or established investment indexes is another way of ensuring that the good intentions that you might hold personally are not translated into results on the ground. I know that Mr Stanhope himself said he did not feel comfortable about supporting tobacco companies when so much of the health budget goes into stopping young people from taking up smoking.

I guess the issue is that Mr Stanhope now does know where many of our government investments go, or did at that time. We know that these funds are extremely mobile, and no doubt we would get a slightly different list now if Mr Stanhope were to concede and give us the most up-to-date list. But the fact is that, once we do know, it is incumbent upon us to act upon that knowledge.

So what is required is a radical rethink of personal and corporate social responsibility and economic behaviour. These are difficult questions. It is no wonder that the climate change sceptics held so much sway. It is so difficult to take on the idea that we have to change our behaviour. We have to change the way we do things, and I am not talking about the light bulbs we use or not turning on our heaters until it is really freezing. We are talking here about the way we run our economy.

I know that is offensive to Mr Mulcahy, because Mr Mulcahy, in particular, has a particular set on the way the economy should be run. He believes in the free market idea of governance—the night watchman state, we might call it—where governments keep their hands off the economy. But we know that keeping your hands off the economy is not really keeping your hands off the economy; it is intervention by neglect. We actually do have to think about where we invest our money.

A person can decide to invest in ethical investment funds. A government, however, has much more onerous responsibilities. We also have a lot more money and a lot more power, and the decisions are much more difficult. That is why this discussion has to be held in public. That is why the investment review board's paper needs to be released and made public so that we can have that discussion and the people of the ACT can have their say, with the understanding that our investment decisions actually shape the picture of the world. The changes may be small but they will certainly have much more impact than the individual person putting in a low energy electric light bulb or changing their small amount of funds to an ethical investment fund.

We, as members of the ACT Assembly, whether we are members of government, the opposition or the crossbench, do have a responsibility to make sure that these issues are discussed in this place. I am sorry that it is seen as offensive, although differently, by Mr Mulcahy and Mr Stanhope, who have their different approaches to these issues. We are going to have to deal with some difficult issues in the years to come and it would be very sad if the Greens were tarred because we have seen the need for change and because we see how deep rooted that change has to be.

It will be unfortunate if the messenger is shot and the message is ignored because that is what will happen if Mr Stanhope goes upstairs and writes a media release condemning me—that has happened before—or Mr Mulcahy decides to use this as an example of the Greens' lack of economic credentials. I am sorry, but that kind of economics does not work anymore. If we really want to save our world or if we really want to have a fair labour system or if we really want to share things and narrow the gap between rich and poor, it does not work. Superannuation is one way that we, as a government, as a territory, have the power to make changes.

Proposed expenditure agreed to.

Proposed expenditure—Part 1.10—ACT Health, \$628,455,000 (net cost of outputs), \$36,319,000 (capital injection) and \$658,000 (payments on behalf of the territory), totalling \$665,432,000.

MRS BURKE (Molonglo) (5.16): We have before us a health budget appropriation in excess of \$665 million. Recent reports from the Australian Institute of Health and Welfare and the *State of our public hospitals* report of June 2007 clearly identify that the territory health outcomes are lagging behind the rest of Australia in some extremely important areas, and they have been articulated in independent reports during estimates and in this chamber on previous occasions.

We have a health minister, unfortunately, who persistently continues to deny the undeniable even when it comes to nurses being in fear of losing their jobs if they speak out about problems within the system. Broadly speaking, there are numerous suggestions about how the health system might be changed, ranging from pooled funding models and commonwealth takeover of public hospitals to integrated care arrangements.

The real issue, however, is simply better services for all Canberrans and not who delivers them. Where do the government's budget initiatives address the basic questions of whether patients and taxpayers are receiving value from existing spending and whether existing staff are well utilised? The Australian Institute of Health and Welfare report published on 21 July 2007 clearly shows us that the ACT health system is not performing well against other jurisdictions in some major areas, such as emergency departments, where, in the minister's own words, we clearly need to improve category 3 and 4 time lines, as well as elective surgery.

The minister has said, "We continue to have the longest wait for surgery at 61 days." This is worse than last year's report, which indicated that the wait was 45 days. Those statistics speak for themselves. Performance or efficiency gains do not seem to be occurring as well as they might be in other areas, such as acute care, labour costs or the emergency departments in our public hospitals. After some six years of the Stanhope government and three health ministers later, the current minister has conceded that there is still work to be done. As a territory, we clearly are not making the progress that we should be, and could be, despite that huge injection of funding that we keep hearing about. Plainly and simply, millions of dollars have been poured into a health system that is still not meeting the everyday needs of Canberrans.

We focus too much on managing people when they are sick, but there is now a blurring of the line between who is sick and who is well. We are reaching the point in our understanding of diseases where we are able to predict what is going to happen to people in respect of certain diseases, particularly lifestyle diseases such as heart disease, diabetes and cancer. The challenge for here on in will be to maximise the periods of wellbeing through partnerships with GPs, pharmacists et cetera. I welcome the profile our pharmacies enjoy in our community, and rightly so. They have my full support in regard to such initiatives as ask your pharmacy week and the home medicine review scheme. I fully endorse the minister's notion that our pharmacies are an integral part of our health care system here in the ACT.

To work towards a better health system is to make sure that people are informed and educated and managing their understanding of disease and their access to knowledge. We have to get involved as a community if we are going to get the maximum return on our financial investment. As I have said before—to the great annoyance, perhaps, of the Stanhope government—despite three health ministers and a plethora of plans right across the health sector, I do not believe we are seeing the full benefit of some no doubt very hard work by some individuals in the system, and the Canberra community are tending to receive less, not more, by way of basic services.

There is a pressure for hospitals to manage against a vast range of performance targets, and we have been focused on providing the best possible care that we can give to patients. We have done that with practical guidelines and with the use of prescribed medicines. We need to begin, however, to change that model and think about how we can better serve the population more broadly in relation to better health outcomes. We need to be all about maintaining health so that people do not come to hospitals in an advanced state of a chronic disease process. We also need to be innovative in finding ways of calling on the community to take responsibility and assume care for their own health. Prevention is always better than cure.

Whilst the opposition acknowledges that increased expenditure on acute services does meet some health care needs, it is widely recognised that shorter lengths of stay and more chronic conditions require a different mix of health services to deliver the best outcomes for consumers. This includes more community based health services and more non-medical support services to avoid hospitalisation. While some money has been made available for chronic disease management and self-management, this budget has done little to address the real need to avoid hospitalisation through appropriate community based service to keep people out of hospital or to support the safe early discharge of those who are hospitalised.

The current system is somewhat of a travesty. Why should people have to suffer a stroke or a heart attack before they get high quality care? That is not the price of admission. That is really how we have to rethink the way we look at health care. Instead of looking at what we need to do to the patient when they arrive in the emergency department, we really need to begin thinking about how to maintain and preserve health.

One-stop-shop clinics or GP plus clinics, as I believe they are referred to in South Australia and which the opposition recommended in their estimates additional and dissenting report, would, I believe, complement Canberra's existing health infrastructure in the new northern and southern suburbs and provide leadership and direction through innovation in multidisciplinary service delivery and service standards. As I have already said, but it is worth repeating, Mr Rudd must have read our report because he recently made a similar announcement.

The government's lack of response to this or any of the opposition's recommendations is simply a show of abstract laziness—throwing it all in the too-hard basket—and a lack of will to work with anyone else who may come up with good ideas for the benefit of all Canberrans. I had hoped that this might be an area, particularly, where a bipartisan approach could be adopted.

Whilst acknowledging the expenditure on dental health, it is the role of states and territories to deliver on such services. That should be no surprise. Unfortunately, the minister chose, once again, to bag the federal government. You would not know there was a federal election coming, would you? But it is the job of states and territories to actually deliver the services.

A report released by the Australasian College for Emergency Medicine on 1 August 2007 showed how dramatically patient care is deteriorating in Canberra's hospitals. This is not to detract from the great care that our nursing professionals give. Since 2004, twice as many patients are waiting more than eight hours to get a hospital bed. This means that caring for access block patients represents around 40 per cent of emergency department workload.

The Australian Institute of Health and Welfare report indicated that waiting times for elective surgery in ACT hospitals are the worst in the nation—the minister argues with that, but that is what the report has said—with the wait being 61 days for elective surgery. I certainly hope that we have been able to make better inroads in terms of cancer patients awaiting treatment. At one stage they were waiting longer for treatment than at the time of the report 12 months ago.

We recommended in our report that there needs to be a clear definition of health service standards specific to the ACT in order to break the cycle of chasing interstate statistics and to start measuring apples with apples—health service standards that meet the unique needs of this territory. Surely, Canberra-focused standards would empower our health professionals to deliver good service, knowing that the government recognises the unique circumstances in which they operate. Yearly performance reviews would then be meaningful, positive and client focused.

Clearly, despite the government crowing about the amount of money they have poured into the system, some things are just not improving to the extent that one would have thought. Hospital waiting times, nurse morale, costly administration, high costs of treating patients in the ACT compared with the national average, above national average costs in administration, the absence of the wider use of the latest information communication technologies and relevant software to enhance administration and general hospital management are but a few areas of concern.

Despite the massive injection of funding—and the opposition certainly welcomes the expenditure on mental health—this budget does not provide a clear vision for the future direction of our public health system as a whole.

DR FOSKEY (Molonglo) (5.25): Health is the big winner in this year's budget, as in last year's. Even the Costello review, which recommended slash and burn in every other department, did not propose cuts to this, the most expensive area in ACT government service provision. It was apparently okay to reduce the amount of support that SAAP providers could give to clients, perhaps keeping them housed and with the means of preparing regular meals—incidentally keeping them healthy—but we must continue to increase spending on the sharp end of our complex health system, the bit where people end up more frequently if they are poorly housed, poorly fed and/or poorly educated.

The thing about the health budget is that, with its focus on hospital care and its insatiable need for expensive diagnostic instruments and complex machines—there are new ones out every year, each better than the last—the maintenance of existing equipment and the cost of the technicians to operate them and analyse the results, not to mention the doctors, the nurses, the specialists, the administrators and the cleaners, who are very important in a hospital and needed to keep the place running, is that it will always be under resourced. People will want their hospital to be able to fix every ailment and ill.

We may be a small city, but we are a capital city, and we develop our benchmarks based on bigger cities like Sydney and Melbourne. The health system, therefore, will always provide targets for oppositions to point the finger at: waiting lists, emergency department delays, infection rates and unhappy people working too hard for too long and not feeling properly valued. The opposition can always talk about health and hospitals if it wants to bag the government. No doubt, the incumbent government, when it was in opposition, did the same.

I recognise the complexity of providing good health services and I am not planning to bag the government, but it is my desire to be constructively critical. I want to put on the record that I am not a disinterested observer in regard to health. I have benefited from the extraordinarily high standards of health care that I have received as a public patient in the Canberra hospital. Greens members and voters, like anybody else in this city, use and appreciate a good health system, including hospitals, and it is hard to see how we cannot continue to spend large amounts of our revenue, heavily bolstered by federal funding, on acute care health services. But I think we have to find a way of working smarter to improve our health services, including reducing the costs of hospitals. But if we do not want to do this, then we cannot complain about taxes.

Peter Martin put an interesting proposition in Tuesday's *Canberra Times*, that we turn the health system into a kind of production line for the safety of patients. His example of a hospital entirely focused on hernia operations is instructive in demonstrating cost savings and success rates when surgeons are not challenged to perform other procedures. The people performing the operations had learnt their skills as apprentices, avoiding the many years of general and then specialised education which is necessary for gaining entry into the school of surgeons here in Australia.

There is a problem with this way of cutting costs. It requires patients to travel vast distances to access the specialised services. Fancy a trip to Canada, anybody? These costs need to be laid against specific—

MR DEPUTY SPEAKER: Order! Dr Foskey, would you pause for a minute. The volume on both sides is getting a bit too high. I ask members to show a bit more respect for the speaker.

Mr Hargreaves: How about respect for the Deputy Speaker? That is stretching it.

MR DEPUTY SPEAKER: You will just have to live with it, Mr Hargreaves. Carry on, Dr Foskey.

DR FOSKEY: These costs need to be laid against perceived benefits, and we need to consider more than the bottom line in so doing. I hope that the current one-upmanship demonstrated by the major parties contesting the federal election is allowed to morph into a real debate on the kind of health system which will be most effective in delivering the best health outcomes for Australians at an affordable price for all.

I am not sure whether it is a good idea for the commonwealth to take over hospitals, as Abbott has been threatening and now Rudd promises. I think that when it comes to the point, not too many federal governments would welcome the inevitable criticism that comes with hospital administration. I do wonder if hospitals need to be as big as they are becoming. At what point are efficiencies of scale lost to the complex, unwieldy machine needed to run the giant hospitals which are a feature of our cities? I would like to see that cost-benefit analysis.

I do believe that we should always be seeking to reduce the number of people needing treatment at the acute end of the health system. The Greens believe that a greater emphasis on primary health care is a major means for achieving this. The Liberals do not make clear what they mean in their dissenting remarks to the estimates report by a one-stop shop. Perhaps they mean something like the community health centres which used to service many of our suburbs. While these still exist in a more centralised form, they now focus on people on pensions and other Centrelink payments, whereas once they were resourced to service a broader range of patients. The Greens would like to see the development of community centres with medical and allied health care in ready reach of public transport.

Achieving health outcomes requires a whole-of-government approach. A healthy city with healthy residents would be one that gives residents plenty of opportunities to walk and cycle. Canberra has plenty of these places, but it is nonetheless much easier to do most things, go to work and school, shop and visit people and places, by car. This was one of my criticisms of the school closures: many children would lose the opportunity to walk or ride to school. It is a reason why the Greens are so opposed to the loss of local shopping centres. Having to put the bike on the car or drive to the gym is a contradictory way of keeping healthy.

Similarly, participation in sport provides a number of benefits besides fitness, such as the development of friendships and the sense of belonging, as well as experience in team work and the excitement of competition. Maintaining public swimming pools and sports grounds is as much the business of the health minister as it is the minister for territories. I hope that the health minister is always consulted when rationalisation threatens the closure of such facilities.

Many health consumer organisations stress the need for good services to back up people remaining in their homes—those that have one. The support would vary from minimal to more complex services. One woman I know, who has multiple sclerosis, told me that what would make the difference between her remaining in her home or going into care would be the simple thing of help taking out her rubbish bin every week. There was a strong call from the mental health consumer advocates, and the minister indicated that she shared this vision. I will read Ms Gallagher's comments. Page 102 of the estimates report states:

In response to a Committee request about the Minister's overarching vision for mental health services delivered in the ACT, the Minister advised:

.... my view about mental health would be a co-ordinated, community-based approach to managing people with a mental illness with appropriate clinical and acute supports in place, should that be required. I think there is agreement around that ...

If I had to sum it up, that would be my view in a nutshell—that we manage people's mental wellness in the community with appropriate community supports and providers. People recover in the community. That is where they live: in the community. It is only certain periods of time when most people need to access more acute types of supports and services. That is the system that we are well on target to putting in place. But I have to say that I would like to see some streamlining of services, particularly in the community sector. But, again, that is very hard to achieve.

Canberra provides medical services to a wide region. Over time there will, I hope, be better cooperation between New South Wales and the ACT and federal governments so that rationalisation of expenditures will maximise health outcomes for all residents. Indeed, there may be scope for specialisation amongst the hospitals in this region, and that is something that I hope the government explores in more cooperative discussions with other health authorities.

In the health sector, as in so many other jurisdictions, there is always a shortage of people with the skills and experience to perform all the functions needed to maintain a healthy health system, and we want a healthy health system. Affordable housing will be a major factor in attracting and keeping the health professionals we need and reinforcing the interconnectedness of all government services in health provision. *(Second speaking period taken.)*

As a bit of a codicil to that, I note that after the government removed pay parking from the hospital, the nurses and staff there are now complaining that the problem that the government, I am sure, hoped to avert by introducing pay parking has reappeared. That is that people who work in Woden are again taking advantage of what is now free parking at the hospital and getting a little bit of exercise walking to work as well. While the government might applaud those health outcomes, I do think we have a problem here and it probably needs to be tackled once again.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (5.36): Mr Speaker, I will not be terribly long.

MR SPEAKER: About 10 minutes, I reckon.

MR STEFANIAK: No, I do not think it will be that long. Dr Foskey, who I understand got a bit of a savaging earlier from a couple of people, said one thing I liked in relation to ethical investment. She made a plea to the health minister to back up the sports minister in terms of sporting facilities. I think the sports minister needs all the backup he can get. I actually agree with that, Dr Foskey.

I think it is very important that these two vital areas actually work together. Obviously, if you get more people exercising in whatever way, health costs come down. For every additional 10 per cent of the population engaged in healthy recreational level sporting activities, health costs in Australia would come down by about \$700 million a year. That figure is about six years old. I heartily endorse Dr Foskey's plea to the minister.

Mr Speaker, I will not speak for terribly long. I refer members to my comments earlier this morning. Anyone reading the *Hansard* will see that I raised a number of points of concern to me regarding health which came up during the estimates hearings. In particular, I refer people to my comments about the nurses and the need to broaden the base so that more people can enter the profession at various levels. I think that is crucially important.

I made some other specific comments in relation to areas of the hospital that I visited recently, like the fracture clinic, and I think additional attention needs to be given to the clinic. So, rather than repeat all that, I simply refer people to my earlier comments, which are pertinent to the health debate.

Might I also refer people to my comments in the previous debate about backing up the hospital staff. I think there was some misinterpretation, especially from the government, in relation to comments made by Mrs Burke. I think the Chief Minister was spraying off in relation to a certain part of the opposition's estimates report and taking something very much out of context there. We on this side have the utmost respect for health professionals. We want to see them supported. No-one is ever perfect, and some people obviously work better than others. That applies in any area of human endeavour, be it health education, private or public, whatever.

We do have some very dedicated people in this system. They do need backup and the system is stretched. Without labouring the point, I refer to the comments I made earlier in relation to some possible ways of actually improving the system. It does need to be done and can be done, I think, without too much difficulty, specifically without a huge amount of additional money being spent.

One of the big problems that any health system faces is an ageing population. We as a nation spend about 10 per cent of GDP on health and I have seen figures which show that, by 2043, that might rise to about 18 per cent simply because of the ageing population. The more we can do to plan for that and to keep the costs down, while ensuring that we cater for the specific health problems of an ageing nation, the better it will be.

Again, I hearken back to earlier debate about Healthpact. We need to support a lot of healthy activities, and you cannot go past good recreational and sporting activities. Dr Foskey said that if the government was to reinstate grants for sports and recreation, which everyone in the estimates committee wanted to see happen, back to 2005 levels, that is about \$500,000 a year. Down the track you would be saving \$10 million, \$20 million, \$50 million or \$100 million in health costs and making a real effort in terms of problems like childhood obesity. So I commend those earlier comments in this debate.

MR MULCAHY (Molonglo) (5.41): Mr Speaker, there can be no greater requirement of an ACT government than providing a quality health system. The government's disappointing performance in many aspects of this area is one of the most telling indictments on mismanagement by the territory. This year \$665 million will be appropriated to the health system, and the health minister proudly told the estimates committee that expenditure will exceed \$800 million for the first time.

The minister would have you believe that this means that everything is going well, that spending money has solved all the problems. Sadly, the people of Canberra have only to visit the emergency departments or join the elective surgery waiting lists to know better. Try telling a mother and father who have waited for hours for their child to be seen in emergency that this government has fulfilled its duty to provide a quality and efficient health system. Try telling someone hobbling around uncomfortably waiting for elective surgery as they inch their way painfully to the top of the waiting list that the government deserve congratulations for their spending in health.

These criticisms—I take up Mr Stefaniak's point—are not a criticism of the people working in the system. The bottom line is that it is an issue of management. These are really dedicated people, but even as recently as last weekend we had one of the kids down there: it is tedious, it is long and it is frustrating. It is less than ideal; in my view, there is massive scope for improvement.

Spending does not equate to improved service. I used these figures last week in a question without notice and I will use them again. According to figures from the Australian Institute of Health and Welfare, in 2005-06 patients in the ACT health system waited 61 days for elective surgery; this was up from 45 in 2004-05, with an Australian average for 2005-06 being 32. People wait twice as long in the ACT compared to the national average—twice as long, Mr Speaker. Yet this government does little but offer itself pats on the back. It criticises the previous Liberal government and expects that to carry some weight with people who want service standards improved today. It shrugs off—

Mr Hargreaves: It worked in 2004.

MR MULCAHY: Mr Hargreaves said, "It worked in 2004." That is the very level of complacency and smugness that I think will send a resounding message in 2008. If Mr Hargreaves believes that the events of 2004 are a reflection of what will happen in 2008, then, even though he is a pretty good reader of the electoral cycle and the electoral process, on this occasion I think he is going to be in for a fright. I look at the letters I get in my office from people—and they are not Liberals; they are just people out there—telling me time and time again that they are frustrated about an experience in health. I just signed a couple more a moment ago. I am not asking people to complain about it. These are people coming of their own volition, all with a different story.

I sent the minister two letters today. One was about a person who said to me at Gungahlin last Saturday that they had a 12-hour wait in emergency. Another one said there was a 14-hour wait while they had a raging infection. I am just giving those to the minister. No doubt her officers will look at them. Maybe they were exceptions; I

do not know. But they seem to come in in such substantial numbers that it has to leave me with a very clear impression that all is not well in the hospital system.

Mr Hargreaves: And you are going to do what about it?

MR MULCAHY: The Liberal Party will do a deal better about it. Our objective will be to improve management of the health system. I am not saying that overnight there will be a zero waiting list, because that is not an efficient way to run a hospital system. But I do believe that some of the things that emerged that reflect badly on management need to be addressed, and the confidence of the community needs to be restored.

We have an ageing population. When I go doorknocking in my area around Mawson and the like, I run into a lot of people who are my age or 10 or 15 years older. They say to me that they are pretty fit now but they are worried that, if they have to rely on the public system, they may be in trouble. They are nervous and they are apprehensive. The level of confidence in the public mind in relation to the health system is lacking; it is the challenge for this territory government to restore that.

The government shrugs off unflattering figures such as those that my colleagues and I have cited and says that they are not comparing apples with apples. I contend that these figures do compare apples and apples but that the government just does not like that particular variety of apples. Even the minister's own unsourced claim during estimates that 70 per cent of people receive treatment on time was by way of justification for work done rather than acknowledgement that, comparatively, waits in the ACT are longer than elsewhere.

Just as distressing as the elective surgery waits is the fact that in 2005-06 only one in two patients received timely treatment in the ACT emergency departments. Most patients received medical attention within 167 minutes at ACT emergency departments, about an hour longer than Victorians, for example, have to wait.

Clearly things are not running as they should. The system is not operating to the efficient and quality standard that the people of Canberra expect. The government's answer to throw more money into it is simply not working. According to the Australian Institute of Health and Welfare, Canberra's public hospitals are costing at least \$61 million more than they should. Clearly the current ACT government—indeed, the minister—is unable to provide the direction needed to ensure that spending equals results.

We have already seen revealed in estimates this year that the savings expected to be realised because of the creation of the Shared Services Centre are probably not going to materialise to the extent predicted. It was admitted during hearings that not as many people had been transferred to shared services as expected; indeed, budget paper No 4 shows an adjustment of \$600,000 for the 2007-08 financial year to reflect savings not realised. Over the next four years this adjustment is forecast to be \$2.4 million. It is to be hoped that it does not continue to grow beyond this point, but I fear it might. This has long been the danger with the government's reliance on savings made in the Shared Services Centre. In key areas like health, a standard of service is required that cannot be compromised. It could lead to cost blow-outs across government if the shared services become unable to provide the service required.

I regress slightly from my original point. The health system is probably the most essential service that the ACT government provides to the people of Canberra. As such, it is important that its standard is of a reasonable level and meets people's expectations. Clearly—and I am basing this not just on the Australian Institute of Health and Welfare figures, but also on the large amount of representations that I receive—this standard is not being met. Complaints about health issues, especially the elective surgery waiting list and the time that it takes to be treated in emergency, are the most common ones that I receive.

It is one thing for the government to say that things are going well, but the people of Canberra are clearly saying something else. The shortcomings in the system affect everybody, but they are particularly distressing for older patients and older residents of Canberra. People need to have the peace of mind to know that, when their health starts to deteriorate, as it inevitably will, the government will have provided a health system that will be able to care for them.

It was mentioned in the estimates process that extra money has been appropriated to enhance the rehabilitation offered at the new older persons unit. These additional appropriations amount to more than \$10 million over the next four years. I want to acknowledge that this investment is worth while, particularly in relation to providing stronger and more easily available services in the community for elderly people, to try and prevent hospital admission. I hope that the rapid assessment service for outpatients will serve to address the needs of Canberra's aged community. I certainly look forward to hearing more details of this program—and, crucially, the results. Results are what it has got to be about—that it delivers.

As I have said, simply spending money does not necessarily reflect that the system will perform to the level required. Similarly, spending money will not guarantee that a vital concern like accessibility for seniors will be addressed. Obviously money is required, but the answer is not simply throwing more money at a problem.

I want to raise one other issue, Mr Speaker. It is something that I have become aware of in recent times. Many members may have watched the *Four Corners* program on Monday evening about Dr Gerard McLaren and his attempts to blow the whistle on dangerous surgical practices. Dr McLaren was a director of rehabilitation and aged care at the Canberra Hospital. He oversaw and helped the recovery and rehabilitation of patients and saw the effects of faults within the system and, it appears, errors in surgery. His reward for reporting on breaches of protocol and failings in the health system is that he has been ostracised and shunned by the health system and other professionals. He has effectively lost his career for whistleblowing on dangerous surgical practice.

I was moved by the television reports and some of the information that has come to my notice in recent days. The key issue seems to be that we need to protect whistleblowers. If this had been the case, this result would not have occurred. It is clear that we need strong legislative protection for whistleblowers. I was taken by the fact that yesterday the Chief Minister announced that this will be part of the legislative program. If it is as a consequence of the treatment dealt to Dr McLaren, he has my compliments inasmuch as some remedies are now being put in place to ensure

that we have that protection. I am told that the ACT's protection is not in the same league as that offered, for example, in New South Wales. (*Second speaking period taken.*)

I also have concerns about the recourses generally available to a whistleblower. It seems that, to have legal options available, it would be necessary for someone to suffer physical harm. If this is the case, it does not take into account the emotional stress and harm that can occur when a whistleblower is ostracised by the system and by their peers. Clearly, there needs to be protection for people who make the decision to blow the whistle on faults in the system. If necessary, it is the duty of this Assembly and the government to ensure that this should be legislated and adhered to.

In the aftermath of Monday night's *Four Corners* program I hope that the government has ensured that all investigations into what occurred at the Canberra Hospital have been conducted thoroughly

Ms Gallagher: We have.

MR MULCAHY: I am pleased to hear that, minister. And that they focused on patients as well as documents. A man's career has been destroyed. It appears that it is because he had the courage to speak out to prevent harm to patients. It is vital that his loss has not been in vain and that his actions achieved what he set out to do. Moreover, we should not rest until the gross injustice he has endured is remedied. A financial settlement can only be part of that process. This man's future career must also be addressed.

Ms Gallagher: We have settled the matter.

MR MULCAHY: The minister says, "We have settled." I will be keen to hear the date on which that document was executed.

Going back to the health appropriation in the broad, I am pleased to learn that the rapid assessment service, including specialist geriatricians, will now provide elderly residents with care in their homes and, if needed, facilitate their access to the health system.

I will not say too much more but I want to reiterate my concern that relying on money spent as justification for a job well done is not in itself satisfactory. There are legitimate concerns in the community that must be addressed. The government should not be so self-congratulatory in the face of considerable criticism from our community until it can say beyond doubt that the issues I have raised today have been addressed.

MR SMYTH (Brindabella) (5.53): I will start with a few comments on the health system and detail it in the broad before going to some specifics. The minister is asking for \$665 million to run the health system, which is an enormous amount of money—an appropriation second only to education in the volume of dollars requested.

I want to look firstly at one indicator which is an eye on how the system works. The minister has set herself—

Ms Gallagher: It is done.

MR SMYTH: the very strategic indicator No 3 on bed occupancy. The minister has set herself a very ambitious target: to reduce from an expected current outcome of 93 per cent, which I am not sure we have achieved—and we will only find out when the annual report turns up—to a 2007-08 figure of 90 per cent, with a long-term target—it is not determined what long term means—of 85 per cent. This is about bed usage—acute and surgical beds, not all the beds that are in the health system. It is acute and surgical—a bed you would go to when you had surgery or you are crook.

The dilemma for the minister—and it relates to her ability to reform the health system and make up for the failures of Minister Stanhope and Minister Corbell as health ministers—is whether she can deliver this target and account for it in a genuine way. Like all things, the system needs to be lubricated. I am told that best practice says that, if your beds are being used more than 85 per cent of the time, your system is in crisis—it is stressed. On some occasions in recent months we have had, I am told, 100 per cent usage in the hospital system. That means that, should something significantly go wrong in the ACT or the surrounds, we have no capacity to cope.

The system will always work a way through. We saw that on the evening of the bushfires in 2003. Canberrans being the good-hearted and good-natured people that they are, people will assist in whatever way they can. But what we have is a dilemma. We have a government that refuses to admit what it should about the fundamental tool of the nurses, the doctors and the allied health workers—the hospital bed. When a patient is admitted, they cannot be admitted and nothing can occur in the hospital until they have that bed. They cannot get out of triage into the emergency department and they cannot get out of the emergency department and into the hospital. They cannot go into a surgical theatre for elective surgery—it would not apply to emergency surgery, but for elective surgery—until they know that there is a bed for them at the end of the day.

Until we solve this dilemma—I know the minister does not like me talking about beds and access block—then fundamentally the system will be stressed: the nursing staff will be stressed, the doctors will be stressed, the physios and all the other health professionals and allied health workers will be stressed because they will not have the tools to do their job.

When you are asking for \$665 million, there should be a clear vision and a clear plan of how we will deliver this. Initially, in 2001, the problem—the crisis that Mr Stanhope whipped up—was going to be fixed with an immediate injection of \$6 million. Some \$6 million was going to fix the flagging health system that the Liberals had created. That was the allegation: \$6 million. It did not fix it. The Reid review did not fix it.

Mr Hargreaves: No, that is right. I do not know if you can fix your problems.

MR SMYTH: Well, no—under your management, Mr Hargreaves. You can. It is about commitment to service; it is about getting it right. It is about listening to the

nurses. If you are not sure about what is going on in the hospital that you are responsible for as part of the cabinet, go and speak to impacted nurses and you will get the real truth.

The problem is that, until we get an acknowledgement from the government that the model that they have adopted has set the system back, you can have as much health reform as you want. In 2001 when we left office, the elective surgery waiting list was 3,488. It has gone up every month since. It has gone up. It peaked under Mr Corbell—who was an absolute failure of a health minister—when it broke 5,000. It has come down slightly through administrative means. But we are tinkering on the edges until we guarantee more beds. The AIHW report says that we have the lowest number of beds per capita in the country; as a consequence, we have some of the worst and lowest outcomes in the country.

The minister says that, yes, we have replaced Mr Smyth's 100 beds. She likes my obsession with the 100 beds. The reality is that we would probably need closer to 200 beds to make the average. But we do not have in place a concrete plan to meet this long-term target of 85 per cent in a sustainable way. And therein lies the dilemma. We can talk about beds. We can talk about the beds that the government has brought online—for instance, in the step-down facility, which includes rehabilitation beds, which are not acute medical and are not surgical—and we can fudge the figures. But the proof of the pudding will always be in the long-term rate.

If we look at the history of the delivery of capital works inside the health department, we can have no faith that, under a Labor government and a Labor health minister, they will deliver timely capital works to meet the needs of the people of the ACT. I have a press release proudly issued by the then minister for health, Mr Corbell, about a psychiatric precinct at the hospital that was to be operational in 2008. If you go to page 122 of budget paper No 3, Mr Speaker, you will see that we have forward design for projects like an adult mental health acute inpatient unit and a high-security mental health inpatient unit. But where is the youth unit that Mr Corbell talked about? Gone. Given that we are only doing forward design and there is no money appropriated in this budget for the construction of these facilities, this facility will not open in 2008.

At 6.00 pm, in accordance with standing order 34, the debate was interrupted and the resumption of the debate made an order of the day for the next sitting. The motion for the adjournment of the Assembly was put and passed.

The Assembly adjourned at 6.00 pm.