



# Debates

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Legislative Assembly for the ACT

6 MAY 2009

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**Wednesday, 6 May 2009**

Petitions:

Macfarland Crescent—petition No 97 .....	1929
Ministerial response (Planning—petition No 94).....	1929
Economy—management.....	1930
Education—investment.....	1960
Questions without notice:	
Budget—efficiency dividend.....	1972
Planning—Canberra international airport .....	1974
Budget—retail sales.....	1976
Budget—health.....	1977
Budget—revenue .....	1980
Planning—Bunda Street .....	1981
Budget—parking fees and bus fares .....	1982
Multicultural Youth Service .....	1984
ACT Planning and Land Authority—funding .....	1986
Budget—savings.....	1988
Infrastructure—investment.....	1989
Answers to questions on notice:	
Question Nos 30, 131 and 168.....	1993
Question No 133.....	1993
Question No 181 .....	1994
Supplementary answers to questions without notice:	
Budget—retail sales.....	1994
Answers to questions on notice:	
Question No 167 .....	1994
Eggs (Cage Systems) Legislation Amendment Bill 2009.....	1994
Land—rent scheme .....	1999
Shops—local centres.....	2013
Hospitals—disability care .....	2029
Adjournment:	
Canberra Services Club .....	2032
Facebook site .....	2033

**Wednesday, 6 May 2009**

**MR SPEAKER** (Mr Rattenbury) took the chair at 10 am and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

## **Petitions**

*The following petition was lodged for presentation, by Mr Stanhope, from 54 residents:*

### **Macfarland Crescent—petition No 97**

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

This petition of certain residents of the Australian Capital Territory draws to the attention of the Assembly that: despite the speed limit signs, drivers frequently exceed the speed limit along Macfarland Crescent in Pearce and Chifley, putting residents and property along this road at risk.

Your petitioners therefore request the Assembly to: *approve the installation of a chicane or speed bumps along Macfarland Crescent.*

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

### **Ministerial response**

**The Clerk:** The following response to a petition has been lodged by a minister:

By Mr Barr, Minister for Planning, dated 4 May 2009, in response to a petition lodged by Mr Barr on 11 February 2009 concerning a development application in Theodore.

The terms of the response will be recorded in *Hansard*.

### **Planning—petition No 94**

*The response read as follows:*

**Response for tabling to petition lodged on 11 February 2009 by Mr Andrew Barr MLA, requesting the Assembly to intercede in the deliberations of ACTPLA upon development application 200813348, to ensure the proposed development does not proceed in its current form, and furthermore, to consider the existing zoning laws that permit this type of development.**

Development Application DA200813348 (Block 6 Section 624 Theodore), was lodged with the ACT Planning and Land Authority (ACTPLA) on 24 November 2008. The DA seeks approval for variation to the crown lease to permit multi-unit housing of a maximum of six dwellings, demolition of the existing residence, construction of a two-storey development comprising six townhouses, and associated landscaping, paving and other site works.

The proposed development falls within the 'RZ2-Suburban Core Zone' of the Territory Plan 2008. The RZ2 zoning permits higher levels of development compared to suburban residential areas, with the zone objectives as follows:

- a) Create a wide range of affordable and sustainable housing choices to accommodate population growth and meet changing household and community needs.
- b) Ensure that development addresses the street and the existing neighbourhood characteristics in scale, form and site development.
- c) Facilitate efficient use of existing social and physical infrastructure and services in residential areas close to commercial centres.
- d) Provide opportunities for home based employment consistent with residential amenity.
- e) Provide for a limited range of small-scale facilities to meet local needs consistent with residential amenity.
- f) Promote energy efficiency and conservation and sustainable water use.

The requirements of the RZ2 zone are fundamentally equivalent to the A10 Area Specific Policies contained within the previous Territory Plan 1991. The A10 area Specific Policies were part of Variation 200 to the Territory Plan 1991, and incorporated with the Territory Plan on 21 August 2003 after extensive public consultation.

The A10 policies were introduced to permit a higher level of residential development near commercial centres, and were subject to review during the Garden City Variation evaluation undertaken in 2007. The changes that were made as a result of the review included restricting the number of dwellings where the front boundary of the block was less than 20m wide, some minor changes to the zone objectives, requirements to improve the function of common areas, requirement of private open space at ground level and prohibiting new apartments in RZ2 zones.

The DA was notified from 8 December 2008 to 5 January 2009 and has received 23 representations. The DA has been assessed against the '*Residential Zones – Multi Unit Development Housing Code*' of the Territory Plan and has been approved with conditions on 27 March 2009. Issues such as traffic impact, parking bulk and scale, overlooking and any other relevant issues raised in representations have been given due consideration during the assessment process.

The Government is currently evaluating the effectiveness of the changes to the RZ2 zone following the Garden City Variation.

## **Economy—management**

**MR SMYTH** (Brindabella) (10.02): I move the motion standing in my name on the notice paper relating to the management of the ACT economy:

That this Assembly:

(1) notes:

- (a) that the ACT Budget will be in deficit well into the next decade; and
  - (b) the failure of the reforms that were implemented by the Stanhope-Gallagher Government in 2006;
- (2) regrets the failure of the Stanhope-Gallagher Government to publish the Strategic and Functional Review of the ACT Public Sector and Services;
- (3) notes:
- (a) the failure of the Stanhope-Gallagher Government to control wasteful expenditure;
  - (b) the failure of the Stanhope-Gallagher Government to act to diversify the economic base of the ACT economy; and
  - (c) that the Economic White Paper has been superseded by Capital Development—Towards Our Second Century; and
- (4) condemns the Stanhope-Gallagher Government for its inability to respond effectively to the downturn in the ACT economy.

Mr Speaker, this motion is intended to provide a focus on some longer term issues affecting the ACT economy. In doing this, it is pertinent to reach back into recent history and consider some significant influences and the outcomes of those influences. The Canberra Liberals in opposition have continually sought to hold the Stanhope-Gallagher government to account for its management of the ACT economy, and it is important to consider the elements of this motion one by one.

If we go back to 2006, there is an interesting quote from the then Treasurer, Mr Stanhope. He said:

We need to act now, and decisively, to safeguard the future.

Action now, and decisive action at that. Mr Stanhope said:

We need to act now, and decisively, to safeguard the future. We must address not just short-term budget difficulties, but the underlying structural legacies that, left untouched, will prevent this or any future ACT Government ensuring that the Canberrans of the future can enjoy the same high level of government services enjoyed by Canberrans today.

That was the Chief Minister speaking about the disastrous 2006 budget, which purported to put the ACT budget and the ACT economy on a sound footing, but in reality has failed to find any justifiable savings that continued long term. That is why we find ourselves in the position that we are in today.

As part (1)(a) notes, “the ACT Budget will be in deficit well into the next decade”. The ACT budget will be in deficit well into the next decade; a decade of deficits is on the cards. That is a problem for any business, but particularly for any economy. A

decade of deficits is unsustainable; deficits are unsustainable. To actually have a Treasurer predicting, as she has done over the last couple of weeks, that we will have seven years of deficit, seven years in which to recover, is an indictment of the Treasurer. When we link that with the failure of the reforms that were implemented in 2006, we have a recipe for disaster.

The prospects for the ACT are, as the Treasurer herself has said, seven years of deficits, we believe leading to a decade of deficits. This is despite the reforms announced in 2006, which I think indicates quite clearly that the reforms were ill-founded and unachieved.

There can be no question that remedial action is required to ensure that these outcomes should occur, but what we find out is that they were not realised. There is no evidence of budget savings being achieved. With every request of the then Treasurer, Mr Stanhope, to point to them, he simply says, "Look at it; it is in the budget." He cannot detail where these reforms were effective; he cannot detail the savings.

Out of the reforms of 2006, where we have no sense of savings having been achieved, we also have all the angst of the Costello report. This is where we move on in the evolution of the ACT economy. We have a report that is secret; we have a report that purports to be the basis for economic reform—we now know that those economic reforms have failed—and we have a report that purports to show the way forward, and indeed that was the basis of the 2006 budget.

We do not know what is in that report; we only had the Chief Minister's word for it. If this report is as decisive as the Chief Minister portrays, and if this report is effective and to be believed, then it would be appropriate for that report to be available to all of us here today. Mr Speaker, we know that the government have sat on the report and will continue to sit on the report because they know at heart that the report is flawed. We know it was flawed in the way they went about school closures. We know it was flawed in the way they went about slashing the tourism budget. We know it was flawed in the way they went about slashing business programs. The list just goes on and on and on. The government's failure to table that report, to clear the air, can only lead to lingering doubt. That is the problem for this government: there is always lingering doubt.

There is the importance of the handling of the Costello report—developed in secrecy, kept in secrecy. Potentially parts of it might be reasonable, given some cabinet deliberation, but it does not stop the report itself being released. It remains a secret document. That means that the information that was collected, the analysis that was undertaken and the conclusions that were reached cannot be tested by the Canberra community. Isn't that a different approach from what we heard at breakfast this morning? The Treasurer now wants to take time talking to the community?

The problem with having the Costello report still secret is that we do not know where we got to and why. The Costello report should be released as an indication of the Stanhope-Gallagher government's desire to be open and accountable, and it should be released as an indication of a government being responsible for its decisions—and, indeed, the information that it took these decisions upon.

We then get to the notion of government spending. What we have had is seven years of wasteful spending from this government—wasteful expenditure. We took to the last election a program of savings, some \$200 million. They were not particularly savage; there was not particularly anything major in it. It was looking at the inefficient delivery of services or unnecessary services—for instance, the spending from the LDA on advertising. You had a monopoly landholder who felt they had to advertise—enormous amounts of money spent advertising a monopoly. That is inefficient; that is wasteful. And it goes to the other extreme. We go down to a few tens of thousands of dollars spent on the Grassby statue. These are decisions that are not based in fact; they are not based in reality.

We have got the failure to deliver the GDE on time, on budget. It was meant to be a four-lane road; it is a two-lane road. The original estimate back in 2000 was \$55 million. Who knows where it will end up? It will end up being close to a quarter of a billion dollars. Some \$120 million is already spent; there is another \$82 million to come. But it is the time, the delay, the efficiency, the effect on the community and the effect on the standing of the government.

If you look at their delivery of capital works, it has been appalling. Whether it be the GDE or the prison that was opened in August last year and that is still encountering problems today as we speak, the government's delivery of capital works and the way that it wastes money are an indication of a government that is not in control, an indication of a government that does not know where it wants to take the economy.

Let us look at things like spending on travel, the government's own spending and spending by government organisations like Actew—spending money unnecessarily, not on community service or information but just on advertising what the government has been up to. If we look at all these instances along with many others, it is indicative of a government that has its priorities wrong.

They failed to control wasteful spending. At the same time—having cut tourism, having cut business—they have no concrete plan to diversify the economic base of the ACT and they have made no effort to diversify the economic base of the ACT. At a time when your revenue comes from two streams—own-source revenue and revenue from the federal government—you need a third line; normally that is business.

We have taxes on business. We have high property taxes on business. We know their tax policy: squeeze them till they bleed but not until they die. We have silly and complex taxes like the utilities tax. And we have a litany of failed tax attempts; there are almost a dozen of them now. Mr Quinlan through Mr Stanhope and Ms Gallagher through Mr Stanhope have been bringing forward silly proposals since they got to govern—most of which, thankfully, have been stopped by the Assembly, stopped by the Canberra Liberals, because they are an impediment to growing the economy. What we need, and what we do not get from this government, is a plan to diversify the economic base.

Mr Quinlan, to give him his due, had an economic white paper. He himself called it a statement of the bleeding obvious. Mr Stanhope, as the economic development

minister, does not even acknowledge the bleeding obvious any longer. There were something like 48 key objectives in the economic white paper. There were something like nine key areas of diversity—information and communications technology, space sciences, biotechnology, public administration, environmental industries, creative industries, sports science and administration, education and defence—thrown out, gone, dismissed, because Mr Quinlan was not there to protect them and nobody else in the cabinet understands.

**Mr Coe:** Too hard.

**MR SMYTH:** Too hard. We had at least some objectives, most of which were not met or most of which were relegated into the second tier. What we have replacing it is the document *Capital development: towards our second century*. We have gone from key industries and actions to three themes. We have themes. We have themes in business. Perhaps we will all wear the same blue shirts or we will all dance to the same tune. Themes are useless, because they do not tell you what you are going to do. It is not a plan to diversify the ACT economy.

If we look at the history of economic diversification in this place, in 2001, when government changed, 60 per cent of the ACT workforce was employed by the private sector—60 per cent. That was a stark change from 1995, when only 40 per cent was in the private sector. What we have seen since 2001 is a decline. The most recent figures I have seen say that probably 55 per cent, if not less, of the workforce is now in the private sector. Again, all it means is that we are further reliant on government spending. We know what happens to government spending when you hit the tough times, and we have hit the tough times. With a billion-dollar turnaround, what we find is that we do not have the capacity to do the things that we might be able to do or should be able to do, because the government has not planned properly for the future.

The final point of this motion is to condemn the Stanhope-Gallagher government for its inability to respond to the downturn in the ACT economy. It is quite interesting. I was looking back at some of the debates from 2006. One of the quotes I find is this. I predicted that by this year the deficit might be \$190 million. The Chief Minister pooh-poohed the idea. He said—

**Ms Gallagher:** So you did see it coming. You did see it coming; you just did not tell the rest of the world, Brendan.

**MR SMYTH:** Well, the number is there. Go back and check the *Hansard*. It culminated—for those that were not here—at a budget breakfast, the anniversary of which will be next week, where the Chief Minister threatened me. He grabbed his mobile phone and he said, “If you keep using that number in public, I will call you a liar.” That was his defence: “I will call you a liar.”

It is interesting to look back; one can always reflect. It is quite interesting. The Chief Minister said:

The midyear review predicts a 2009-10 deficit of \$17 million. With a magic wand the opposition has just conjured up a magic pudding. They say the \$17 million is not correct; it is actually \$190 million.



We were looking ahead. We knew that the reforms would not work. We were looking ahead. We knew that the government did not have a handle on what they were doing. It is interesting to reflect, Mr Speaker.

The last point, paragraph (4), “condemns the Stanhope-Gallagher Government for its inability to respond effectively to the downturn in the ACT economy”. In December we had governments around this country—I remember Kevin Rudd’s quote: “We will throw the kitchen sink at this.” The Chief Minister and the Treasurer got out there and said that they were going to have a stimulus package. They were going to table it in the new year and the stimulus package would make things right.

But as the ability to stimulate unwound because of this government’s inability to have policies and the will to implement them, we went from a stimulus package to something that will not stimulate. Then it became a local initiatives package. And we were told this in the committee hearings. I asked the question: “When will we find out your strategy?” “You will have to wait for the budget.” Mr Speaker, I am sure that we will have more debate on the budget in the coming days, but we still do not see a strategy. There is no clear outline of what the government is doing.

The problem with all of this is that somebody gets to pay. The problem for the taxpayer is that they will pay for this; they will pay for the ineptitude, the lack of foresight and the lack of ability to deliver a diversified economy. In 2006 Chris Uhlmann wrote a superb article about where the ACT was. The Chief Minister was lucky enough to get an op ed into the *Canberra Times* op ed page saying, “It’s the lack of our diversified economic base.” For years he has been saying, “Woe is us; we don’t have a broad economic base.” No matter what you look at—what document you look at—what strategy they put in place or the outcomes of whatever it is that they have done, you still do not see a government that are interested in looking at developing our economic base.

You have to look at the crux of the response of the Stanhope-Gallagher government to the economic downturn; it is: do nothing. This is not something that has crept up on us. Four of the last six quarters in the ACT have been of negative growth—four of the last six. The economy could have slipped into deficit as early as—

**Ms Gallagher:** Four consecutive, Brendan? Four consecutive?

**MR SMYTH:** No, I said four out of six. You should listen much more closely, Treasurer. It is one of your problems. It is four out of six: it is negative growth, positive growth, negative growth, positive growth, negative growth, negative growth. Any two of those could have been—

**Ms Gallagher:** Coming off 10 per cent growth.

**MR SMYTH:** The Treasurer interjects “10 per cent”—(*Time expired.*)

**MS GALLAGHER** (Molonglo—Treasurer, Minister for Health, Minister for Community Services and Minister for Women) (10.17): Mr Speaker, I look forward to

Wednesdays in the chamber and the opportunity that we have to talk about the ACT budget.

As members would be aware, we are witnessing the sharpest slowdown in the world economy since the Great Depression in the 1930s, and this is inevitably affecting the ACT budget outlook. Our revenue base has dropped by about \$230 million, and annually across the forward years, and this is largely due to reductions in the GST pool, loss of income on financial assets, interest earnings on general cash and investments, and subdued activity in the housing market. These factors alone contribute to a revenue loss of around \$1.1 billion since the last budget and equate to two years of growth off our revenue base.

The government has decided that there are no quick fixes to such a large reduction in our revenue base. However, it should be recognised that our community can have confidence in our financial position, as demonstrated through our strong balance sheet. This gives us the capacity to withstand the financial shock to a greater extent than many other jurisdictions. In fact, Standard & Poor's have recognised that in their media release issued post the budget yesterday. It provides us with the capacity to preserve and in fact meet the growing need for services. We have the capacity to invest in a time of need to support the economy and jobs, and we can also invest in services where we can make a difference.

The government, through the budget, has responded effectively. The budget which I presented yesterday is all about supporting jobs, planning for the future and meeting the challenges that these financial times are placing upon us.

It is disappointing that we see today the opposition playing the role that they have come to play so consistently in this chamber, which is opposition for opposition's sake—choosing to criticise just for the sake of it, failing to recognise that these are unprecedented times, failing to understand the magnitude of the fiscal shock and failing to understand that there are simply no easy solutions here.

I have said that we are all in this together, and I have invited the opposition, the crossbench, the community, employees, business and industry to work together, to work with us, at this time. Indeed, on that point, I would welcome the opposition's submission to the government about the savings measures that they would like to see included in the budget adjustment task. We have made no secret—

**Mr Seselja:** Last time we did that you ran a hysterical campaign.

**MS GALLAGHER:** Well, we have not had a submission.

**Mr Seselja:** You haven't?

**MS GALLAGHER:** We have not had a submission—

**Mr Seselja:** You didn't see it?

**MS GALLAGHER:** from the opposition on anything, in my memory—

**Mr Seselja:** You had a hysterical campaign, Katy.

**MS GALLAGHER:** on any issue. We have made no secret—and with respect particularly to paragraph (1)(a), we are happy to support that element of the motion, noting that the ACT will be in deficit well into the next decade. I do not know that we needed a motion to do that. The budget papers were delivered yesterday and they clearly indicated that. We informed the community, well in advance of the budget, a number of times about the position of the ACT budget and the impacts that world events were having on it.

We plan to restore the budget to surplus by 2015-16. This is not about deferring the problem; it is about meeting the challenge through a steady and realistic approach. That approach includes an understanding that services in government will continue to grow. We could have taken an easy approach. We could have removed wages provisions; we could have removed our 6.2 per cent growth indexation that we factor in across our forward estimates. That would return the budget to surplus, but it is unrealistic to expect that health services will not grow every year across the forward estimates.

We believe that cutting expenditure to return the budget to surplus would have consequences for the economy, consumer confidence and, importantly, on services to the community. Increasing taxes at this time would reduce disposable income and further damage consumer confidence at a time when we are wanting to support consumer and business confidence and encourage people to spend.

Of necessity then, the government has adopted a longer term approach to restoring the budget to surplus. This approach recognises that any response to the financial crisis needs to be measured. We will put our community first and focus on the services it needs.

Our budget plan recognises the job that we have got ahead of us. It takes into account current uncertainty and the eventual recovery. It has the robustness to be relevant in the face of changes and it incorporates enough time for flexibility and adjustments to be made should circumstances change.

The plan will reduce the territory's budget deficit over the forward estimates through fiscal discipline and the achievement of realistic efficiencies in the delivery of government services. It identifies a number of targeted actions to achieve a balanced budget. These include wage restraint, efficiency improvements, including savings and program expenditure reviews to target resources to high priority areas and to provide offsets for new policy measures. The government's plan for eliminating the deficit does not underestimate the magnitude of the task and it sets out a clear strategy for action.

In relation to the reforms that we implemented in 2006-07, for which this government has been vindicated through this budget and through the operating result, the government provided for significant and deep structural changes to place the territory's budget on a long-term sustainable footing. The reforms consolidated

government systems and structures without compromising services and aligned revenues and expenses. The budget included more than \$100 million in efficiencies year after year, and it is wrong to suggest that these reforms have failed. These efficiencies have been found. Time has proved that we were right and, had we not undertaken these reforms—reforms which the opposition consistently opposed—we would now have much larger budget deficits, in the order of \$400 million to \$450 million per annum.

The structural changes that the government implemented three years ago are of lasting and continuing benefit to our community and, had we not taken them, the ACT budget would not have had the strength to withstand the shock as it has over the last seven months. We would not have had the capacity to make investments in infrastructure that have now become even more vital for our economy and that have been broadly supported overnight by commentators on the ACT budget. The view of respectable economic commentators and analysts is that now is not the time to be cutting expenditure or raising taxes. However, had the government not acted three years ago, that is precisely what we would be forced to do now—to slash expenditure or ramp up taxation. In the 2006-07 budget, we put in those structural reforms to respond to the historical imbalance in the ACT between spending and revenue, and these reforms reduced the cost of public administration overall.

We have also had in this place long debates, many debates, on the issue of the release of the functional review. We have consistently maintained our argument that releasing the functional review would undermine fundamental important principles of our system of government and compromise the capacity of this and future ACT governments to discharge their responsibilities properly. I remind the Assembly that, in response to calls from the Liberal opposition and the Greens for the release of the functional review, an independent arbiter was appointed to make an assessment. That was the Hon Sir Laurence Street, and I understand that a decision has been made on this. I think that should be the end of it, but I doubt that it will be from the opposition.

The government remains committed to ensuring that it does not waste taxpayers' money. The government has never avoided making hard decisions, particularly about government waste and the need for efficiencies. I have already outlined to the Assembly today the savings achieved through our structural reform processes, and these reforms addressed inefficient practices. We will continue to examine our programs and services to determine if savings can be made for reinvestment in high priority areas. The government has in place long-term strategies to contain costs.

Cash management across government agencies has been reformed to strengthen transparency and accountability and ensure cash balances are used more effectively. Our record on improving the efficiency of our operations is unparalleled and the government will continue to deliver the best value for money on behalf of the ACT taxpayer. However, there is always room for improvement, and we will be working on that as we work with agency heads through the new processes implemented in this budget to continue focusing on making government spending as efficient and as targeted as possible.

In relation to Mr Smyth's claims in his motion around diversifying the economic base of the ACT economy, no-one will argue against having a diversified economic base.

In fact, I do not think I have ever heard anyone arguing against it. But it is important to understand what Mr Smyth means when he calls for it. Does he mean a larger share of the private sector in the economy? I think he does, based on the comments he has just made.

Government administration and defence account for around 31 per cent of the ACT economy. It would be unrealistic to think that this proportion would change in any significant way, even with major government intervention. For example, if the government set a diversification task of increasing the share of sectors other than public administration and defence from the current 69 per cent to just 75 per cent, and, one would assume, while not cutting the public sector, the ACT would require an increase in population of 188,000 and an increase in employment of about 103,000 if national productivity rates were assumed. This would present an average annual increase in population of about 4½ per cent for the next 10 years.

The ACT will have a large government sector for a long time to come. It is the seat of the national government and it provides a strong and generally stable source of economic activity. In fact, the role of government in the ACT economy is essentially cushioning us from the full effects of the global financial crisis compared to other jurisdictions.

The government recognises the contribution that the private sector makes to the territory economy. We have a strong and vibrant private sector, accounting for about 53 per cent of the territory's total employment. It is supported by the highest educated workforce with the highest participation rate in the country. The December quarter of the ABS quarterly business indicator survey shows that both sales and wages and salaries in the ACT private sector are growing more strongly than in almost every other state or territory.

The ACT economy is significantly more productive than the national average, with the output per person employed being around 15 per cent higher than the national average. The ACT has relatively greater shares of property and business services, education and construction and relatively lower shares than other jurisdictions of manufacturing, finance, insurance and wholesale trade.

It is unclear, when there are calls made for a more diverse economy, what it means for a capital city like Canberra. Is it a call for greater manufacturing and wholesaling sectors for the ACT with less emphasis on business services and education? It is important to recognise that there are some industries that the ACT economy simply cannot support. For example, mining and agriculture are highly unlikely to ever be sources of economic activity in the ACT.

The government will continue to ensure that its economic and financial policies contribute to a strong private sector in the ACT. I think you can see that in decisions we have taken and that are reflected in the budget announced yesterday. We are actively supporting private business growth in the ACT. We have announced an extensive business and economic development package, valued at over \$3 million, in this year's budget. This package aims to support a range of measures to assist ACT exporting firms to access overseas exporting markets. This government is about

investing in supporting jobs and building the productive capacity of the economy. These measures will support our local economy and assist our businesses. Indeed, that is the aim of our large infrastructure program which we announced yesterday.

In relation to the economic white paper being superseded by *Capital development: towards our second century*, again, strangely, Mr Smyth noted that, and got it right. We have made no secret that *Capital development: towards our second century* supersedes the economic white paper. We are happy to note that, as does the amendment that has been circulated by the Greens. Governments update their plans all the time. That is what every government does, and that is what they should do. There is no doubt that the economic white paper was a great success. It delivered a number of initiatives of enduring value to the ACT economy. By 2008, we had delivered on many key policies and initiatives of the economic white paper. Moreover, it was almost five years since the release of the economic white paper and we were facing vastly different economic circumstances.

New economic challenges face us, including the skills shortage, housing affordability, climate change, water security, the changing demographics of an ageing population and a more uncertain national and international economic environment. Given these changes, the ACT did what any responsible, forward-looking government would do: we reviewed our achievements and refocused our economic policies to secure our continued economic prosperity.

The government has responded prudently and in a deliberate and measured way to the downturn in the ACT economy. We are doing all that we can to support the economy in the face of the global financial crisis and the worldwide economic recession. But our economy is performing remarkably well. It has shown resilience through the unfolding of the crisis. The labour market continues to be the strongest in the country. Employment is still forecast to grow in the budget economic forecast released yesterday, and we are doing all that we can to keep it that way.

Following on from last year's billion-dollar infrastructure program and the supplementary appropriations of earlier this year, we have this year's budget processes, the building the future program of investment and the allocation of \$274 million in capital for new projects.

I would hope that Mr Smyth would stop talking down the economy, as he does almost on a daily basis, and choose to work with the government to support the community and the economy at this time. Our budget is in deficit. We must all work together to support our economy and to engage in a conversation about how we work towards recovery.

**MRS DUNNE** (Ginninderra) (10.32): Mr Speaker, I welcome Mr Smyth's motion as a timely reflection upon the state of the ACT budget and the ACT economy more generally. It is interesting to listen to the Treasurer run a somewhat schizophrenic defence. She spends her time saying that the ACT economy, generally speaking, is in good shape. I do not think that anyone in this place or in the wider community would deny that. That begs the question of why we are looking at seven years or more of deficits.

**Ms Gallagher:** Read your budget papers.

**MRS DUNNE:** Why do we have a Treasurer who can produce a budget paper that says, despite all the things that she said about the underlying strength of the economy, we must be in deficit for this length of time? Of course, we are all running away as usual because the Treasurer is in a situation where she cannot defend the indefensible.

What is indefensible is the fact that by her own admission we will be in deficit in the ACT for the next seven years. She is happy to defend that record. She is proud of that record. She is proud of the budget. She said it herself in her speech today. Her presentation was that she is proud of this budget and the underlying message is that in the next four years we are going to be in excess of \$700 million in deficit and that will extend out beyond the outyears for another three years. This is not something that a Treasurer in any jurisdiction should be proud of or could be proud of.

We have a very schizophrenic approach from the Treasurer to the state of the economy in the ACT and the state of the budget in the ACT. The whole problem with the state of this budget is that we are putting things off in a sort of Scarlett O'Hara approach: tomorrow is another day; next year's budget is another budget; that is when we will take the hard decisions.

What we have seen today—somebody said this to me after the budget breakfast this morning—is a holding-back-the-dam budget. There is Katy with her hands against the dam wall saying, "If I could just hang on for a little while." But her strength will subside, her strength will sap and the dam wall will break. It will break by her reckoning next year. We will see a repeat of the horror budget that we saw in 2006.

The only bright prospect of that happening is that if there is some public discussion about how we should apply the razor to the ACT economy, the decisions that will be made will not be the secretive decisions like the decisions that were made in 2006.

**Mr Seselja:** They will still be secretive.

**MRS DUNNE:** We can live in hope, Mr Seselja. But let us reflect back on the 2006 budget. The 2006 budget was designed to drought-proof us, so to speak. The Treasurer at the time kept using these expressions. We were told that it was to get us into a situation where we would never have to have another horror budget again. But we are going to have to have one next year, by the Treasurer's own admission.

The reasoning, the underpinning for all of those decisions—the closure of 23 schools, the creation of shared services, the raft of changes that were made, the cutbacks, the job losses, all of these things—is still hidden. No, the opposition will not give up on obtaining the *Strategic and functional review of the ACT public sector and services* because this is a pivotal document. It goes to the character of the government who will make substantial and far-reaching policy changes but is not prepared to substantiate the reasons for them.

In my experience, being through that time as the shadow minister for education and through the close association that I have had with the school communities that were

affected by the changes in 2006, especially in the education area, there is still a deep sense of bitterness and a deep sense of regret that they do not have a satisfactory explanation as to why these decisions were made. I am sure that the deliberations of the education committee will reflect on the deep sense of dissatisfaction, anger and bitterness that arose in the community because of the fact that all of these decisions were made in a surreptitious way. The fundamental information that underpinned all of those decisions has not been forthcoming and is still not forthcoming even years after the event.

I note that there will be some discussion later in the week in relation to the most recent decision about the strategic and functional review but I think that that is not the end of it. The people of the ACT, irrespective of what the Chief Minister thinks, deserve to know the reasons why they had such substantial cuts. They deserve to know the reasons why next year there will be again substantial cuts. It is incumbent upon us as members of the Legislative Assembly and as the crossbench to ensure that the next process of substantial cuts is much more open and much more accessible to the people of the ACT who will, after all, be bearing the burden of those cuts.

What we have seen over the years is a litany of failure from the Stanhope government and most especially since the departure of the only member of any Stanhope government who was capable of being a Treasurer, Mr Quinlan. We have basically seen the Stanhope's government Treasury management fall into a state of torpor since then. That is most reflected by the abandonment of the economic white paper and, as Mr Smyth reflected, the removal of target industries and targets generally for more aspirational and flaccid themes. Mr Smyth is right to question what those themes mean.

What those themes mean, Mr Speaker, is that essentially the Stanhope government has thrown up its hands and admitted defeat on expanding the economy. The Treasurer today reflected: "Look, we are in favour of expanding the private economy. We have invested \$3 million in business packages." Let us reflect on it: \$3 million out of a \$3 billion-plus economy. This is less than 1,000th of the ACT budget that is being directed towards stimulating the private sector in the ACT at a time when every commentator is saying, "Make prudent, long-lasting spending to ensure that employment continues." One-thousandth of the budget: that is how much the Stanhope government cares about business in the ACT. What we have seen is that the Stanhope government's commitment to business is 1,000th of the budget. The people who actually produce the income in the ACT and provide the services so that people spend and we can get our GST revenue get 1,000th of the budget, and the Treasurer seems to be proud of that.

This is not a budget to be proud of, and this is not the administration of an economy that the people of the ACT can be proud of. This is an admission of failure. Actually, it is probably not even admission of failure. It is admission of incompetence. The Treasurer does not know what to do. If she did not know before the election because she was not the Treasurer, she became the Treasurer in November and she should have known then where things were.

We had November, December, January, February, March, April for budget consultation. What do we get? We had no budget consultation, no consultation and



seeking of input on how we might make prudent changes. We offered to sit down with them, but we were told, “No, we cannot do that; what we will do now is spend another 12 months delaying,” when everywhere else we are seeing that action is needed.

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens) (10.43): I wish to speak to an amendment that has been circulated in my name.

**MR SPEAKER:** Would you like to move the amendment, Ms Hunter?

**MS HUNTER:** Yes, Mr Speaker. I move:

Omit all words after “That this Assembly”, substitute:

“notes:

- (1) that the ACT Budget will be in deficit well into the next decade;
- (2) that the Stanhope-Gallagher Government did not publish the *Strategic and Functional Review of the ACT Public Sector and Services*; and
- (3) that the Economic White Paper has been superseded by *Capital Development—Towards Our Second Century*.”.

The reason I have moved the amendment is because the Greens feel Mr Smyth’s original motion is not aimed at informing the people of Canberra in any factual manner as it is pitted with clinical point scoring and rhetoric. Therefore, the Greens’ amendment has pared down the text to address clear, constructive content. Mr Speaker, the ACT Greens have made a number of comments in the media and at budget functions in relation to the pros and cons of the budget. We will be taking the opportunity we have tomorrow in the Assembly to deliver our detailed response.

Like all Canberrans, the ACT Greens would prefer that the budget not go into deficit. But unlike Mr Smyth and the Liberals, who keep going on about how, somehow, we should have known about the global economic crisis and that it was going to hit the ACT, we understand that the ACT is not immune from global and national shifts in economies. The economic climate we now find ourselves in is very different from the climate that was out there 12 months ago and, in fact, even eight or nine months ago. We acknowledge that the ACT needs to take on the challenge of building a fairer and more sustainable Canberra economy while working our way out of recession.

While we believe there still needs to be greater clarity as to how the government is going to move out of this deficit and greater clarity to the plan, we do welcome the establishment of an expenditure review and evaluation committee as a means of regularly reviewing progress rather than just allowing things to roll through to the next appropriation. It also will allow the time over the next 12 months for departments and the government to be talking to the employees of those departments and, for instance, to the many community organisations that are funded through those departments as to how things like the efficiency dividend may apply.

I will state quite clearly here that the Greens will be standing very firmly on the issue of cuts to community organisations. We believe that if this crisis is continuing in the

way that it appears to be the last thing you want to cut is those vital services that are out there assisting those families in need, those individuals in need, across the community. As unemployment rises there will be more people who will need to use those services; so we will be standing quite firm on that one.

It is frustrating that over a decade of strong economic growth in the ACT we did not have a bigger bank balance—one large enough to cope with this downturn—and that there was the inevitable bust after the lengthy and very comfortable boom. Neither did previous territory governments—Liberal governments—maintain adequate ongoing infrastructure spending. This leaves us playing catch-up now because there has been an underspending in the area of infrastructure for a long time.

In line with most governments in Western economies, we in the ACT are looking to soften the impact of a global recession by pumping public funds into infrastructure. Our concern is not that this is putting the ACT budget into deficit but that it must not be spending for its own sake. It also looks too much like propping up our part of a global economy that leading international thinkers are telling us needs to change direction, and change direction now.

While bricks and mortar capital works well and will be welcomed by engineers and construction teams, builders and so forth, the people who will use these new buildings will also benefit once the ribbons are cut on them. But we need more time and we need much more than that from this investment if it is to genuinely improve our quality of life in the ACT.

We need guarantees that in putting the vast majority of the territory's stimulus money into capital works these capital works take huge steps forward in terms of reduced environmental impact and long-term returns to the community. These works must be scrutinised to ensure that the social and environmental benefits of this once-in-a-lifetime spending spree at least match the economic benefits we expect.

In relation to the second part of the amendment I have moved—the fact that the ACT government did not publish the *Strategic and functional review of the ACT public sector and services*—we will be looking at that tomorrow. It is on the paper. We will be looking at it when the arbiter's report is tabled. While we are disappointed that the decision was not to release the review, we will respect the decision of the independent arbiter.

Obviously, it is a document that we would still like government to release because it will answer some of those questions that are lingering out in the community. At the end of the day we chose to set up an independent process. Therefore, we will speak to it tomorrow but we will stand by the decision of the independent arbiter or referee.

On the issue of the economic white paper being superseded by the *Capital development: towards our second century* paper, I think it is important to point out that these sorts of documents are reviewed from time to time. If we take the social plan, which is part of the Canberra plan, it was reviewed a few years ago as part of that consultation out in the community to look at how things may have changed—how demographics have changed, the needs have changed. Therefore, we do need to

acknowledge the progress that is made under those sorts of documents, but also aim higher, have different sorts of goals, and put those in place.

That is certainly what happened with the social plan. I do not see that it is vastly different that we would be looking at those sorts of reviews going on with the other part of the pillar of the Canberra plan which, of course, was the economic white paper. It is quite timely to review the territory's economic strategy. The white paper served as an important framework, but economic times have changed.

We do want to point out that we do have some concerns with the capital development paper. It is based on a hands-off framework emphasising deregulation and government getting out of the way at a time when there is widespread recognition that this is not necessarily the best pathway to take, that there is still a role for government in regulation and in monitoring.

The capital development paper builds on the territory's economic growth path but does not provide a road map for how the territory can change direction to a more genuinely sustainable economy. This is something that I spoke about last night and also this morning. It relates to the importance of looking at a sustainable economy, looking at how we are able to build those new businesses, services and jobs. A lot of this capital money going in is providing us with some opportunity, particularly when we are looking at energy efficiency measures in buildings and so forth. That does allow an opportunity for businesses to be there to provide services. But we need to be going a lot further to look at how we can be very innovative and creative here in the ACT about how we can green the economy—look at the green collar jobs, look at the green businesses—because we believe that is a sustainable way to the future.

My Smyth has raised this morning how under the Carnell government—the previous Liberal government—about 60 per cent of people were employed in the private sector. We also understand that we do need to be looking at the fact that we are quite vulnerable to the cuts that may well be coming in the federal budget next week in respect of public sector employment. We do need to be looking at how we can expand private sector employment through the establishment and the building up of businesses, particularly around those green sorts of industries.

Finally, the capital development paper seems to lack some community consultation and engagement. There may have been some roundtables that, I guess, provided some information to its development but we need to really understand what the broader community think about this new paper that provides the framework and the way forward. We would want to understand their desires for the economic base. Have those desires changed in recent months, particularly with the global financial crisis?

National surveys consistently point to a popular desire for a more cautious and resilient approach to economic management, maximising the value of the public sector and not leaving the private sector unregulated or, at least, unmonitored. So there are those points about regulation, there are those points about monitoring but there also are some points around how we can take the opportunities that are going to present themselves in order to grow those green businesses, green services and green collar jobs to be able to look at ways that the ACT can use the brains trust that is out

in many of our tertiary institutions that are developing some remarkable products that just need a company to come along and commercialise.

These are our points. This is why I circulated the amendment today. As I said, we do have lots of time tomorrow when we can provide a detailed response to the budget. We look forward to putting forward our response tomorrow.

**MR SMYTH** (Brindabella) (10.53): I am speaking to the amendment, Mr Speaker, and not closing the debate. It is interesting that, in moving her amendment, Ms Hunter claims that my motion does not inform the people of Canberra. If that is the test for all motions on private members' day, it will be an interesting hurdle. Indeed, there are a couple of Greens' motions to be debated later today, and I wonder if there is information for the people of Canberra in them. Our job here is to hold the government to account. Ms Hunter seems to be the politician who does not want to be a politician. We are politicians; that is our job, and part of our job is holding the government to account and getting it to accept responsibility for its failures.

It is interesting that the three points that are left in the amendment are simply what Mr Quinlan would refer to as statements of the bleeding obvious. It is obvious the ACT budget will be in deficit well into the next decade, and the Treasurer has said that. It is obvious that the Stanhope-Gallagher government did not publish the strategic and functional review—that is a statement of fact. It is obvious that the economic white paper has been superseded by the capital development paper—that is a fact.

I am not sure what the purpose of the amendment is. But it is interesting that Ms Hunter spoke about the inevitable bust, and that is the point that we have made. We have never said that the global financial crisis was coming, but we did say the boom must end, the good times must end. History teaches you that. You do not have to look very hard to see the boom and bust cycle that is the economic cycle. If it was not the GFC, it may well have been the end of the resources boom. There could have been any other reason for this to end. Irrespective of what has happened, the good times ultimately decline, and they have declined quite sharply at this stage.

It is interesting that Ms Hunter talked about the fact that the economic white paper has been superseded by *Capital development: towards our second century*, and she said that is reasonable. We agree that it is reasonable for plans to be superseded by new plans. Ms Hunter went on to say one should aim higher, but that is the problem—there is no aim in *Capital development: towards our second century*. It has just abandoned the field.

It is interesting to remember what Mr Quinlan said about diversifying the economy. It is interesting that the Treasurer has basically run up the white flag of economic surrender and diversification by saying it is just not going to happen: "We haven't got any mines. Don't you know? We're not going to have manufacturing. Don't you know? Therefore, we're always going to be totally reliant on government." But there is a logic in what Mr Quinlan said in the economic white paper, and I refer the Greens to page 6 where Mr Quinlan said:

With this in mind, there is a need to diversify the ACT economy to build a strong private sector. We need to do this to lessen the economic dependency we have on Commonwealth activity, and because a stronger and more diverse private sector represents the bridge to the new economy that will help the ACT create a more dynamic and attractive society.

We should also not fear strategies that pursue economic growth and development.

I think even Mr Barr would agree with that. No, Mr Barr winces; perhaps he does not agree with that. But it is interesting that Ms Gallagher contradicts what the Chief Minister has said, because she said, “We can’t do this; we won’t do this.” In his new document the Chief Minister says that they have delivered on the strategies and the initiatives of the 2003 economic white paper budget, but that is not true. It is not true, and it is borne out by the statistics that say the private sector is declining in the ACT in terms of the number of people employed in that sector. It is also not true from what Ms Gallagher just said, which is, quite simply: “It is never going to happen. We’re always simply going to be reliant upon the commonwealth and the ACT government for their spending; therefore, why should we bother?”

This is actually a budget motion; it is an economic development motion; it is about the economy. I notice that the Minister for Business and Economic Development has left the chamber without speaking, and the Treasurer has gone as well. I expected the Minister for Business and Economic Development would at least stay here and have something to say. So, it is really very interesting that the Chief Minister, the Minister for Business and Economic Development, has simply left. He has got nothing to say about his document. This motion talks about the Chief Minister’s document. It talks about *Capital development: towards our second century*, but we have got a minister who is not prepared to defend his strategy because, in many ways, it is indefensible. It is bland, it is colourless, it is dull, it is boring, it has no direction and it has no plan. It is symptomatic of what we get from the Stanhope-Gallagher government.

I do not think the case has been made for deleting the other parts of my motion. I do not think it was explicit in what Ms Hunter said—I am sure we would give her time to speak again if she so desired—as to whether or not she believes that the reforms of 2006 were a success or whether they failed. It would be interesting to know whether the Greens actually believe that there is wasteful expenditure inside the Stanhope government. It would be interesting to find out whether or not the Greens believe that the Stanhope-Gallagher government has failed to diversify the economic base, and it would be interesting to know whether or not the Greens either condemn or applaud the government for its response to the downturn in the ACT economy.

I think these things are left hanging there simply by saying that we will just put three statements of the bleeding obvious in a document and call that a motion. Apparently the new criterion of whether something informs the people of Canberra is the bar, but perhaps that does not give too much information at all.

**MR SESELJA** (Molonglo—Leader of the Opposition) (10.59): I thank Mr Smyth for bringing forward the motion today. Since we are speaking to the amendment, I think it

is worth just briefly responding to some of the comments from Ms Hunter before I address the substantive motion. I find it interesting that the Greens are so closely tying themselves to this budget in their public commentary. We do not know what the process was in terms of when they started to get the information about what was in the budget and which bits they ticked off on ahead of time other than what is in the agreement. But they are very much endorsing this budget very early on in the piece, and that is an interesting political strategy.

There are outstanding questions remaining on this, and this budget does not answer any of those. Those questions go to how much aspects of the Greens-Labor agreement will cost. We still have not heard the answer on that. On Sunday and Monday the issue arose about the cost of the public housing commitment, and we heard that Treasury has costed it at \$940 million over three years. That is how much Treasury says it will cost if it was done over three years. The twofold response from both the government and the Greens was: "Well, it is aspirational. It is not meant to be delivered in the next three years"—okay—"That doesn't take account of the federal government money." Federal government money is roughly \$100 million so that makes it \$840 million. We were told that the federal government money was meant to be new money, but, putting that aside, if we discount it, that is \$840 million left. For every year that it is not implemented it actually increases. The cost of this promise increases quite a bit, because it is 10 per cent of all the new housing stock that comes online. If you want 10 per cent in 2020, that is going to a lot more than 10 per cent in 2010. That is the answer.

The questions that both the Labor Party and the Greens are going to have to answer on this are: how much will it cost, when will they start to deliver it, what will be the time frame for that delivery or did they really not mean it? There are only two possible scenarios: either there is a plan to deliver it—and it will get more expensive the longer it is left, so we will start to see the need for significant funding for that going forward—or, regardless of whether it was the Labor Party or the Greens, they never actually meant the biggest spending, biggest ticket policy item. They are outstanding questions that will need to be answered, and we have not heard the answers yet. We have had only silence on that issue from both the Labor Party and the Greens. That is not an issue that is dead, I am sure.

The issue here in terms of this budget is that we have seen the drop in revenue as a result of global downturn. We have seen it in terms of GST; we have seen it in some senses in terms of property, although not as dramatically; we have seen it in other areas in terms of things like interest earned on the money the government has in the bank. But when we look to the outyears, Treasury tells us in this budget that revenue will be back. The downturn in revenue is actually propped up, although in a tied manner, by federal government spending. There is federal government money coming in, and where there has been a loss of revenue, that is tied to particular projects. There is a little bit of that balancing.

Putting that aside, talking about the short-term hit, the Treasury is telling us in this document, in the budget, that in the outyears we will see \$3.8 billion of revenue in 2012-13. That is not a drop in revenue; that is a significant increase in revenue in real terms, or by any measure. If you look at when the Stanhope government came to

office in 2001, the budget was roughly \$2 billion. It was a tick over \$2 billion in that financial year. Even with the downturn that we are seeing, we will see the budget grow to \$3.8 billion of revenue in 2012. That is a significant amount of money by any stretch. That is almost double the money that they had in their first budget—almost double. So they are using the short-term hit to revenue from the global downturn as an excuse for running deficits even when the economy comes back and even when we expect revenue to grow in the property sector, in GST and in the other areas.

Treasury is saying we are going to have a bonanza: “We’re going to be back, basically, to where we predicted we would be last year. We’re just going to be about a year behind, so we are basically going to come back.” It is going to be a significant short-term drop, but after that it is going to come back. What this government is telling us in this budget is that, no matter how much it comes back, they will spend more. In that fourth year they will still rack up a real deficit of \$150 million with revenue of \$3.8 billion. So you have got boom revenues again. You have got double what you started with, and you still cannot manage it. That goes to a fundamental point—perhaps that is why Andrew Barr wanted the job—of being able to manage spending.

There are plenty of decisions that the government takes that we simply have to take on trust. We are not there for every contract signing; we cannot examine every piece of expenditure. But we know that there is waste, and we have identified waste. Of course, when we identified that waste, this government said it was outrageous. Making those savings is outrageous and will mean the loss of jobs and it is unnecessary, they said, but they were completely wrong. We have heard a lot of the commentary in terms of who knew what when. What everyone knew was that there was a downturn coming. I do not think anyone would deny that when we went to the election last year everyone in our community should have known there was a downturn coming. We had seen some pretty significant shocks in the financial markets before that time. Did we know the extent of it? No, we did not. That has unfolded over the past few months, but we knew there was a downturn coming.

What do you do when you know that there is a slowdown coming? You exercise restraint; you exercise prudence; you look at areas of government expenditure which clearly can be saved without any effect—

**Mr Barr:** Like the EPIC board fees?

**MR SESELJA:** Madam Deputy Speaker, it is difficult to hear, but I will touch on that. That is his great microeconomic reform. The microeconomic reform put forward by the would-be Treasurer is to save \$50,000 on board fees for EPIC. That is the great saving—\$50,000. You could not pay an APS4 or APS5 with that. With oncosts it would be much more than that. For that you are supposedly getting a board of experts, and he says: “This is the great saving. That’s where we can find the savings.” Well, it is good that Andrew Barr is on the case—\$50,000.

**Mr Barr:** Well, if you cannot even come at that saving, I look forward to your speech tomorrow, Zed, outlining how you will save \$150 million, if you cannot even save \$50,000.

**MR SESELJA:** Andrew Barr—this must be why you did not get the Treasurer’s job—did not actually read the Treasury documents which showed the savings. The Labor Party cannot have it both ways. They cannot say on the one hand that those cuts are outrageous, they will cost jobs and they are unnecessary, and then come back and say: “You can’t find enough savings. You don’t have enough savings. We can find more savings than you.” It is a ridiculous argument.

It is totally indefensible for this government, who criticised our savings as being unnecessary, who said they would cost jobs when they would not, who claimed they were going too far, to now say: “Well, actually, they’re nothing. You’ve got nothing. You don’t have enough savings.” This government cannot identify the savings, and that is the other problem. They have said: “Well, there will be savings. We don’t know where they’ll be, but we’ll find them. We’ll make some efficiencies here and there.” Even after that, even if the government can find them, with the revenues returning to their highest level ever, it will still be a \$150 million deficit. What an outrageous argument. Andrew Barr with his interjections has pinpointed the absurdity of this government’s economic case—it is all over the place. (*Time expired.*)

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Children and Young People, Minister for Planning and Minister for Tourism, Sport and Recreation) (11.09): I relish the opportunity to join this debate, having just heard from the shadow treasurer and his apprentice, as they were described on 2CC this morning. They are the ones who like it both ways: critical of spending and saving. They are the ones who like to walk on both sides of the street. They are the ones who, in the lead-up to this budget, made their entire contribution around the need to be more hairy-chested on savings. Yet every single shadow minister has issued press releases in relation to this budget and on areas of government policy which have called for more money. Mr Doszpot is out there calling for more money across all of his shadow portfolio areas. Mr Smyth has never met an industry sector that he does not believe can be bought off with a bit of business welfare.

**Mr Seselja:** You know, Katy’s bad but he’s worse. That’s why he didn’t get it.

**Mr Doszpot:** This is *Grimm’s Fairy Tales!* Make it up as you go along, Andrew.

**MR BARR:** He is someone who issues press releases that contain the juiciest of quotes.

**MADAM DEPUTY SPEAKER:** Mr Doszpot, Mr Seselja! Mr Barr has the floor.

**MR BARR:** Another classic Brendan Smyth quote: “Business is another industry to suffer in this budget.” As our friends at RiotACT have pointed out, how many non-business industries are there? So someone in the shadow treasurer’s office needs a little bit more understanding in relation to these budget matters.

Yesterday, when we debated a significant reform bill, a structural reform bill to ensure that we could derive more efficiencies in the delivery of government services, there was scoffing from those opposite that, in fact, seeking efficiencies in the delivery of



government services was microeconomic reform. That really goes to the heart of the failure of the Liberal Party, the failure of the shadow treasurer and of any of those opposite to understand even the most basic of economic concepts. With respect to the efficient delivery of services—and, in this town, government services are number one in the economy; they are the largest area of our economy—if we are not seeking efficiencies in government services, if we are not seeking microeconomic reform, and if this Assembly and the Liberal opposition cannot even stomach, as I said yesterday, the most micro of microeconomic reform—

**Mrs Dunne:** On a point of order, Madam Deputy Speaker: I ask for your ruling on whether or not Mr Barr's comments are a reflection on yesterday's vote, which would be disorderly and contrary to the standing orders.

**MADAM DEPUTY SPEAKER:** Stop the clock, please. There is no point of order, Mrs Dunne.

**MR BARR:** Thank you, Madam Deputy Speaker. As I was saying, yesterday was symbolic, and I indicated that in my contribution to the debate on that piece of legislation. If this Assembly is fair dinkum about reforming government service delivery then the sorts of decisions that were taken in relation to that do not exactly instil, and should not and would not instil, confidence in the Canberra community that this Assembly is up to the challenge of some more detailed—

**Mrs Dunne:** On a point of order, Madam Deputy Speaker: Mr Barr specifically referred to the decision made yesterday—

**MADAM DEPUTY SPEAKER:** Stop the clock, please.

**Mrs Dunne:** and he cannot reflect upon the debate.

**MADAM DEPUTY SPEAKER:** Could you say that again, Mrs Dunne?

**Mrs Dunne:** Mr Barr specifically, in those comments just then, referred to the debate yesterday and the vote yesterday, and that is contrary to the standing orders.

**MADAM DEPUTY SPEAKER:** Mr Barr, if you could avoid reflecting on any vote taken yesterday in this place, thank you very much.

**MR BARR:** Thank you, Madam Deputy Speaker. The issue, though, of microeconomic reform is one that has been the subject of some discussion in this chamber. It has been the subject of a number of press releases from the shadow treasurer where, again, he seeks to beat his hairy chest in relation to just how big and bold the Liberal Party will be on microeconomic reform. In this motion that we are debating today, we re-live the many debates we have had in this chamber about the significant microeconomic reform that occurred as part of the 2006-07 budget, yet Mr Smyth refers to it as a failure.

The question must be asked: what would the state of the territory's budget be if the Liberal Party had had its way in 2006 and none of those reforms, none of which were

supported by the Liberal opposition, had been implemented? The Liberal opposition has come into this place today with this motion, the same old Brendan Smyth motion that you get every year after every budget, because he has not had a new idea since about 1998, and he certainly has not agreed with anything. He has had nothing positive to say in relation to ACT government activity since about 1998. This man personifies opposition for opposition's sake. That is all he is about. His colleagues know that. They have seen the polling on him. They know how appallingly this man rates with the Canberra community. They know why he is the biggest loser in this Assembly.

The person who has lost more elections, who has been involved in more election defeats for the Liberal Party, the individual who is singularly responsible for the fact that the Liberal Party have been sitting on that side of the chamber for so long—

**Mr Smyth:** Singularly responsible?

**MR BARR:** Well, according to boy wonder, the apprentice, he was responsible for a massive comeback in the last election. He did deliver the Liberal Party's worst votes in at least two of the ACT's electorates, but apparently that was all restoring the Liberal Party's position, in response to the position that Mr Smyth left the Liberal Party in.

Once again this morning, we have this same old Brendan Smyth claptrap, the same old tired, boring rhetoric, in relation to lacking vision. Mr Smyth and Mr Seselja, tomorrow afternoon at 3 o'clock, your challenge is to outline your alternative vision. If you believe the budget should be brought back to surplus at an earlier date than the government's plan then let us hear how you intend to do it and your way forward. You have got your chance tomorrow afternoon. Let us see whether you have actually got some substance behind the usual tardy, tired and ineffective rhetoric that we hear.

In terms of today's motion, it is pleasing that the leader of the Greens has indicated that the sort of tired, emotional claptrap that we hear from the shadow treasurer will not be supported. The amendment that Ms Hunter has moved is a good one. The government clearly will support that amendment in preference to Mr Smyth's motion.

I will go to the detail of Mr Smyth's contribution because it again highlights the abject failure of the Liberal Party to be able to embrace any reform of government service delivery—any reform at all. We have them eagerly participating in an Assembly inquiry looking back on the reforms of 2006 that they opposed. There is no recognition at all of the significant improvements in quality in education, for example, just in one portfolio area, as a result of the changes that occurred in 2006. There is no recognition of that.

It goes to the heart of their fundamental inability to address difficult issues. They are all for the cheap shot. All of their shadow ministers are out peddling media releases saying that more money should be spent in each of their portfolio areas, yet they try and create this bit of insulation around the leader and the deputy leader, their dynamic duo economic team, the two superheroes who in fact have a view that is entirely at odds—

*Opposition members interjecting—*

**MADAM DEPUTY SPEAKER:** Order, members!

**MR BARR:** with the position being put by each of the shadow ministers. So the media—

**MADAM DEPUTY SPEAKER:** Stop the clock, please. Resume your seat. Would members of the opposition please be quiet. We have only got one minute and 23 seconds, and we would like to hear the rest of what Mr Barr has got to say.

**Mr Seselja:** Just on your ruling, Madam Deputy Speaker.

**MADAM DEPUTY SPEAKER:** My ruling is that I would like you to be quiet.

**Mr Seselja:** I would like to make a point in relation to your ruling, Madam Deputy Speaker, if I could. The Speaker has, on a number of occasions, particularly at question time, ruled that when members are provoking those opposite they expect some comeback. Perhaps you could ask the minister, if he does not want us to speak, maybe not to provoke us.

**MADAM DEPUTY SPEAKER:** Continue, Mr Barr.

**MR BARR:** Thank you, Madam Deputy Speaker. I am always happy to take the fight up to the Liberal Party. The Liberal Party in 2009 have no coherent ideological position in relation to economic management. They are all over the shop, walking on both sides of the street. It is all about “spend more money”. Each of the shadow ministers says, “No, spend more money in my portfolio area,” yet their two key economics spokespeople are out there trying to suggest, “No, what needs to happen is more expenditure restraint and the budget needs to be brought back into surplus quicker.”

The challenge to our dynamic duo tomorrow is to put their money where their mouth is, to outline to the Assembly their plan. If they believe that the budget should be brought back into balance quicker, they should outline where they would cut expenditure and then take out the back each of their shadow ministers who are on the public record calling for more money to be expended and show them a razor gang, to show them some budget discipline and to show them the benefits of economic efficiency and microeconomic reform, because the Liberal Party has failed on all counts. *(Time expired.)*

**MR HARGREAVES** (Brindabella—Minister for Disability and Housing, Minister for Ageing, Minister for Multicultural Affairs, Minister for Industrial Relations and Minister for Corrections) (11.21): I am reminded of sideshow alley at the show. You go down the alley and there are all these clowns, six of them, lined up with their mouths open and waiting for someone to pop something in.

*Opposition members interjecting—*

**MR HARGREAVES:** All you've got to do, Mr Precious, is just cop it. You know, cop it. What you have got to do is suck it up. Just suck it up and grow up. Madam Deputy Speaker, I find it absolutely amazing that I did not have to utter one word before the whole of the intellectual mob over here went clunk. They absolutely amaze me sometimes. You absolutely amaze me, you blokes.

I looked at this motion from Mr Smyth and I thought the temerity of it was absolutely mind-boggling. Let me just go back in history a tad. How many members opposite, I ask rhetorically, were members of the Carnell government ministry? One. Which of the people over there had anything to do with the Bruce Stadium fiasco? One. How many of those people over there had something to do with the "Feel the Power" numberplates? Do you remember that? We do. How many of those people over there were in the ministry that was responsible for Katie painting the fuselage of an aeroplane to send it off? How many of those opposite had something to do with the introduction of the futsal slab or the Hall-Kinlyside debacle? How many people? Just one.

*Opposition members interjecting—*

**MADAM DEPUTY SPEAKER:** Order! Resume your seat, Mr Hargreaves. Stop the clock, please. Members, be quiet and listen to Mr Hargreaves. Mr Hargreaves, will you stop provoking those opposite—

**MR HARGREAVES:** I would never provoke anybody.

**MADAM DEPUTY SPEAKER:** and address the amendment to the motion.

**MR HARGREAVES:** Well, I can provoke them merely by breathing, Madam Deputy Speaker. All I did was stand up and utter a breath and they went berserk. But I do take your advice, Madam Deputy Speaker. Thank you very much.

The single difference between what the Labor Party has done over the last couple of terms of government and what we witnessed when I came here in 1998 is that we have actually moved forward. We have moved forward on quite a number of issues, and they are social justice issues. Mr Smyth sits there and carps away and does not actually do anything. I agree with my colleague. One of the things I tried to do when I was in opposition—I do not know if I was successful or not, but I did try—was to be critical where it was needed but actually to say that something was well done when it was. An examination of the *Hansard* will reveal that. But I do not see that coming out of Mr Smyth. I do not see it at all.

**Mr Hanson:** Maybe they did some good stuff and you don't, John. That is the conclusion I draw.

**MR HARGREAVES:** Well, have a look at some of the gigantic leaps that we have made over the last few years to support people in the disability sector. They are significant. Mega dollars have gone into the disability sector. The whole housing sector has been reformed. When I inherited the housing portfolio 4½ years ago, Mr Smyth had sold off a thousand units. We got them back. It took us a while, but we got them back. I took over from Mr Wood, who had spent three years trying to repair the damage that Mr Smyth did. When we took office in 2001, the waiting list was 3,500 people.

**Mr Hanson:** John to the rescue. You saved Corrections, mate. You took up the mantle.

**MR HARGREAVES:** An interjection from Mr Hanson! Bad move, Mr Hanson.

**Mr Coe:** John Hargreaves—defender of democracy.

**MR HARGREAVES:** Let us talk about Corrections.

**Mr Coe:** John the defender.

**MR HARGREAVES:** I am happy to do it any time you like.

**Mr Coe:** John the hero.

**MADAM DEPUTY SPEAKER:** Mr Coe, I am going to warn you next time. Be quiet.

**MR HARGREAVES:** We cannot criticise the Liberal Party's corrections policy because there is nothing to criticise. There is nothing there, except the utterances of the Leader of the Opposition that we should not have a prison and that we should keep people in the Belconnen Remand Centre. The shadow spokesperson for corrections has been to the Belconnen Remand Centre and seen it, yet his group wanted to keep it open and keep it there. That is what he said. If there is no prison then you go to Belconnen Remand Centre. End of story. You can sit there in shame.

**Mr Smyth:** Madam Deputy Speaker, I raise a point of order.

**MADAM DEPUTY SPEAKER:** Mr Hargreaves, take your seat. Stop the clock, please.

**Mr Smyth:** As entertaining as this is, the comments actually have to be relevant to the motion, which is about the economy.

**MADAM DEPUTY SPEAKER:** Thank you. Mr Hargreaves, will you—

**MR HARGREAVES:** Thank you very much for pointing that out, Mr Smyth. In fact, under their regime, we were spending money in New South Wales for our corrections facilities.

**Mr Smyth:** On the point of order, Madam Deputy Speaker—

**MADAM DEPUTY SPEAKER:** Mr Hargreaves, resume your seat.

**Mr Smyth:** The minister actually cut you off before you gave your ruling. I seek a ruling on relevance. The motion is clearly about the economy. Will you bring him back to the point?

**MADAM DEPUTY SPEAKER:** Mr Hargreaves, please remain relevant to the motion that is before us.

**MR HARGREAVES:** I am trying to do that—with immense opposition from this opposition, who are opposing things for the sake of opposition. Under their particular rule the money spent on corrections was spent in New South Wales. The economy of Goulburn was boosted. The economy of Junee was boosted. Now that we have the Alexander Maconochie Centre here in the ACT, there will be \$20 million spent here. That is improving the economy of the ACT. As a matter of fact, all of the food, all of the materials and all of the labour for repairs and maintenance will be sourced from here. These guys are just squirming at the recognition that this government has actually been positive. We have gone forward, recognising the need to put money back into our economy.

It is clear that the Leader of the Opposition has not read any of the Assembly committee reports into the provision of the prison in the ACT. Quite clearly, he has not read any of them. Mr Hanson has not read them and Mr Seselja has not read them and I do not think Mr Smyth has either. The earlier reports talked about the financing options, and from the very beginning it was me who raised the issue of the economics of the prison here in the ACT.

It scares the living daylights out of me that any one of those people might one day sit on the treasury bench. I have been here for quite a long time and I have seen quite a number of occupants of the first chair over there, and I wonder who is going to be the next occupant of that chair. We will be taking bets very shortly. We will not be doing it on Melbourne Cup Day, but we will be doing it on Family and Community Day. The way to have some economic growth is to keep those opposite away from the treasury bench.

This budget has two aims. One aim is to do as best we can, within the means that we have, to provide programs that go forward. The other aim is to preserve as many jobs as we possibly can and keep the economy of the ACT as vibrant as we possibly can during this critical period. The capital construction program will be put in place to that end. In my negotiations with the federal government over housing assistance I have taken a dual approach—to attack homelessness and to keep jobs ticking over in the residential construction sector. It has been about jobs. It has been about the ACT's economy and to try, as best we can, to have a buffer against this crisis.

We do not see any suggestions on how we could go forward. We do not see anything except, on one hand, get out of the bloody deficit quicker; on the other hand spend more money. It is inconsistent. Like Mr Barr, I look forward with great anticipation and some fear to Mr Seselja's response. I just wonder: how come he is doing the response and not the shadow treasurer? Perhaps it is because the Leader of the Opposition does not trust the shadow treasurer out in public. Maybe he does not trust him to go out at night-time without his mummy. Maybe you cannot trust him outside after dark without his mum.

**Mr Smyth:** My mother died 20 years ago. Be careful.

**MR HARGREAVES:** You can bleat away. It does not make any difference. We will see how genuine you are when you do your response. We will see whether you are just going to sit there and carp or whether you are going to offer something.

**MR SMYTH** (Brindabella) (11.32): Just for Mr Hargreaves's information—and I am sure he knows it—my mother died 20 years ago. I resent comments on that line.

We now know that the budget strategy of the right of the ALP to diversify the economic base of the ACT is to build more prisons and have Family and Community Day—

**Mr Seselja:** And get rid of boards.

**MR SMYTH:** and get rid of boards. That is microeconomic reform, according to the right of the ALP. Now, the problem for the doyen of the ALP, the would-be Treasurer, Mr Barr, is that he actually does not understand the numbers. He is the man who has got the numbers in the party room, but does not have the courage to use them. He is the man who should be Deputy Chief Minister, who should be Treasurer, but did not have the courage to put his case forward.

We have seen today exactly why he did not get to where he wants to be. He thinks that saving \$50,000 by getting rid of the board of EPIC and dragging it back into a department that is currently looking for at least \$10 million in savings, because they have mismanaged their budget so appallingly under Mr Hargreaves, is a good idea. Microeconomic reform is not about making bad decisions.

**Mr Hargreaves:** Being a paper boy does not qualify you as a small business expert.

**MR SMYTH:** There you go. If you are a paper boy out there or if you ever delivered papers when you were a child or a young man, you have got no right to a place in the world. There is the stinging retort from Mr Hargreaves. We know that when Mr Hargreaves makes comments like that, he is hurting.

Microeconomic reform is not about knocking off a board and saving \$50,000 and putting it back into a department that cannot handle its own affairs. Reform should deliver benefits, not drag something back. We know that over the years the EPIC board has delivered.

Interestingly, in the debate yesterday Mr Barr had to put the knife into Ms Gallagher. He raised the question of the board and asked: how is this Assembly going to go about the difficult task of making the sorts of administrative changes that will be necessary in the long term to restore the territory's finances to balance? There is a question Ms Gallagher can answer. When will she make the significant administrative reforms that Mr Barr thinks are required? Mr Barr challenges us to say in our speeches in response to the budget what we will do. We will. Perhaps Mr Barr can further explore what reforms should occur that the Treasurer is not putting forward. That is the problem for the government. We have got two streams of thought. We have got a would-be Treasurer who is not up to the job and we have got a Treasurer who has no plan and no ideas and is absolutely clueless on this industry.

It has been an interesting debate. The Chief Minister, the minister for economic development and reform, has not returned to the field. That is sad because I think we

should have an explanation from the Chief Minister as to why the new document that he has put in place to replace the economic white paper—*Capital development: towards our second century*—is a better document.

Clearly, we now have a contradiction between the Chief Minister and the Treasurer. In his foreword to the document the Chief Minister states:

We have delivered on the strategies and initiatives of the ... *Economic White Paper*.

Fundamental to the economic white paper was Ted Quinlan's insistence that we had to diversify the economic base. If we want to have a community, if we want to have jobs and security in the future, there is a need to diversify the ACT economy to build a stronger private sector.

In the foreword to the document the Chief Minister says he has delivered that, and that is why this debate is important today. He has not. The data shows that. As a percentage of employment, the private sector is going backward under the Stanhope-Gallagher government. Ted Quinlan said diversify, Jon says we have and Treasurer Gallagher runs up the economic flag of surrender and says it is not going to happen. She sought to argue that it would not be possible to increase the relative share of private sector employment. She defended the status quo. She said, "That is how it is. We are not even going to try." We now have three positions from government and we have the Treasurer in waiting, who could be the real Treasurer one day.

When the Treasurer does not have an answer the glib lines are rolled out. She says that we are never going to have mining or manufacturing. We have never called for that. We did call for sustainability industries. If you check the *Hansard* you will see that Mr Hargreaves said, "I do not even know what that is and, what is more, I do not care." He does not care. The Treasurer of the day, the Chief Minister, said exactly the same thing.

We have a government that is in close alliance with the Greens, through the Green-Labor agreement, that is not interested in things like sustainability industries. Ms Hunter should be absolutely ashamed to move an amendment to protect a government that has walked away from so many former government initiatives that would have led to the creation of sustainability industries in this territory. The no waste by 2010 strategy had, at its core, an understanding that we would get to a point where the last 10 per cent of the waste is difficult and new solutions would have to be found. That is new industries. We had a greenhouse strategy with real targets in it that required us to come up with new initiatives, businesses and ideas to actually deliver targets. That has been abandoned. Yet we have got the Greens comfortably in bed with the Labor Party and the Greens-Labor alliance seeking to modify my motion today and saying that it is all about information.

One of these days the Greens will learn that they are going to have to call this government to account. One area where they have failed is in diversifying the economy and living up to the priorities set out on page 56. Initially, nine sectors were targeted, which means there were going to be more, and one was environmental



industries. There is no environmental industry support in this territory from this government and there has not been for seven years. The Greens will be held to account for that as well.

This is an important motion. There has been no answer from anybody on the government benches. We have had the ridicule. We have played the man, as we always do when we do not have an answer. We have had a lecture from the would-be Treasurer, who does not understand the genuine nature of reform and does not have the courage to take the position that he could have taken to make it happen. That is the hollow man. It is TS Eliot all over again. These are the hollow men. These are the stuffed men, leaning together, headpieces filled with straw.

You can say you have got a plan, but if it is a sham then it is not a plan. Capital development is a sham because it does not take us anywhere. To say of capital development that "we have achieved the objectives of the economic white paper" is not true. The statistics show that private sector employment has fallen. That is the shame of it.

There are opportunities in this city. This is an incredibly intelligent city. This is a well-resourced city. This is a city that will work together, and we have proven it time and time again. For instance, when we went after the EPIcorp incubator program that the former government had, we beat every other jurisdiction in the country because the community worked together.

The complaint from the Treasurer is that they want the opposition to work with them. We offered that. We said: "Let's sit down. Put it on the table. We'll have a chat." No, they could not do that. Now the Treasurer is saying, "Let's have a talk." This is the problem. We have had seven years of the Stanhope-Gallagher government, seven years in which they had enormous resources, in which they could have reshaped, rebuilt and built a future for the ACT economy, and they have chosen to ignore it.

It is why Ted Quinlan left. We all know it. His colleagues would not listen to him. They would not stop the rampant spending. They would not put in place in the economic white paper things to make it work, to seize the opportunity to drive it forward and to stop the dependence on government spending. Ted understood. We had numerous debates here about the economic cycle. The economic cycle has an upside and a downside, and then it comes up again. One of the few certainties is that economies do turn. For several years we have been saying that the economy would turn. We did not know what the driver was going to be but, as certain as night follows day, the economy turns. It always does. The booms come to an end.

It is well and good for the Treasurer to say that we had 10 per cent growth and now it is zero. That is the point. You had 10 per cent growth and it is now zero. You have had four quarters out of six of negative growth in the last 18 months. This decline started well before the global financial crisis reared its ugly head. We had the extraordinary statements from the Chief Minister. Stearns and Lehman had gone bust and Jon Stanhope said: "I am going to deliver you full surpluses. We do not have to make any savings. We do not have to have any tax reform." Then, a couple of days later, Citibank got into trouble.

The government absolutely ignored what was coming. We took savings and a plan and a program to the election that they said were unnecessary. Well, it was necessary then; it is necessary now. It will be more necessary with the delay that we are going to experience in the next year because, as the rot sets in, things will get worse. (*Time expired.*)

Amendment agreed to.

Motion, as amended agreed to.

## **Education—investment**

**MS BURCH** (Brindabella) (11.43): I move:

That this Assembly:

(1) notes:

- (a) the Agreement of the Council of Australian Governments to immediate, concerted action to increase young people's engagement with education and training pathways, including seeking the support of all stakeholders to commit to additional effort and to tailor the delivery of services to maximise youth engagement, retention and attainment;
- (b) the announcement of a Compact with Young Australians giving young people an entitlement to education or a training place;
- (c) the announcement of National Youth Participation Requirement including a mandatory requirement for young people to attend school until they complete Year 10 and to be in education, training or employment until age 17; and
- (d) the announcement of Education Attainment Targets for Young People, bringing forward the 90 per cent Year 12 or equivalent attainment rate target from 2020 to 2015; and

(2) welcomes:

- (a) the considerable reforms of and investment in education and training currently undertaken by the Territory Government; and
- (b) the co-operative approach and national leadership adopted by the Territory Government working with the Commonwealth on these reforms and investments.

It is not news to anyone here that Australia and the ACT are facing an economic crisis not experienced since the Great Depression. On 5 February this year, the Council of Australian Governments acknowledged the importance of continuing to focus on developing the skills needed in the Australian labour force during this global economic downturn. Developing and enhancing our skills will ensure the economy

and employees are well placed to take advantage of the new opportunities to support long-term productivity growth.

As identified by the Prime Minister, it is the young people who face the greatest risk of temporary or, worse still, long-term unemployment. Unless this is addressed, we as a nation and a community could face the prospect of a lost generation, a generation which is unskilled, a generation stuck on dole queues for so long that they become unemployable.

On 30 April this year, COAG agreed to the jobs, training and youth transitions initiative. This initiative is a series of education and training measures to maximise youth participation. It seeks to engage and retain young people in training. We want to ensure that they gain recognised qualifications. So, firstly, COAG agreed to a compact with young Australians to ensure that every single young person is able to access an education or training place.

Secondly, COAG agreed to a national youth participation requirement to make participation in training, education or employment compulsory for all young people until they reach the age of 17. And, thirdly, COAG agreed to bring forward its 90 per cent year 12 or equivalent attainment rate target from 2020 to 2015.

Through the youth compact, 15 to 19-year-olds in the ACT will be entitled to an education or training place for any government-subsidised qualification. Young people aged between 20 and 24 will also be entitled to an education or training place for any government-subsidised qualification which would result in an individual attaining a higher qualification. This means that, subject to course availability, our young people aged from 15 to 24 have guaranteed access to training courses that will further their employment prospects and life choices.

The ACT is undertaking urgent work on this issue and will establish an implementation committee to be chaired by the Department of Education and Training. This is to ensure the youth compact will be fully implemented by 1 July 2009 for 15 to 19-year-olds and by 1 January 2010 for the 20 to 24-year-olds. An initial meeting of this committee is expected to be held in the next few weeks with representatives from key ACT stakeholders and it will include government and non-government school sectors, the training sector and industry.

With two sons in trades—one starting an apprenticeship and one finishing one next month—I understand the importance of providing local training facilities for Canberra's youth, which is why I have put the call out for the Urambi school site to be considered as a trades training centre for Tuggeranong. The initial feedback I have received so far from local residents and businesses has been very supportive of the idea, and I look forward to the outcomes of the community consultative process later in this year and the opportunities for enhanced choices for the Tuggeranong area.

The second measure undertaken by COAG to address the training requirements of young people is the national participation requirement. This COAG initiative on a national participation age aligns with the findings of an ACT community consultation process that shows strong support for making it compulsory for students to be either at

school, in training or at work until age 17. Because we began consulting on this issue last year, we are well placed to work with COAG to ensure more students earn or learn after year 10.

The community response to the ACT government's *Pathways to the future* consultation paper was clear. Submissions showed strong support for the introduction of a compulsory participation age of 17, where young people will be required and supported to stay in education, training or work. In response to strong community support, the ACT government intends to make it compulsory for young people to be either at school, in training or at work until age 17. Again I say that they are to be earning or learning, so that they have better life choices as they go through their life cycle.

This government acknowledges that going on to year 12 or to university is not the best choice for all students. The ACT government wants to ensure that every young Canberran is studying, training or working after year 10 in a way that suits their needs, their abilities and their plans for the future. There will be a requirement for all young people to participate in schooling or an approved equivalent until they complete year 10. In addition, there will be a requirement for young people who have completed year 10 to participate in education, training, employment, or a combination of these activities, until age 17. Legislative changes required to implement a compulsory participation age for 2010 will be brought to the Assembly later this year.

The third measure agreed to at COAG is to achieve a 90 per cent year 12 or equivalent attainment rate target by 2015. I should make it clear here that the ACT has already met this target. Already the ACT has a 90 per cent retention rate. But we are not content with this; 90 per cent is not good enough. The ACT government recognises that, during the recent period of strong economic growth, young people without a year 12 or equivalent qualification have been able to enter employment and have good employment outcomes. But this is far less likely in a period of economic downturn. In our current economic climate, young people who do not have a year 12 or an equivalent qualification are particularly vulnerable. These are the students who leave school early, either before completing year 10 or between years 10 and 12.

ACT Labor is committed to reducing the number of these students, to raising our year 12 retention rate to 95 per cent by 2013. How are we going to do this? How are we going to make it attractive for our young people to remain at school? Already the ACT provides alternative settings for young people who are at risk of dropping out of education and training. There are many successful alternative programs that support students to learn and develop in ways that respond to their diverse backgrounds, learning styles and individual needs and that help them to complete school or vocational qualifications.

Some of these programs operate through partnerships between schools and government and non-government agencies. The commonwealth agreed at COAG to provide \$100 million in competitive performance-based funding which recognises increases in year 12 school retention rates and—importantly for the ACT, which is already at the head of the pack in this regard—these payments will recognise current achievements and increase our current baselines.

This year the ACT will be participating with the commonwealth in the development of a national partnership on youth attainment and transitions. This partnership will outline key reform strategies for achieving accelerated youth attainment targets, including pathways and partnerships, individual learning plans, personalised career advice and transition support, brokerage, mentoring and work experience. The national partnership will document agreed reforms to be implemented to ensure young people make a successful transition from school to work or further study and their long-term life choices.

The COAG initiatives and youth compact will support younger people during uncertain economic times and provide them with the opportunity to develop their skills for future employment prospects when the economic conditions begin to improve. Finally, I commend this motion to the Assembly and encourage all members here to support it.

**MR DOSZPOT** (Brindabella) (11.52): This is a timely motion that Ms Burch has raised, and we are in agreement with the need for concerted action to increase young people's engagement with education and training pathways. It is crucial to seek the support of all stakeholders and the commitment to additional effort to tailor the delivery of services to maximise youth engagement.

There is no argument that ACT students need to be afforded every opportunity to compete in the job market, given the current economic climate. Keeping our young people in some form of skill-based or vocational training is an important way that ACT students are given a head start. It is encouraging that the ACT has the highest year 12 participation level, at 90 per cent, and we welcome the new target of 95 per cent participation level.

We must acknowledge, however, that staying in mainstream schools until year 12 and the option of going to university does not suit everyone. There is not a one-size-fits-all solution to this problem. If all students stayed in school until 17 years of age, what additional burdens would be placed on our educational institutions? Would there be enough teachers, administrators and infrastructure to cope with the estimated 1,000 additional students who would be thus retained in the system?

Just using the infrastructure example of the recently completed and opened new Kingsford Smith superschool—and I do understand the difference, Mr Barr, before you jump down my throat on this one—I understand the infrastructure is already found to be wanting. With the school nowhere near full capacity, it is already short of adequate facilities for teachers. The staffroom cannot accommodate all the teachers now. How will it cope when the school is operating at maximum level? I also understand the same example applies to the school hall, which cannot hold all the current students, let alone the increase in students that is expected to come to the school.

Another question to address is: how will the local economy be affected if the majority of 15 and 16-year-olds who typically would become new apprentices in various trades no longer enter the workforce? Apprenticeships are generally a career choice for those

students who do not complete high school. What plans are there if the majority of these students now go on to complete high school? What career pathways would be now available to them? Would they all go to university? Would universities have the capacity to absorb the sudden increase?

Taking overseas examples into consideration puts a different light on this problem. The career and technical education model followed overseas actually uses the last three years of secondary school to prepare students for their future career options. So, going back to my earlier question, what curriculum changes are we considering to cope with the proposed changes and the announcement of a compact with young Australians to give young people an entitlement to an education or training place?

I have no doubt about the good intentions of the agreement of the Council of Australian Governments to immediate, concerted action to increase young people's engagement with education and training pathways. However, I do have some concerns about the ACT planning that has gone into this implementation and the impact on curriculum and the number of teachers required as well as on administration and infrastructure.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Children and Young People, Minister for Planning and Minister for Tourism, Sport and Recreation) (11.56): I commend Ms Burch for bringing this important motion before the Assembly this morning. It goes to highlight a very important issue for our local and our national economies and it does provide the opportunity for me to restate some clear commitments on behalf of the Labor government and the Labor Party, because Labor has always been the party of education, the party of jobs and the party of economic responsibility. The work of federal Labor since its election in 2007 and the work of this ACT Labor government since 2001 proves this.

An investment in the education of a young Canberran is an investment in their quality of life and provides the key to a productive and happy life for the individual. It is an investment that ensures local businesses prosper and creates jobs by ensuring that our community has the skilled workers that it requires. This is especially important as Australia and the ACT work their way through the worst economic crisis since the Great Depression.

Education is important to keep our economy strong now. It is important to ensure our community, businesses and Canberra workers are able to make the most of the new opportunities the recovery will present when it comes. Lifelong learning is an investment in our environment and our economy, because through this investment we develop new skills in green collar jobs that will help us lighten our footprint on the planet.

For nearly 12 years the federal Liberals and the local Liberals neglected education and training, except for when it was useful as a political football. I must say that it is great to be able to work with a federal Labor government that sees education as an investment. The work that is occurring at the national level is extremely positive. It is about preparing Australia for the future, and it is work that complements what the ACT has been doing in education and training for some time.

As Ms Burch indicated, on 30 April COAG agreed to the jobs, training and youth transitions initiative which aims for greater youth engagement in education and training. The compact with young Australians aims to ensure every young person can access education and training.

COAG's national youth participation requirement will make participation in education, training or employment compulsory for all young people until the age of 17. COAG has agreed to bring forward its goal of having 90 per cent of young people achieve a year 12 or equivalent qualification from 2020 to 2015. This work complements what ACT Labor has been working on for some time.

In August last year I released the pathways to the future consultation paper on increasing young people's engagement in education, training and work. The discussion paper provided the opportunity for young people, their parents, carers, teachers and the wider ACT community to share their opinions on issues such as the school leaving age and ways to ensure students are not left behind after year 10.

Submissions showed strong community support for the introduction of a compulsory participation age of 17, when young people would be required and supported to stay in education, training or work. ACT Labor is determined to deliver on this outcome and I have asked my department to ensure we are in a position to bring the appropriate legislation to the Assembly in the spring sittings this year.

But this is about more than just the school-leaving age. ACT Labor recognises that year 12 and university are not for all students, but we will work to ensure that every young Canberran is studying, training or working after year 10 in a way that suits their needs, their abilities and their plans for the future. Whilst COAG aims for a 90 per cent target for young people achieving year 12 or equivalent qualifications by 2015, we believe we can do better in the ACT. As Ms Burch has indicated, the ACT's rate is currently 90 per cent but the government is committed to raising this to 95 per cent by 2013. We are well placed to do so because we started consulting on this policy with the community last year.

There are many reasons why the ACT will meet and better COAG's goals. All of them go to ACT Labor's commitment to education and training. The work of ensuring that students do not drop out after year 10 starts at the very beginning. That is why we have worked with federal Labor to ensure that students in our five early childhood centres are now receiving 15 hours of preschool per week and that is why we will extend this to all government preschools.

That is why we are determined that, by 2013, all preschoolers, including those in private preschools and childcare centres, will get 15 hours of pre-school education a week. To ensure young Canberrans can get the best start possible in life, we have established four new early childhood schools to provide quality education to children in their earliest years. That is why these schools also support the child's family, providing easier access to government and community agencies including education, childcare, health, parenting and early intervention programs.

Our commitment to education and training from the very first of a student's school days is reflected in yesterday's budget which delivered more than \$216 million in additional capital works. This builds on our record investment in upgrading every ACT public school and building new schools where they are most needed. Yesterday's budget also delivered on our election commitment to ensure more students are learning or earning after year 10 by delivering funding for 70 new teachers to lower average class sizes.

Madam Deputy Speaker, if you want to keep students engaged, you need to provide education that suits their abilities and needs. That is why we are investing more than \$10.5 million over four years to enhance outcomes in literacy and numeracy at all levels, to cater for students who have English as a second language and to reduce the achievement gap between students in the highest and lowest achievement bands.

Yesterday's budget also delivered on skills training by building capacity for more post year 10 students. In particular, the budget delivered an extra \$27 million in capital and recurrent funding for the CIT. Under the Labor government, CIT has flourished to become the finest institution of its type in Australia and an equal partner, an equal player, with those other renowned institutions in the ACT, the ANU and the University of Canberra.

The centrepiece of the budget for CIT is a near \$10 million investment to establish a new electro-technology program at the trades skills centre at Fyshwick. This funding will provide for construction of a new state-of-the-art building for electrical trades training. The new facilities complement the \$14 million new horticultural centre currently under construction at the Bruce campus and provide staff and students with access to contemporary equipment and methodologies.

ACT Labor has a very proud record of investing in education and skills. We have a proud history of making and delivering on good educational policy. This does stand in quite stark contrast to others in this place. We are looking forward. For example, we want to provide better education for students with special needs to help ensure that year 10 or 12 is not the end of their productive lives and we have established the Shaddock review to help us. We are providing \$4 million for students with disabilities or those facing financial hardship in non-government schools. We continue to provide significant funding for students facing special challenges in our public system.

We also expect the Greens to live up to our parliamentary agreement and their pledge to the people of Canberra. We want to work with the Greens to do our bit to help these kids by establishing a committee inquiry into special education. It is disappointing that it appears this has been postponed yet again. Whilst the Greens may not get the whole picture, at least their intentions are good. Those opposite, however, simply do not believe in education, or public education at any rate.

We invest \$350 million in public schools and the Liberals call it throwing good money after bad. We work with federal Labor to ensure that every student in every school benefits from the building the education revolution package. The Liberals refuse to back this funding and then threaten our moves to further cut red tape around



schools. We increased real funding to the CIT by 15 per cent since taking office. The Liberals slashed funding to CIT by 20 per cent in real terms when they were last in office. Their past form and their warped sense of financial priorities show that the Liberals are a danger to the education of every young Canberran.

If we as a community, and our young people in particular, are to be ready for the future then it really is “earn or learn”. There is no third way. There is no option for those who are capable of being in training or a job to refuse to take the opportunities that are on offer or to make a contribution. We owe it to our young people to deliver them excellent education and training opportunities. This provides the keys to the future and those young people owe it to themselves to take up those opportunities. This government makes no apologies for investing in education and training and the future of young people, despite what those opposite think. We make no apology for ensuring that young people are given the choice to learn or earn.

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens) (12.06): The ACT Greens are committed to ensuring that everyone has access to an education that meets their needs and aspirations and gives them the skills and capacity to participate in society. In the spirit of that commitment, I would like to thank Ms Burch for bringing this matter to the Assembly’s attention. The federal Labor government went to the last federal election with a plan that they called the education revolution. They have made various announcements for the implementation of this revolution, including the changes outlined in Ms Burch’s motion today.

Addressing the problems left in the education system by a neglectful Howard government is important. It is positive to see a new government making suggestions for improvement. I would be interested to see the data on when and how these suggestions are implemented and their progress. Nationally, we have been doing a lot of talking and now it is time for action.

The compact with young Australians announced by COAG sounds like a good idea. The Greens nationally and the Australian Education Union have agreed with the intent of the plan. However, there have been concerns expressed about the impact of the plan on the resources of our education and training sector. Mr Gavrielatos of the AEU has said:

These must be fully-funded, high-quality education and training places—what we do not want to see is the cost of training being put back on students, which ultimately creates barriers and denies access.

He calls for adequate financial support for young people in these places. These calls have been echoed by the Australian Greens senator, Sarah Hanson-Young, who goes on to note:

At a time when young people are under increasing financial pressure, students, and those in guaranteed training places, need to be better supported if they are to stay on and excel in their chosen path.

While there is general support for the intent of the plans, there is concern that funding and implementation may not meet the requirements for its success.

In the ACT context we have comparatively high year 12 attainment rates, as Mr Barr is proud of noting. We have already met the year 12 retention targets set by Mr Rudd and Ms Gillard. This is not to say that we should not be aiming above this target. Of course, there are still young people who slip through the cracks and who should benefit from the proposed plans. The *Pathways to the future* report shows that the community and the education sector have given conditional support for compulsory participation under the age of 17.

I agree that ensuring options for young people to expand their skill base and prepare for their future at such a critical age is important. Even without these new plans, our education system already offers students the chance to remain on to year 12. With the universities, CIT and other training organisations in Canberra, we have a wide range of educational and training options available. The key is to make sure that young people have the capacity and support to engage in the opportunities open to them.

The extra funding for ACT schools, both public and independent, in this year's budget, as well as the money for CIT, will assist to address resource concerns. But while having the resources and training providers is important it is also vital that our young people have the financial support they need.

I will deal with that in a second. I want to go back to the funding that is going to our training institutions such as the CIT. We really do need to be closely watching and monitoring the increasing enrolments that might happen and ensuring that there is an increase in the funding so that there is the teaching staff available and so that young people are not turned away from the course that they want to study. This would be a most unfortunate outcome.

Looking at the financial support of young people, I note the changes to the eligibility to youth allowance which are linked to the plans. I urge the ACT government to work with the federal government to acknowledge and respond to the Bradley review's recommendations about increasing and improving student support and to ensure that youth allowance payments are sufficient to allow young people to attend and engage in the training and education options open to them.

I also urge the ACT government to ensure that adequate public transport is available for students to physically attend their training place and to ensure that student support services are provided to assist students who may struggle with the study requirements. The ACT government needs to monitor and review the impact of these changes on our young people and particularly review the impact of penalties for non-participation. We need to make certain that we are encouraging our young people to succeed and not punishing them for failure which may be out of their control.

I will support Ms Burch's motion but I stress the need to continue the consultation and involvement of key stakeholders, providers, peak bodies and most importantly the young participants themselves, along with the families and carers, to make sure these plans succeed in improving the lives of our young people.

**MR COE** (Ginninderra) (12.12): I rise to speak on what is, of course, a very important motion and a very important issue. Young people do contribute a lot to our

community and they will continue to contribute to our community for perhaps as long as 70 or even 80 years beyond their current ages. I think it is critical that we put in place the right frameworks and the right educational system to ensure that these people are best placed to serve our community well into this century.

I think we have to be very cautious when we are setting targets like 95 per cent for graduating from year 12. That in itself is not necessarily good or necessarily bad. What we have to ensure is that the education we are offering to 95 per cent of those people is the right education for 95 per cent of them. The last thing we want is to put into place the target of 95 per cent graduation for year 12 if that is not the best thing for them. We have to make sure that the curriculum in those schools, in the colleges or whatever the comparable institution is, is actually something that is going to enable them to serve their community and to go on to bigger and better things.

I fear that in the past, and not just in the ACT but in all jurisdictions all over the world, we have often had arbitrary figures, arbitrary targets of year 10 or year 12 graduates that might have been easy to set and easy to measure by law makers and regulators but which, in actual fact, may not have been in the best interest of all students.

As long as the equivalent level of education—equivalency of a year 12 certificate—is actually something that is going to support the young people then it is something that we as a party I am sure would support. However, it is a complex issue and I hope that no-one in this place would rule out all other options such as apprenticeship training and trade training.

**Mr Barr:** That is why it is education training for work. It is not just keeping people in school. I think I said it about five times.

**MR COE:** Yes. It is good for the minister to go over his 12-minute speech again. I did listen and I did hear it. I did not have a go at the minister. I did simply state that it is very important that we do put on the record our support for making people the best prepared to go into the workforce, best prepared to go into further education and the best prepared to contribute to their community.

I digress slightly to talk about apprenticeships and the contribution that young apprentices make to our community. For too long I think people who have not gone to university have been seen as failures or have not been seen as being as good as those who go on to university. Elitist attitudes like that do a tremendous disservice not just to people who do apprenticeships but also to people who do university. University is one way of gaining certain skills, a certain education; apprenticeships are another way; going straight into the workforce is another way. I think it is very important that we do remember this because too often we have an elitist attitude and university graduates are seen as superior.

Going on to a few other areas related to youth, I think it is very important that we remember that youth policy is not just building skateboard parks. It is not just treating with people who are not on the straight and narrow. Youth policy is much, much broader and I think there is scope to integrate youth policy into education policy much more so than has been the case in the past. Education policy is almost a unilateral

policy in that almost all education is for people who would be under the age of 24. For too long I think we have had a youth policy that has been in parallel to education policy rather than intertwined with it—seeing them as operating hand in hand.

In conclusion, I will have a go at the minister for his remarks about how good it is to work with Kevin Rudd's Labor government, his education revolution which has not quite got off the ground yet. No-one quite knows what this education revolution is. It means a computer for every student apparently but no-one is really quite sure about what that rollout is, what the computer actually is, what the cost of that system is. No-one really knows what this education revolution is, but like all the other slogans of 2007, it sounded pretty good.

**Mr Doszpot:** It sounded good.

**MR COE:** That is right, Mr Doszpot; it did sound pretty good. In 2007 the education revolution was all the rage; it was all the rage; Kevin '07 was all the rage. But here we are in 2009, depression '09, and we have very little to show for all these slogans that we had in 2007.

**Mrs Dunne:** I don't think they will be using depression '09 as one of their slogans, though.

**MR COE:** No, I will use that one: depression '09. We have definitely got recession '09. I would not be surprised if we get depression '09 shortly with a couple more quarters of negative growth.

It is interesting that the minister should talk about what a pleasure it is to work with his federal Labor colleagues, but he does not mention his state Labor colleagues. Why would you not mention your state Labor colleagues? Why would you not brag about your state Labor colleagues and how good it is to work with them on COAG?

I wonder what the average mum or dad thinks about their kids' education in New South Wales. What do they think about the education system in New South Wales? Are you going to be bragging about that? Are you going to be bragging about how good it is to work with the New South Wales minister for education or how good it is to work with Tasmania? I know that they have got a great education system down there that is on fire.

It is very interesting that he should pick and choose his Labor colleagues to brag about. It is all very well to say, "I support an education revolution; I like working with Kevin Rudd," but why do you not nail your colours to the mast when it comes to your state colleagues? Why will you not nail your colours to the mast of Verity Firth? It is because no-one would want to. The New South Wales education system is in absolute shambles. Here we are with our own minister for education bragging about Labor governments until the cows come home. But then suddenly, if they are not doing so well, they do not get a run or if they have not got a good slogan they will not get a run in one of Mr Barr's speeches where he commends Labor.

He has got the same format for every speech: at about the 12 or 13-minute mark in a 15-minute speech he starts kicking in the party-political stuff. He chuckles away,

which I think is a bit of an endorsement of what I just said. I think that is pretty right about the formula he has got. I think all the people in his office know that you write four or five pages of good, solid, typical departmental stuff and then you have a page that perhaps someone else in the office writes. Perhaps it is not the DLO or the department. Someone else in the office puts together pretty much the same rant but they change the portfolio. It might be education, it might be youth, it might be tourism. We get the same old rant over and over again.

As far as the minister's speeches go, the first 12 or 13 minutes might have some substantial departmental substance. But the final two or three minutes is just your rant to be able to appeal to the Labor voters and to the Labor Party members, to distribute that one page to them and say: "This is what I have done. I am fighting for you. I am fighting for the cause; solidarity with my federal buddies."

**Mr Barr:** You have no substance at the start of your speech; that is your problem.

**MR SPEAKER:** Order! Would you like to close the debate?

**Mrs Dunne:** It is not worth closing.

**MR SPEAKER:** No?

**Ms Burch:** Mrs Dunne, not worth closing? What, the youth of our community are not worthy of consideration?

**Mrs Dunne:** You said you were not closing. I was just surprised you were not closing. I thought you said you were not closing. I was expressing surprise that you were not closing.

**MR SPEAKER:** Can we just put the question? I am happy to just put the question or would you like to make comments, Ms Burch?

**Ms Burch:** I think a lunch time will be fine, thank you.

**Mrs Dunne:** Yes, we have got to have lunch, haven't we?

**MR SPEAKER:** If it is the wish of the Assembly to suspend, I think we should put the question.

**Mr Coe:** Yes, put the question.

**Ms Burch:** I do not want to close.

**Mrs Dunne:** She does not want to close the debate.

**Ms Burch:** I do not want to close the debate. I am happy to leave it as it is.

**MR SPEAKER:** I am going to put the question. I am not just going to leave this hanging open if there is no further debate.

Motion agreed to.

**Sitting suspended from 12.22 to 2 pm.**

**Questions without notice**  
**Budget—efficiency dividend**

**MR SESELJA:** Mr Speaker, my question is to the Treasurer. Treasurer, the ACT budget indicates that you intend to introduce an efficiency dividend for the 2010-11 financial year. The Chief Minister said this on 15 October 2008 in relation to the Canberra Liberals' savings plan:

Two-hundred ... public servants will lose their jobs. Two-hundred ... families will have a major bread-winner who will not be employed at Christmas.

How many public servants will lose their jobs when the government introduces its efficiency dividend in 2010-11?

**MS GALLAGHER:** I thank the Leader of the Opposition for the question. There are a few differences between the approach that the Liberal Party took to the election and the position that we have adopted in this budget, the first being that the efficiency dividend that we are asking agencies to find—savings measures that we are asking agencies to find—is delayed one year so that they have the time to do thorough business analyses around areas within their agencies, non labour related, that can produce savings. We have also ensured that small agencies that have more difficulty in finding savings have been given less of a task.

Unlike the Liberals, we have not told agencies that we would be wiping out entire areas of their departments, such as the Liberals plan. In the Chief Minister's Department your plan was to abolish the major projects unit. In the Legislative Assembly, for example, there was going to be a slash to the Legislative Assembly of around \$100,000, from what I remember. There were going to be nurses cut from the Alexander Maconochie Centre. We have not taken that approach. We have not told agencies—

**Mr Seselja:** The first thing you said is wrong.

**MS GALLAGHER:** It is not wrong. You had significant savings in the major projects unit.

**Mr Seselja:** You said it was going.

**MS GALLAGHER:** Significant, in the millions.

**Mr Smyth:** You said you were going to abolish it.

**MS GALLAGHER:** Okay. What, you were going to keep one person sitting there to do the filing, were you? There were significant savings being sought from the major projects unit in CMD.

**Mr Smyth:** You were wrong.

**MS GALLAGHER:** I do not have the exact number, but it was in the millions. It was an absolute decimation of the major projects unit.

**Mr Smyth:** So you are making unfounded claims.

**MS GALLAGHER:** I think it is clear that the difference here is—

**Mr Seselja:** Is what you said right or wrong?

**MS GALLAGHER:** that we have not gone to agencies and said, “These are the areas that we want cut”—

**Mr Seselja:** No, because you do not know.

**MS GALLAGHER:** “because we are ideologically opposed to them.” We have said, “Agency heads, you are in charge of your business.”

**Mr Hanson:** It’s too hard.

**MS GALLAGHER:** “You come and tell us in a very thoughtful process over a year”—

**Mr Hanson:** “You do it. We’re just the government.”

**Mr Coe:** Don’t leave it to the ministers, no. Don’t leave it to them.

**MS GALLAGHER:** Mr Speaker, it is quite difficult to answer the opposition’s questions if they just continue to shout me down. They did this throughout the budget yesterday, which was, I think, unprecedented—unprecedented interjections throughout the budget—and they are doing it now.

Mr Speaker, the view that we have taken—and I know it is one that the Liberals have pooh-poohed; it is one that the Liberals have rejected—is that we are taking time to work with agencies. We are giving agencies a year to come up with reasonable savings measures.

If we were to produce an arbitrary job cut field, which we do not believe needs to be imposed for a one per cent efficiency dividend—we believe these savings can be found through a mixture of natural staff attrition—there may be some voluntary redundancies, as there are every year in every government of all colours and persuasions—and areas within government where we think savings can be found. We are going to work that through with our agencies. I will keep this and update it on progress on that throughout the next financial year.

I have to say that we look forward to the Liberal Party’s submission on how they think the savings measures can be achieved. In fact, we wait with anticipation for your response to the budget tomorrow.

**MR SPEAKER:** Mr Seselja, a supplementary question?

**MR SESELJA:** Thank you, Mr Speaker. Treasurer, when will these public servants start to lose their jobs?

**MS GALLAGHER:** I think I have answered that in the previous answer. We are seeking savings. We are particularly interested in non-labour-related savings from government. Agency heads have 12 months to talk with the cabinet about how these are going to happen. I think that is a sensible and reasonable approach from the government as we seek savings from our agencies. I think it is a completely reasonable position to put to them. It is a one per cent saving for large agencies.

We have time to work out the best way to do it. In fact, written into the budget papers is the fact that we will be seeking submissions from our own employees—not just agency heads; from our employees and through them their representatives—to tell us areas in which they think savings can be made. So it will not be just coming from one side. I think the community will also provide input into those discussions and we look forward to the conversation with the community—a conversation with the community that the Liberals do not want us to have.

### **Planning—Canberra international airport**

**MS HUNTER:** My question is to the Minister for Business and Economic Development. Minister, my question relates to the expansion plans outlined in the draft preliminary master plan for Canberra international airport and the proposal for a 24-hour freight hub. Minister, have you or your department been engaged in any conversations with freight companies DHL or Toll or any other companies either about their general intentions to participate in or establish the 24-hour freight hub or specifically about incentives that the ACT government might consider offering any of these companies to set up operations in the ACT?

**MR STANHOPE:** I thank Ms Hunter for the question. I have not been involved in any such discussions and I am not aware of any proposal that the government offer incentives to any companies such as those that you have described to provide those sorts of services that might flow from the development or creation of a major transport hub at the Canberra international airport.

I will take some advice from the department on whether or not any of my officials have been involved in any discussions with companies or organisations of the sort that you have described. I cannot recall that I have. It may be that I have had discussions with relevant companies but I do not recall any discussions on that subject or that matter. So I make that clarification. But I will check with officials in order to be able to fully answer the question you ask.

It may be of interest to members to know that the government has just this week agreed to a submission to the commonwealth in relation to the further iteration of the Canberra international airport's proposed master plan. We have made submissions to that process. Cabinet agreed to those today. In that submission, we have broadly



outlined or repeated concerns that we previously raised in relation to the impact of development at Tralee and the implications of that for noise sharing across the territory.

Some of the other issues associated with the exclusion of the Canberra international airport and, indeed, airports around Australia from local planning regimes and planning control and the implications of that for governments in relation to infrastructure—roads, most particularly—traffic and traffic management include the raised concerns about unfettered or, at least, uncontrolled development, uncontrolled in the sense that the ACT government does not have a role in the planning of services at the Canberra international airport that are in a sense excluded from our jurisdiction and the implications of that for us in planning, controlling and leading the community's concern in relation to issues such as noise.

In relation to the issue of noise generally, I think members are aware that the government is funding an independent noise assessment. It is an assessment that has been facilitated by the ACT government in partnership with the commonwealth. It has been conducted by an expert from the University of New South Wales. I am advised that, whilst there have been some technical issues in relation to the measuring equipment that is located at Hackett—I believe it is at Hackett—the consultant or expert engaged to undertake that independent noise assessment is in the process of preparing a preliminary report. But at this stage I have received no advice or reports in relation to that independent noise assessment.

Ms Hunter, I will provide you with further advice in relation to any role that officers or officials of the government may have had in discussions of the sort you have described.

**MR SPEAKER:** Ms Hunter, a supplementary question?

**MS HUNTER:** Thanks, Mr Speaker. Minister, what actions has the ACT government taken already and what plans does the government have to promote the development of the 24-hour freight hub at Canberra international airport?

**MR STANHOPE:** I do not think it is fair to say that the government has taken any decisions or has any plans to promote the establishment of a 24-hour freight hub at Canberra international airport. Issues in relation to that particular development are issues or proposals that would be pursued by the airport's owners.

I have to say that I am mindful, quite conscious and very supportive of the role which the Canberra international airport plays in the economic life and the social life of this community. It is fundamental to our economy. It is fundamental to many other aspects of the quality of life in the life of this community and I am a strong supporter of the role which Canberra international airport plays in the life of this city.

With plans that I am aware that the airport has to build its business, including in relation to the enhancement of freight, I look forward to engaging constructively with the airport in relation to any such plans and I of course look forward to engaging with the broader Canberra community in relation to the implications, most particularly the

noise implications, of an expanded, 24-hour airport operation. It is a conversation or a discussion that we do need to have in the context of the various elements of any policy decision that needs to be taken, balancing economic with environment or social needs, delivering genuine triple-bottom-line outcomes in relation to policy initiatives.

The economic importance of the airport to Canberra cannot be understated. The environmental issues or implications of an expanded or enhanced airport operation cannot be denied, but it is important that we balance the economic implications with the social and the environmental implications, and I would hope that the discussion that we have in this place and that we have in the broader community will be mindful of the economic importance of the airport and its operations, whilst of course having due and appropriate, measured and proportionate regard for the social and environmental implications of any expansion of operations at the airport.

### **Budget—retail sales**

**MR SMYTH:** My question is to the Treasurer. Treasurer, on page 134 of budget paper No 3 that you released yesterday you said that growth in household consumption expenditure in the ACT is expected to improve. This morning the Australian Bureau of Statistics released retail sales data for March 2009. For the information of members, the ACT was the only jurisdiction in Australia to record a decline in seasonally adjusted retail sales in March. Treasurer, why was the ACT the only jurisdiction in Australia to report a decline in seasonally adjusted retail sales in March?

**MS GALLAGHER:** I have not seen those figures that you are talking about, mainly because I have been in meetings, talking about the budget since yesterday afternoon.

**Mr Smyth:** So have we.

**MS GALLAGHER:** I did not see you at the one at lunch time, Brendan. Perhaps you were there in spirit. You have asked me two different questions, though. The growth in household consumption expenditure—on page 134—is expected to improve in 2009. The reason that we have forecast that into our figures is lower interest rates and lower inflation, the relative job security in the ACT and our relatively high disposable income.

**Mr Smyth:** I have read all that.

**MS GALLAGHER:** Okay.

**Mr Smyth:** Why does it continue?

**MS GALLAGHER:** That relates to the budget. Are you saying that that is wrong to have that data in there?

**Mr Smyth:** No.

**MS GALLAGHER:** Okay. So that is relating to the budget. In relation to the report that you refer to, I have not seen those figures, if they relate to March. I will have to read them and I will get back to you. But I do not think you can necessarily link retail spending in the March quarter to a Treasury forecast about household consumption expenditure in 2009-10. I think that is what you are trying to do by your question.

**Mr Smyth:** No, I am not.

**MS GALLAGHER:** Well, I think you are, otherwise why would you have linked them?

**MR SPEAKER:** Mr Smyth, a supplementary question?

**MR SMYTH:** Thank you, Mr Speaker. Treasurer, when will the decline in retail sales stop and the predicted growth commence?

**MS GALLAGHER:** I am trying to read some of the analysis here.

**Mr Smyth:** Maybe the Chief Minister should answer if you are not across your portfolio.

**MS GALLAGHER:** Thank you, Brendan. As nice as ever! As I am just reading here: the data produced in the month of March does show a fall of 0.1 per cent. The monthly data, however, is extremely volatile. As to predicting what might be forecast in the next ABS data, I cannot predict that, Mr Smyth. I am a woman of considerable abilities, but, unlike you, who saw this problem coming in 2006, I cannot actually forecast when and what changes there might be to retail spending in the next quarter. As much as I would like to, I do not have the ability to forecast that.

### **Budget—health**

**MS PORTER:** My question is to the Minister for Health. Minister, the 2009-10 ACT budget has provided a number of important and targeted initiatives to progress the government's billion dollar health plan Your Health, Our Priority to ensure that our city has a healthcare system that meets the growing needs of the future. Minister, can you provide an outline of what these key initiatives are for the information of members?

**MS GALLAGHER:** I thank Ms Porter for the question. The 2009-10 budget continues the government's \$1 billion capital commitment to the major redevelopment of the public health system by providing a further \$148 million towards the capital asset development plan on top of the \$300 million provided in the 2008-09 budget. The new funding in 2009-10 will provide \$90 million for e-health initiatives that will take advantage of information technology advances to improve the quality of health services and provide efficiencies in health service delivery.

New information and communication technologies are recognised as being key components in addressing and managing the increase in demand for health services,

and these initiatives are a significant commitment to meeting these challenges. The e-healthy future package delivers on a key 2008 election commitment and has four main elements. The first element is personal electronic health records, which will ensure that accurate and trusted personal health information is made available to the right person at the right time to enable informed care and treatment decisions, which is better for patients and consumers as well as health professionals and providers.

The second element is digital hospital and healthcare infrastructure. The ACT government's commitment to a \$1 billion rebuild of our health system requires new generation digital infrastructure. This will require a medical-grade secure network to enable safe, timely and reliable exchange of sensitive clinical information by health professionals and provider organisations.

Further to this, remote diagnostic and treatment services to enable care to move seamlessly outside the hospital and clinic environment and into patients' homes will be achieved through common clinical applications and high availability ICT infrastructure. Decision support will guide the highly skilled work undertaken by our frontline health workers—doctors, nurses and allied health professionals. This will include electronic medication management—also known as EMM—to ensure safe, accurate and timely prescribing and administration of medication and online access to clinical protocols, guidelines and new medical research.

The fourth element of our e-health package is support services. Support services are the essential infrastructure components of e-health that make decision support, personal electronic health records and the digital environment possible. An e-healthy future will enable patients to be placed at the very centre of the healthcare system and also provide valuable support to general practitioners through the electronic sharing of patient clinical information between the hospital and the GP to improve patient safety.

This considerable investment by the ACT government in e-health capacity will also provide patients with a much greater say in how their personal health information can be used to improve access to health care, reduce wasted time associated with current multiple disconnected paper-based systems and, above all, improve the safety and quality of health care.

It will also ensure that our service delivery is safer, timelier and more efficient. In addition to our e-health package, \$51 million is provided for the forward design and construction of a new enhanced community health centre at Belconnen. This centre will provide traditional community health services such as dental, community nursing and community mental health. It will also provide an expanded range of higher order clinical services previously provided on hospital grounds, such as renal dialysis, some specialist outpatient services and chronic disease management.

Our ACT-wide public health rebuild plan proposed two community health centres for the territory, one in the north and one in the south. This initiative provides funding for the Belconnen one as a matter of priority to begin the process of establishing an alternative site for a number of hospital-based services and to increase access to those services for north Canberra residents.

The government is committed to investing in health to create a strong, well-resourced and responsive public health system both in our hospitals and in the community. This initiative will provide the capacity to incorporate targeted GP services into comprehensive north side health precincts for Canberrans. Funding is also provided for the establishment of a walk-in centre at the Canberra Hospital.

In addition to the enhanced community health centre, the budget provided \$2.1 million to refurbish an existing area of the Canberra Hospital for a new walk-in centre—another key election commitment of the Labor Party. This walk-in centre will provide easy and quick access to medical care for people with minor illnesses or injuries and the aim is to reduce pressure from our very busy emergency department and overworked ACT GP population by providing an alternative service for people with low level health needs. This model has been the result of extensive consultation with the community and with professional health stakeholder groups.

In addition to this considerable capital commitment in the budget, recurrent funding continues to be provided to meet growth in acute, mental health, aged care and cancer services—(*Time expired.*)

**MR SPEAKER:** Ms Porter, a supplementary question?

**MS PORTER:** Minister, can you provide more information on why this funding was factored into the budget for future years and what effect it has on health care in the territory?

**MS GALLAGHER:** In 2006 the government decided to index health growth at six per cent per annum, just over six per cent per annum, in that year and into every outyear. The base funding envelope for ACT Health has been maintained to continue to provide budget certainty despite the pressures linked to the global financial crisis.

The government recognise that demand for health services is growing and will continue to grow. We have an increasing local and surrounding population and an ageing population that will continue to place pressure on the health system. The funding certainty allows ACT Health to meet the activity and price adjustments, including salary increases through collective agreements and indexation on consumables.

I have to say that we are the only government, as I understand it, in the country that indexes health at six per cent and provides it into the forward estimates. That gives us stability to plan, to organise, to recruit workforce to the territory—

*Opposition member interjecting—*

**MS GALLAGHER:** I am not going to respond to interjections, Mr Speaker. I do not actually even know what he is talking about.

For the information of members, the ACT government funds the health system about 70 per cent of the health costs and the commonwealth government provides about

30 per cent of the health costs, so six per cent growth on funding where we provide 70 per cent of the money means that our health budget is creeping up, and over the forward estimates period it will exceed \$1 billion.

This is the sort of money that we are investing in health. These are the decisions we have taken to keep that funding going and, whilst it would have been easy to remove that funding—certainly a lot easier in how our bottom line would have looked—it would have put enormous pressure on the health system and resulted in us having to crisis-manage the health system through the budget process every year. We have taken a decision not to do that. We have protected the growth money in the budget for health and we will continue to look at efficiencies to ensure that we are providing the most efficient level of health care to the community of the ACT and the region that surrounds us.

### **Budget—revenue**

**MR COE:** My question is to the Treasurer. Revenue projections for the 2012-13 financial year will be \$3.8 billion, which will be a record level of revenue for the territory. Why are you projecting a budget deficit of \$152 million in 2012-13 given that the territory will be earning a record level of revenue?

**MS GALLAGHER:** It is predicated on expenditure in government growing, Mr Coe, if you have not been paying any attention to the last two days.

**MR SPEAKER:** Mr Coe, a supplementary question?

**MR COE:** Given that, why are you unable to control ACT government expenditure so that the ACT budget will be in balance in 2012-13?

**Mr Stanhope:** Outline your cuts, Mr Coe.

**MS GALLAGHER:** We look forward to hearing those tomorrow. What I am hearing from Mr Coe is that they do not support six per cent growth in health being factored into the forward years. That is what I am hearing, that you remove—that you remove wages provision, that you remove provision for indexation to the community sector that is going to grow every year, that you remove all those provisions into the forward estimates.

*Members interjecting—*

**MR SPEAKER:** Order! It is actually the members on Ms Gallagher's side that are creating the noise and making it a bit difficult to hear. Let Ms Gallagher continue in peace.

**MS GALLAGHER:** The opposition—we wait for this with great anticipation—no doubt will hand down a strategy tomorrow that includes no new growth in government expenditure. You would remove the provisions that we have made for health, for community sector indexation, for wages provision—because they are the costs. They are real to the territory budget, and we have shown them to be real.

Yes, it shows that we will have a substantial deficit to deal with even while we are finding savings. But the reality—and we understand the reality after being in government for eight years—is that government expenditure will grow. It will continue to grow. We are going to contain it, through our seven-year plan, to 4.5 per cent growth. That is going to be a hard job, but we are determined to do it and return our budget to surplus over the seven-year period.

### **Planning—Bunda Street**

**MS LE COUTEUR:** My question is to the Minister for Territory and Municipal Services and concerns the Bunda Street refurbishment project. Minister, as the consultation process has revealed many excellent options for making Bunda Street part of a more sustainable town centre by improving cyclist and pedestrian access, will you ensure that these are implemented as part of a refurbishment project?

**MR STANHOPE:** I thank Ms Le Couteur for the question. I am aware of the views proffered to the consultants in relation to the Bunda Street upgrade, most particularly by riding enthusiasts represented by Pedal Power. I have met with Pedal Power and they have discussed with me their particular view of the design changes or improvements that might be made or taken advantage of through the upgrade of Bunda Street. Indeed, I read with interest the last newsletter of Pedal Power and their representations in relation to this particular issue and am conscious of those representations.

I am also in receipt of the views of both the Department of Territory and Municipal Services and, I believe, ACTPLA in relation to some of the implications of the approach which Pedal Power would wish us to adopt in relation to Bunda Street, which would have, probably, quite significant impacts for the continuing use of Bunda Street as a motor vehicular access or road.

Whilst no decision has been made and the final design for Bunda Street has not been approved, there is a view within government—as I say, I have not yet come to a concluded position on this—that the particular design proposals advanced by Pedal Power are not consistent with some of the design parameters of both TAMS and, I believe it was, ACTPLA. I will probably need to check. But there were two and I can only imagine that the other was ACTPLA.

I am more than happy, Ms Le Couteur, to discuss the issue with you and to perhaps get to the heart of the conflicting views in relation to this issue. I have a view that it is important that Bunda Street be retained as a viable, active, vehicular entry into the city. I have a personal view, in the context of some of the issues we face in relation to the revitalisation and the bringing of life into the centre of the city, that one of the issues we face is the number and the extent of road closures that have been introduced into the centre and the area which we are now confronted with in terms of creating a mass of life and activity which allows us to achieve the sort of environment and the vibrancy that I think we all want for the centre of the city.

You may be aware, Ms Le Couteur, that the budget includes the provision of \$200,000 to develop an overarching, coordinated and consistent master plan. I think

the issue you raise really goes to the heart of taking that decision to fund a master plan so that we are not, as we are now doing in Bunda Street and, perhaps to a lesser extent, West Row and East Row, working in isolation in an interim response to the needs of the city.

In conclusion, I am very aware. I have discussed the issue with Pedal Power. I understand their view but I am also understanding of the view expressed by officials in relation to a contrary opinion and view about the best design for Bunda Street. But I am more than happy to discuss it.

**MR SPEAKER:** Ms Le Couteur, a supplementary question?

**MS LE COUTEUR:** Thank you. Is it your position that motor traffic is needed in Bunda Street for security reasons? If that is the position, would you therefore be happy to agree that motor traffic be excluded from the street during daylight hours?

**MR STANHOPE:** My support for motor traffic in Bunda Street has not been related to security as such, though I guess, when one goes through some of the issues, it would be an issue. I am one of those who believe that motor traffic within the city or the centre of the city actually provides movement. It does have some security issues or implications and it does have the effect of actually providing some life. I think there are a range of other important reasons for maintaining motor vehicle traffic through Bunda Street.

As I just indicated, I do not tend to act on this personal view by suggesting that we reopen Petrie Plaza or Garema Place, but I personally have a view that, in a management sense, one of the issues we face in the CBD is the extent of the area from which we have excluded motor vehicles—all the way from Akuna Street essentially to Northbourne Avenue, all the way from Bunda Street to London Circuit. In the context of cities of this size, it is a massive area of motor vehicle exclusion and it represents again real issues for us in terms of management and maintenance and I think a significant issue in relation to that issue around vitality, movement, life, people and the development or creation of a truly sustainable, vibrant city centre.

We are working on that with major upgrades, to which we are now committing very significant funds, but I think there is a whole range of initiatives that can be pursued. I am not supportive—I would need some strong arguments to convince me—that we should exclude motor vehicles from Bunda Street at all.

### **Budget—parking fees and bus fares**

**MRS DUNNE:** My question is to the Treasurer. Treasurer, in the budget that you announced yesterday you have increased parking fees for ticket parking machines and for metered parking, as well as increasing fares for ACTION buses. Treasurer, why have you acted to force people out of their cars and then forced them to pay higher bus fares for the privilege?

**MS GALLAGHER:** There are a number of reasons—and a couple to begin with. Parking fees and bus fares had not increased for some years, and the investments



being made by government have been increasing in that time. So part of it is to meet the increasing costs in providing services to the community. I think the Chief Minister said today that 80 per cent of ACTION is funded through the budget and 20 per cent through the fare box. I think it is only reasonable that the government increase fares after a period when they have not been increased at all.

People understand. Most fees and charges across government are indexed every year. I think the fact that we have not done it in the bus fares means that we have needed to respond in this budget. I think it is a pretty modest increase. As to our other investments in public transport, we are hopeful that more people will choose to travel on the bus.

In relation to parking, let's get real. Our parking charges in the ACT relative to other jurisdictions are extremely low. We have included in this budget a pretty modest increase to a charge that has not been increased for some time, to reflect increases in costs and, over time, to change behaviour to make sure that the community is thinking of other options in relation to transport than bringing their vehicles into work and using the car parks every day.

It is a pretty simple reason. We have not increased costs in either of those areas for some time, and I think it is realistic and fair that we do so. In addition, over the longer term we would like more people to get on buses and fewer people to bring their cars. If increasing costs changes behaviour, then that is a good thing.

**MR SPEAKER:** Mrs Dunne, a supplementary question?

**MRS DUNNE:** Treasurer, apart from "it seemed like a good idea at the time", what was the policy imperative of imposing increased parking fees at the same time as increasing bus fares?

**MS GALLAGHER:** Essentially the government have decided that these fees have not been increased for some time, and we have taken a decision that this is the time to increase fees; that it is reasonable that we do this across a whole range of areas in government. We are investing enormous amounts in our public transport system. We have done that through Network 08, we are doing that with additional funding in this budget, and a reasonable increase of 11 per cent, averaged out, I do not think the Canberra community are going to be too upset about. I think they are prepared to pay for a good quality public transport system. That is what we are building for them and that comes at a cost. It is 80 per cent funded by the budget, 20 per cent funded by the fare box and it is only fair that we increase bus fees by 11 per cent. I do not think that is unreasonable, I do not think the community will think that unreasonable and, as we continue to build our public transport system, I think people will understand that.

But let us face it: we have a few options open to us when we look at increases in revenue to the government. It is fair that in areas such as parking and public transport we try to keep pace with the increases in costs.

## **Multicultural Youth Service**

**MS BRESNAN:** My question is for the Minister for Multicultural Affairs and concerns the Multicultural Youth Service ACT. Minister, the community inclusion fund, where MYS receives the bulk of its ACT funding, is due to end and the Treasurer has noted that some of the programs under this fund will shift to other department program areas. The Youth Coalition of the ACT, in its budget release, has noted that the MYS drop-in service is likely to close. Can you confirm whether the multicultural funding in the budget includes funding for MYS and the amount of funding?

**MR HARGREAVES:** I thank Ms Bresnan for the question and for the advanced notice that it was her intention to discuss this matter in the chamber. That was very helpful. My understanding about the funding to MYS was that—

**Mr Hanson:** It is a dorothy dixer from your good mates over there.

**MR SPEAKER:** The minister is answering the question, Mr Hanson.

**MR HARGREAVES:** Thanks very much, Mr Speaker, from my colleagues and my good friends over here. My understanding of the funding for MYS in previous years was that it was project funded.

*Opposition members interjecting—*

**MR SPEAKER:** Order! I cannot hear Mr Hargreaves.

**MR HARGREAVES:** This year, in this budget, there was indeed a request to have a one-off funding presented. That was not successful, along with a number of other varied—how can I put it?—viable requests from the community sector. It was a case of “we don’t have the resources at the moment to do this one-off funding”.

*Opposition members interjecting—*

**MR HARGREAVES:** We will ignore them; we will ignore those people over there. I will not talk to the Cabbage Patch dolls over on that side of the chamber.

The issue for us is this: how much of these community requests can we actually fund in a year? A lot of them are quite viable; they are quite sustainable; they are quite justifiable. If you do not have the money, you just do not have the money in this particular year.

I do not want to send a message that the door is closed to MYS forever. At this particular time, the funding request was not successful and, unfortunately, the money is not available at this time. It was not agreed that there should be project funding going forward.

But there was a time—and it was right on the cusp of budget conclusion time—when I had some concerns about the ongoing issues around MYS. It had not been brought to my attention some months ago but it was brought to my attention only a week or so ago. I note that there was an email exchange between quite a number of people on the difficulties that MYS is actually encountering. But my understanding in recent days is that MYS is not quite as dire as it was before.

I can assure Ms Bresnan and the Assembly that, from my perspective as Minister for Multicultural Affairs, I highly value the services that the Multicultural Youth Service actually provides to the community. Were it not for that particular service, we would not have had a cultural change in our police force with regard to their attitude towards young people gathering in public places.

What I can say, though, is that, in this particular instance, there is nothing in the budget; no, quite right. Were we trying to perceive some way in which we could assist in the process? Yes, we were. But can I undertake right now to fund it? No, I cannot and I will not come in here and give you weasel words about that. No, I cannot. But there may very well be other ways in which assistance can be brought to assist MYS. I do not know enough about that at this stage.

With regard to MYS going forward, we need to understand that we have not—and the commonwealth government is in exactly the same boat—been funding core funding for certain community activities for quite some time. We have been doing project funding. Sometimes projects are successful and sometimes they are not. If in this particular case it is not, it does not mean to say that the case cannot be brought forward in the next budget round to have another crack at it. I am happy to have a look at it and maybe lend some more support to it.

**MR SPEAKER:** Ms Bresnan, a supplementary question?

**MS BRESNAN:** I will just note that I did actually call your office this afternoon about this. Will there still be funding provided to a multicultural youth service in the multicultural strategy and when is this funding likely to be provided?

**MR HARGREAVES:** I have not seen the final of the multicultural strategy at the moment, because it is still out there for community consultation and we have not completed it. The latest round of seeking community views on what should or should not be in that particular strategy has yet to be concluded. We have not actually got to the end of that yet.

When we have a look at the strategy, we will look at what resources will be brought to bear to attack particular issues contained in that strategy. There is a defined amount of money within the Office of Multicultural Affairs for activities in the multicultural sector. It is somewhere of the order—I do not want to be exact with this figure—of \$75,000, around there. That has been applied for the last 2½ or three years, I think, to project funding specifically.

It was, once upon a time, applied to core funding for the ACT Multicultural Council, which delivered an absolutely pathetic program for a number of years. We had to withdraw those funds and then apply to projects out there in the multicultural sector to actually deliver programs that the multicultural sector wanted. It is my intention over time to return those funds to the community without having the involvement of the government other than to set what outcomes we would like to see—which are driven by the multicultural strategy.

But when it comes to specific parts of it I do not want anybody to consider that the \$75,000 or thereabouts is to be considered as ongoing core funding for any activity at all at this point in time—not at this particular point in time. If there is a point in the future where that is a viable exercise—we will see how the maturity of the change process in the multicultural community emerges; it has been through a very significant change process over the last four years. I would suspect off the top of my head that it is about 80 per cent of the way through the continuum. It is a fairly complex exercise.

I am quite happy to offer Ms Bresnan and her office a detailed briefing on this particular matter as and when the diary is free.

### **ACT Planning and Land Authority—funding**

**MR DOSZPOT:** My question is to the Treasurer and relates to funding arrangements for ACTPLA. Treasurer, in the next financial year ACTPLA will receive one-off funding of \$1.7 million and extra staff to increase productivity. Yet after this one-off funding, they will then be forced to find hundreds of thousands in efficiency dividends. If ACTPLA in its current form have not been able to provide adequate service to the development of Canberra prior to the funding cuts, how will they provide the services after funding cuts?

**MR BARR:** Mr Speaker, as I have responsibility for the Planning and Land Authority, I am happy to take this question. It is within my portfolio. I thank Mr Doszpot for the question. The government has made a series of funding commitments for the Planning and Land Authority in this year's budget. I would draw Mr Doszpot's attention to the creation of a fourth branch, business services development assessment, separating those two elements so as to provide enhanced services to users of the Planning and Land Authority, be they industry or Canberra householders.

Those changes came about as the result of a considered review of service delivery within the Planning and Land Authority and do provide for more inspectors, particularly in the plumbing and electrical inspectorate and a much faster turnaround on the issuing of things like certificates of occupancy, which were matters that were raised with government through the implementation the ACT plan, through our industry monitoring group and through our industry roundtables.

The additional funding that we have provided on a one-off basis to the Planning and Land Authority was in recognition of the changes to the new planning system and the

increased number of development applications anticipated through both the commonwealth government's stimulus package, particularly in schools and housing, but also in recognition of the need to supplement particular services around, for example, the fast tracking of land release, further commercial and industrial land supply and a range of other areas also in relation to COAG commitments such as those around creating a harmonised national system for occupational licensing.

There are a number of areas of work that the Planning and Land Authority will be heavily engaged in in the next 12 months, such that they have received budget supplementation this year to undertake those pieces of work. I have not heard any particular criticism from industry in relation to these initiatives. In fact, they have been very warmly welcomed, recognising the importance of achieving these particular targets and these particular work goals in the next 12 months.

Mr Speaker, you and others in your party would be aware of the commitments that occurred at COAG last week in relation to moving to six-star assessments and requirements for new buildings. All of this important work has to take place according to a pretty strict time line, and that work is being funded by the government to occur in the next 12 months. There are a number of ongoing initiatives in the Planning and Land Authority's budget that Mr Doszpot may care to consider when looking at the totality of the budget for the ACT Planning and Land Authority, but again I think it is worth noting, Mr Speaker, that there is very strong industry support for these initiatives.

It would appear that there is a line of questioning that we have seen from the Liberal opposition today. The first question from Mr Seselja was that there should be no job cuts; there cannot be any job cuts. The third question from Mr Coe was that we must have a smaller deficit. The fourth question from Mrs Dunne was that we oppose all price rises. The second question from Mr Smyth was totally irrelevant. And now we get to Mr Doszpot's question, which seems to be that we need to spend more money.

Five different questions; five entirely different strategies from the Liberal opposition. Once again, they are confused and befuddled. Robin and Robin here sitting at the front do not know what their economic strategy is. The challenge for Mr Seselja tomorrow at 2.30 pm is to outline his alternative strategy for service delivery in this community. If he believes, like Mr Coe, that we need a smaller deficit, let us hear that speech. But if he believes, like Mrs Dunne, that you can never put up a fee or, like Mr Seselja, that there can never, ever be a reduction in the number of public servants, then let us hear that speech.

We will all look forward to what will undoubtedly be a coherent response from Mr Seselja. I am sure he is eagerly awaiting the challenge to rise to the occasion. He has never been able to do it before. We will see whether he can manage it tomorrow.

**MR SPEAKER:** Mr Doszpot, a supplementary question?

**MR DOSZPOT:** My supplementary question to the assistant Treasurer is: what is the strategy behind giving ACTPLA millions extra in funding and extra staff, only to rip them out 12 months later?

**MR BARR:** It is interesting that Mr Doszpot did not listen at all to my initial answer. Let me repeat, for the benefit of Mr Doszpot: there is a series of tasks that we will require the Planning and Land Authority to perform in the next 12 months. We are funding them to undertake those tasks. Once those tasks are complete, there will no longer be a requirement for those tasks to be funded on an ongoing basis. That is fairly straightforward. Even Mr Doszpot should be able to grasp that. Even Mr Seselja might be able to grasp that. Mr Smyth?

**Ms Gallagher:** Probably not.

**MR BARR:** Maybe not.

**Ms Gallagher:** Selectively understood.

**MR BARR:** Yes, selective. That is right: he might selectively understand. But the important point to stress is that the range of tasks, as I have outlined in my initial answer, that go to a range of issues within the Planning and Land Authority's responsibilities, will be required to be performed within that period.

Beyond that, the government will of course set priorities through the statement of planning intent. In fact, at the conclusion of this financial year it would be timely for me to issue a new statement of planning intent, which I intend to do, and that will outline the future directions and priorities for the Planning and Land Authority. We will then make budget decisions in relation to those priorities. That is as you would expect it to be, as was the case when I issued my first statement of planning intent as planning minister and as Mr Corbell did when he issued a statement of planning intent when he was planning minister. That is a sensible way forward. That is how we undertake guidance to the Planning and Land Authority. That is the formal instrument, the statement of planning intent.

I am sure members opposite will of course keenly contribute to that debate—because they are not interested in opposition for opposition's sake, of course. They will show a positive engagement on these issues—maybe not. Maybe we will get the standard, stock, boring, predictable lines from those opposite. They have nothing new to contribute to the public policy debate. It is the same old, same old confused strategies—different questions, everyone going in a different direction. But again, come 2.30 tomorrow, the Leader of the Opposition will face his moment of truth.

### **Budget—savings**

**MR HANSON:** My question is to the Treasurer. Treasurer, in your budget you note that the Stanhope-Gallagher government is targeting aggregate savings of \$153 million by 2012-13. The budget also notes the unallocated savings of \$97 million. Treasurer, why have you included \$97 million of what you have called unallocated savings in your budget with no details of what this amount comprises?

**MS GALLAGHER:** I thank Mr Hanson for the question. I had thought that Mr Hanson was at every event, except the community sector event, that I have done since the budget. I think he was at the chamber of commerce and the breakfasts. I

think he listened to my speech in the Assembly yesterday, although he was interjecting quite a bit through it so maybe he missed that bit.

The issues around the unallocated savings are that the government wants to have a conversation with members of the Assembly, with the community, with business, with unions and with industry representatives about how we approach the savings job. I would have thought, just going back a few months, that that is a strategy which the Liberal Party warmly embraced and endorsed, considering, I think, from memory, that they spent money advertising around perceived lack of consultation on our part. Everyone in politics knows that what you spend money on in your advertising is a message that you want the people to hear. You campaigned against us supposedly not consulting with the community. We have taken the approach—

**Mr Hanson:** So you accept that you were wrong, that you did not consult?

**MS GALLAGHER:** We did not support your campaign advertising; it was pretty mucky politics. But we listened to the results of the election. We have heard from the people of Canberra. We accept that there were times when we could have taken them into our confidence earlier.

That is exactly what this budget is doing. It is saying, “This is our issue. We have found \$60 million of these savings on our own and we think they are sensible. They can be delivered through a mixture of wage restraint and some small efficiencies across government. But there is a bigger job to do. There is \$97 million which we would like to talk to you about.”

Again, I look forward to the Liberal Party’s submission on that and I look forward to them embracing the fact that we are going to be having a conversation with the community and we hope they take part in that conversation.

**MR SPEAKER:** Mr Hanson, a supplementary question?

**MR HANSON:** Treasurer, how did you determine that the total savings of \$153 million could be achieved over the three years of 2010-11 to 2012-13?

**MS GALLAGHER:** The savings target is a key part of returning the budget to surplus over the seven-year cycle. As part of the seven-year plan, we expect revenues outside the forward estimates to return to long-term trends; they sit just below it within the forward estimates. We seek to restrain government expenditure to 4½ per cent. We seek savings to the budget in the order of \$153 million. Whilst our expenditure is growing, we are looking for efficiencies at the same time and we are expecting our revenue to return to the long-term trend. Over time, that will enable us to return to budget in the 2015-16 financial year.

### **Infrastructure—investment**

**MS BURCH:** My question is to the Chief Minister. Would the Chief Minister please outline how the investment in infrastructure announced in the 2009-10 budget will help the ACT community?

**MR STANHOPE:** I thank Ms Burch for the question. As members would be aware, last year my government committed to the largest ever single investment in infrastructure through the billion dollar Building the Future program. This was an investment for the future of the territory, an investment which was designed to help our city grow—which it will—and to create a city that could support our community well into this century.

Key areas of building the future investment were: the establishment of a health system to serve the needs of Canberrans; working towards a better transport system; meeting the challenges of climate change; improving urban amenity; investing in public infrastructure; and providing for the growth of our economy.

The 2009-10 budget builds significantly on this billion dollar investment. I add that it is fair to say that we can wonder where we would be but for the foresight which Labor showed in the 2006 budget that actually led to our capacity to actually invest in that billion dollar program. We can only wonder what the situation would be today without that.

The government's Building the Future program is enhanced with a further \$274 million over four years of new spending on infrastructure which will help support our economy in these tough times. Some of the initiatives that we are pursuing in this budget through that enhanced infrastructure program—as I say, the biggest ever; well in excess of \$700 million—is \$43.5 million for a new high school at Harrison; \$51 million for a new community health centre in Belconnen; \$13.9 million for two major wetland ponds in Dickson and Lyneham; \$8.5 million to upgrade the Lyneham sports precinct; \$9.2 million for new cycling paths, footpaths and signage; and \$83 million to fulfil Labor's commitment to duplicate Gungahlin Drive.

On that note, I am also pleased to say that Labor has also been able to fulfil a number of election commitments through this budget and our continued investment in infrastructure. I am pleased to be able to say that \$197 million worth of capital commitments in the 2009-10 budget and the recent supplementary appropriation are delivering on commitments which we made in the last election campaign. These include, as I said, Labor's commitment to the GDE and the Belconnen community health centre.

The 2009-10 budget also included \$29.6 million of funding for capital projects to deliver on commitments made in the parliamentary agreement with the Greens. These include record investment in cycling and footpath infrastructure. It is important for the government to continue to invest in our economy in these tough times. Labor's infrastructure program will provide essential support to local business by providing a strong level of certainty in continued global economic gloom.

The federal Labor government's initiatives announced in the nation building and jobs plan are also helping to support our local economy. The ACT government is working with the federal government to deliver on these programs through projects being delivered in addition to works that essentially very much complement our own infrastructure program.



It is a government's role to provide leadership, particularly in these tough times, and ACT Labor is doing just that in relation to this particular budget. The strong continued investment building on the billion dollar Building the Future program will support the ACT economy by providing stability and supporting jobs. It is expected that some 2,000 jobs will be supported through the capital programs in this budget.

In contrast to that, of course, is the nature of the cuts that the Liberal Party proposed in the last election, which they are a bit leery about raising and discussing now. That is why we look forward with such interest to the alternative budget that will be delivered by the Leader of the Opposition tomorrow on behalf of his shadow treasurer.

We will listen intently to what it is that the Liberal Party have to say tomorrow about how they will deal with a circumstance in which in this first year \$224 million of anticipated revenues has been simply taken from our forward estimates. What would the Liberal Party do in the situation that we find ourselves in? We know what they proposed to do a few months ago. They did propose, as Ms Gallagher said, to simply cut the major projects and facilitation unit—\$2 million or \$1.9 million a year straight out of major projects—

**Mr Smyth:** No. She said “abolish”.

**MR STANHOPE:** That is it. This proposal, however you care to describe it, is to abolish the major projects and facilitation unit—\$1.9 million of funding out of major projects is major projects. It is interesting, too, to note that the other major saving of the Liberal Party—the Treasurer has mentioned this without attempting to be too scornful—was to actually cut the Treasurer's Advance, which is not a saving at all. It really is just fiddlesticks. That is just smoke and mirrors (*Time expired.*)

**MR SPEAKER:** Ms Burch, a supplementary question?

**Mr Seselja:** Give them a licence to spend too much.

**MR SPEAKER:** Order! Ms Burch has the floor.

**MS BURCH:** Can the minister advise the Assembly on the community reaction to this significant investment?

**MR STANHOPE:** Thank you, Ms Burch. As I just outlined, the 2009-10 budget builds on the billion dollar investment of Building the Future. In total, in fact, there is \$928.4 million to be spent over four years on new capital infrastructure through this budget, including federally funded projects under nation building and the jobs plan.

As I outlined, the 2009-10 budget plays an important role in supporting the ACT economy in these tough times—tough times that have been brought on us by the global financial crisis. All of those impacts on our budget are external and completely outside our control. Of course, they are externalities and impacts that are affecting all governments around Australia. It is expected or anticipated at this time that the commonwealth, for instance, will next week reveal a budget deficit of somewhere

between \$60 billion and \$70 billion. And it is in that environment that governments must grapple with the circumstance.

That is why it is so important that the alternative government or alternative Chief Minister outlines tomorrow what he and his colleagues, his government, would do in these circumstances. Would they do as Mr Barr has just pointed out? Would they do as Mr Seselja has just indicated and actually increase, as Mr Seselja proposes, expenditure? Or, as Mrs Dunne, proposes, not to raise any taxes or charges? Or, as Mr Coe suggests, actually reduce the deficit more quickly?

If that is the view of the Liberal Party, if seven years is too long, faced with the situation we face today with our seven-year plan, what is the length of the Liberal party's plan? Is it a two-year plan, a three-year plan, a five-year plan or a seven-year plan? If it is that seven years is too long, how many years would you propose that the territory come out of the deficit? How many years? And what would the bottom line and the shock of your short program be? Answer these questions.

Do not criticise a seven-year plan without telling us how long your plan of recovery is. Is it a three-year plan? And what are the implications of your four-year plan for your savings case? We have identified a \$153 million savings target. What would yours be if you halved the time?

**MR SPEAKER:** Mr Stanhope, I think you have made the point. It would be good if you came back to the question.

**MR STANHOPE:** Thank you, Mr Speaker. It is, of course, a point that we will make repeatedly over the next months. Indeed, our response to the alternative budget will be delivered tomorrow. As I was saying, there has been very strong—

**Mrs Dunne:** On a point of order, Mr Speaker: this seems to be a running pattern. People take points of order, you make rulings and the Chief Minister seems to ignore them. The Chief Minister can make the political debating point at any time but you have actually called him on relevance in relation to the answer to the question. So I would submit that he cannot do it in question time.

**MR SPEAKER:** Yes, I was giving Mr Stanhope the chance to get going again. I am sure he will immediately come to the actual question he was asked.

**MR STANHOPE:** I was back on track, until the paragon here actually interrupted—the paragon of virtue of the standing orders—and took another point of order.

**MR SPEAKER:** Mr Stanhope, please get to the question.

**MR STANHOPE:** As I was saying, there has been strong community support for this budget. Catherine Carter, a known wine and cheese night pinko leftie, has commented on this budget that it is a budget which will provide a direct economic stimulus into the territory as well as potential environmental benefits. She went on to say:

... we are pleased the ACT Government has taken some positive steps to safeguard the Territory's economy ...

The Canberra Business Council, through Ms Chris Faulks, reported on the budget that capital works expenditure will generate employment opportunities in the short to medium term. Chris Peters, a closet leftie but another known leftie, said:

This is a steady-as-she-goes budget ... It maintains confidence for both consumers and businesses during tough economic times. The significant capital expenditure—

according to Chris Peters—

will help stimulate the ACT economy and the expenditure in health and education will also be of great assistance.

Alan Evans, a known supporter, I do confess and admit, of the Labor Party, said:

The NRMA welcomes the funding for roads such as the Gungahlin Drive duplication.

Jim Torr from the Australian Federal Police Association said that this budget will assist Canberrans “in reclaiming the public places of the ACT for family use”. Roslyn Dundas has welcomed the homelessness and elder law project of Legal Aid. The ACT schools community has also been full of praise. Elizabeth Singer from the ACT Council of Parents and Citizens said:

The council supports the directions for public education.

Penny Gilmour, similarly, on private education—

**MR SPEAKER:** The Chief Minister’s time has expired. Resume your seat.

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

## **Answers to questions on notice**

### **Question Nos 30, 131 and 168**

**MRS DUNNE:** Mr Speaker, in accordance with standing order 118A, I would like to seek an explanation from the Attorney-General as to the lateness of answers to question on notice No 30, which was due on 12 March; 131, which was due on 28 March; and 168, which was due on 2 May.

**MR CORBELL:** I thank Mrs Dunne for the question. Mr Speaker, those questions have now been cleared by my office and they should be with Mrs Dunne shortly.

### **Question No 133**

**MRS DUNNE:** I also ask the Minister for Corrections for an explanation—not an “it’s in the mail”—as to why the answer to question on notice 133, which was due on 28 March, is overdue.

**MR HARGREAVES:** Firstly, I apologise to Mrs Dunne for not having the question delivered. It was given to me two days ago to sign, to be brought down here. It had some grammatical errors in it. It was just a case of the timetable and bringing it down. It had some grammatical errors in it, I sent it back to get those grammatical errors fixed and I am hopeful that it will be here either this afternoon or tomorrow.

### **Question No 181**

**MRS DUNNE:** Mr Speaker, I ask for an explanation from the Minister for Children and Young People in relation to question on notice No 181, which was due with me on 2 May.

**MR BARR:** I will check with my office. I believe I have signed off that question on notice.

### **Supplementary answers to questions without notice Budget—retail sales**

**MS GALLAGHER:** Mr Speaker, I have a matter relating to question time and a question that I took from Mr Smyth. Through question time, I have had an opportunity to look at the retail trade March figures. As Mr Smyth said, the value of retail trade showed a fall of 0.1 per cent in the month of March, for the month-only figures. But the release also includes quarterly volume data, which is more relevant to analyse retail trade.

From what I can see there, I think that volume data show increases in retail trade in the ACT by 1.4 per cent, stronger than the national average of one and the third highest behind the Northern Territory and New South Wales. I think the answer is that people are buying more but the prices are decreasing. It is completely in line with the Treasury predictions as outlined in the budget.

### **Answers to questions on notice Question No 167**

**MR SESELJA:** Under standing order 118A, I seek an explanation from the Attorney-General in relation to outstanding question 167.

**MR CORBELL:** Again, Mr Speaker, that question has been signed off by me and should be with Mr Seselja shortly.

### **Eggs (Cage Systems) Legislation Amendment Bill 2009 Exposure draft**

**MS LE COUTEUR** (Molonglo), by leave: I table an exposure draft of the Eggs (Cage Systems) Legislation Amendment Bill 2009 and seek leave to make a statement.

Leave granted.

**MS LE COUTEUR:** I thank you. I am pleased to present the Assembly with the exposure draft of the legislation that would outlaw the cruel practice of keeping hens for egg production in a cage system. This is a production method commonly called battery cage farming or sometimes layer hen farming.

As currently drafted, the Eggs (Cage Systems) Legislation Amendment Bill would make it illegal to continue this practice in the ACT from 2011. The bill introduces a key additional element which changes the way that cage eggs can be sold in the ACT. I will discuss that shortly.

It should not even be necessary for me to explain the chronic suffering that is endured by hens living in battery cages. I am sure members of the Assembly are all aware of it. Every one of us would say that we support animal welfare and oppose animal cruelty. Yet this inhumane production method continues here in the ACT year after year. We sometimes become distanced from the reality of this suffering. I think we should all consider whether we are complicit in animal cruelty if we fail to take genuine steps to ensure that as a community we do not produce our food through inhumane methods.

I will therefore remind the Assembly of a few facts about cage egg production.

Hens in cage systems live in confined wire cages with a floor space of less than the size of a piece of A4 paper. They do not have room to scratch, flap or walk freely, let alone nest or dust bathe. They cannot even stand up without pushing up against other hens. They never see daylight; in fact, they live in artificially lit surroundings designed to maximise egg laying. A study of battery hens showed that 31 per cent of battery hens had broken bones at some time before they were killed. Battery hens are in fact killed after one year of these conditions, when they are considered spent.

And that is by no means the end of it. I encourage anyone who wants more information to look further into it. At the very least, you will see that battery hen cage farming is a system which ignores the fact that chickens feel pain, fear, stress and frustration, just as humans do. Battery cage farming treats animals as mere production units. It is economics without humanity.

This practice has already been banned in many countries, including the Netherlands, Sweden, Finland, Switzerland, Germany, Austria and Norway. The European Union is phasing out battery cage production for a total ban on cages from 2012. The US state of California last year voted to ban this type of cage as well as to introduce other improvements for the welfare of farm animals.

Yet the battery cage system remains legal here in Australia. It is sad that we drag the chain while others take a more civilised approach to the treatment of other sentient creatures.

If, as Gandhi said, the greatness and moral progress of a nation can be judged by the way it treats its animals, we are not yet great. It is too late for the ACT to be a leading jurisdiction in the world, but it is not too late for us to lead the way for the rest of Australia.

I am tabling this bill as an exposure draft so that we as an Assembly can find a way to make this happen. I think that my bill essentially has the solution. If the Assembly

supports it, I think that we will be proud to be able to say that we have undone a wrong and that we will lead the rest of the country.

The Greens appreciate the efforts of the Chief Minister over the last two years to raise the issue of the cage egg ban with other jurisdictions. As Mr Stanhope would know, some jurisdictions have expressed a willingness to move away from cage systems but, critically, no jurisdiction has actually acted. The Tasmanian parliament even voted down a bill to ban cage production, and when it did so it copied the arguments the ACT government used earlier. It said that no other jurisdiction was doing it, so therefore it should not either.

The clear lesson from this is that a single jurisdiction must in fact act first. Action from our government will give power to the Chief Minister's words. I believe that, given that, it will encourage other waiting jurisdictions to actually move to action.

I would ask members to reflect on where we might be today if the Assembly had supported a ban on cage egg production two years ago, say. Tasmania then could not have argued that no other state was banning the egg production method. It would have more likely followed our lead. It would not be long before any criticism of an ACT ban would have shifted on to recalcitrant states.

The need for federal cooperation is also reflected in the bill. It requires a responsible ACT minister to take steps to promote a national ban on cage eggs and to report to the Assembly on his or her actions.

In the past, the Chief Minister has responded to attempts to ban cage egg production in the ACT by arguing that a ban would not in fact save a single chicken from suffering and that it would be a Pyrrhic victory. However, I do not agree with that argument. I think that banning battery cages in the ACT will save at least some chickens from suffering. It will also have a significant impact on attitudes towards battery egg farming in Australia and it will move us more quickly towards a national ban.

The argument from opponents is that if cage eggs are banned then the ACT's one cage egg producer will leave the territory—taking with it millions of dollars and many employees—and set up its operation somewhere else over the border. If those are the significant arguments impeding the ACT in acting on the issue then we have to look at the arguments.

There is only one cage egg producer in the ACT. It is at Parkwood farm at west Macgregor. It is owned by Pace Farm, which is Australia's biggest egg producer. Parkwood holds approximately a quarter of a million chickens. The chickens live in the kind of conditions I described a few minutes ago. The potential for ending suffering here is quite large.

According to Parkwood's own reporting to the national pollutant inventory, it has 14 employees. That is not the enormous number of workers that some people seem to imagine. I do recognise, of course, that protecting employment is important, but the type of employment at Parkwood is not generally lifelong employment and I would also point out that Parkwood would be a much bigger and better employer if it changed its production methods from the outmoded cage system to a barn or

free-range system. If it did that, it would almost certainly increase employment in the ACT. The fact is that the Australian egg industry association has pointed out that Parkwood's cage infrastructure is already older than its useful lifespan. That is another reason why Parkwood might like to upgrade to a new production system.

What about Parkwood's economic contribution to the territory? How important is that? Firstly, with only 14 employees, Parkwood is unlikely to be paying payroll tax to the territory, because a business has to pay a payroll tax only when it pays wages of more than \$125,000 per month. Secondly, I have seen Pace's lease for the Parkwood property, and it is a peppercorn lease. It pays only \$486 per year to the territory as rent. Many families in Canberra pay that amount in rent every week. Thirdly, where do all the eggs from Parkwood go? Not to the ACT. They go to Minchinbury in New South Wales. They are packed there and distributed. The ACT then re-imports the eggs. I have also heard suggestions that Parkwood has a packing and distribution facility and would lose that business if Parkwood closed down. In fact, all the Parkwood facility does is just pack up the ACT eggs and ship them to Minchinbury. If you look at the cartons of Pace eggs in supermarkets in the ACT, you will see that they all say they are from New South Wales.

Having looked at these facts, I confess that I am still waiting to hear real arguments that Parkwood brings great economic benefit to the territory. We need to at least keep these points in mind when we weigh the utility of Parkwood against the benefits brought to our society by ending one of the most shameful forms of factory farming.

We should also carefully examine the claim that if Parkwood is faced with a ban it would just re-establish its enormous cage chicken operation across the New South Wales border. Would it really do that when there is a clear worldwide and national trend away from cage eggs?

A recent survey of ACT residents found that 84 per cent of all respondents felt that it was cruel to keep hens in battery cages. Members may be interested to know that in the UK and Ireland sales of cage-free eggs have already overtaken sales of battery eggs. The trend is growing strongly in the ACT, thanks partly to the good work of the government and other groups such as the RSPCA who have helped to move businesses and government agencies away from cage eggs. Pace might actually see it as a business opportunity to convert its operation to a barn or free-range system.

Not only are consumers trending towards cage-free eggs; I believe this bill will strongly assist the trend. A key feature of the bill is that it changes the way that cage eggs can be displayed by retailers in the ACT. Retailers will need to display cage eggs separately from other eggs. Cage eggs will also be accompanied by a sign explaining that cage egg production is banned in the ACT and that there are animal welfare concerns with this production method.

The intention is to clearly inform consumers at the point of sale of which eggs come from a cage system. This will overcome the problems caused by the often confusing labelling on egg cartons. Although eggs are currently labelled "cage", "barn laid" or "free range", these are small, sometimes easily hidden labels. Cage egg cartons also often contain confusing other labels such as "grain fed", "omega 3" or "vegetarian". There would no doubt be some consumers who care about animal welfare who are

unknowingly purchasing “vegetarian” cage eggs. The new sign will also alert consumers that the ACT is a jurisdiction that does not support cage egg production.

Members who have looked into this issue before will know that the commonwealth Mutual Recognition Act does not allow the ACT to require particular labelling of egg cartons imported from other states. However, it does allow the ACT to determine the manner in which a product from interstate is sold. That is the approach taken in my bill.

I expect that these changes will make considerable difference to battery cage egg sales in the ACT. Consumers will now have better information about which eggs are which, and they will also be informed that the ACT is phasing out cage egg production. I believe that the more than 84 per cent of ACT consumers who believe that cage eggs are cruel will choose not to buy them. This, of course, is another reason why Parkwood farm is unlikely to re-establish its cage operation outside the ACT.

I urge you to look carefully at the point-of-sale provisions I have proposed. Of course, I am very happy to hear suggestions about how to use the point-of-sale options more effectively. I would point out that these provisions can be implemented whether or not a ban on production is enforced.

Members will be interested to know that IGA stores and Canberra Supabarn have told me that the point-of-sale measures outlined in my bill will be simple to implement and will not increase the price of eggs. In any case, there is no longer a huge discrepancy in cost between cage and non-cage eggs. The highest priced cage eggs are now around the same price as the lower priced non-cage eggs in the supermarket. And if you shop at the farmers markets, you will find that free-range eggs are available there at reasonable prices.

As cage egg sales decline—and especially if Parkwood converted to barn-laid production—barn eggs will lose their boutique premium and they will come down in price. Of course, a cheaper price is not all that matters; we have ethics and standards that we want to meet in our society.

I will finish off by pointing out one further fact. It has been over a decade since the ACT Assembly agreed to the original Greens bill to ban the sale and production of battery cage eggs in the ACT. At that time, Mr Corbell articulated the Labor Party’s position on cage eggs. He said:

Ultimately, the decision we make on this issue is in many ways a moral one. Labor believes it is appropriate that we signal the ACT’s intention to address the community’s concern about the system of battery cage production.

He also said that “the constraints that the system of battery cage production has on the natural behaviour of the animals kept in the cages” is foremost in the Labor Party’s mind.

Since Mr Corbell pointed out that the community was concerned about battery cage production, almost 12 years have passed. The community is now much more concerned. I know that there are members from all parties who feel strongly about this issue and want to find a way forward to end cruel cage farming.



The issue is a moral one, and there is a practical answer. There are positive steps which we are able to take to overcome this problem.

Although the 1997 legislation was passed with the support of Labor, it was ultimately stymied because the commonwealth Mutual Recognition Act did not allow the ACT to ban the sale of interstate eggs without state or territory agreement. The bill I table today combines a ban, changes at the point of sale and national diplomatic efforts to overcome the difficulties presented by the federal nature of egg production and sale. It is time for the Assembly to support this new approach. The exposure draft and the discussion paper are on the legislation register for your comments. I look forward to discussing them with you so that we can together go forward in the best way on this issue.

## **Land—rent scheme**

**MR SESELJA** (Molonglo—Leader of the Opposition) (3:28): I move:

That this Assembly:

- (1) condemns the Chief Minister for deliberately misleading the community about the level of support of financial institutions for the Land Rent Scheme prior to the 2008 election; and
- (2) calls on the Chief Minister to table, by close of business on Thursday, 7 May, all correspondence between the Government and financial institutions relating to the Land Rent Scheme.

This motion is an important motion because Jon Stanhope, prior to the last election, misled the community on land rent. There is no getting around it; no amount of spin, no amount of trying to obscure the facts, is going to change these simple facts. Jon Stanhope went to the election talking about housing affordability and misled the community about the centrepiece of his housing affordability scheme, land rent. We have seen a lot of misleads around the place from time to time. We see them from time to time in the Assembly; we see them from time to time in the media. But this is one of the most clear-cut cases we have seen in a long time.

This is what the Chief Minister had to say on 28 August 2008—and we need to put this into context. Land rent was the centrepiece of this government's housing affordability scheme. Housing affordability was a big issue at the election and Jon Stanhope needed to have some credibility on it, given what a poor record this government has on the issue. On 28 August 2008, in an ABC report, Jon Stanhope responded to claims by Frank Pangallo that land rent applicants were having trouble accessing money. He said:

They indicated that they were prepared to back this scheme and we proceeded on the basis of assurances from a broad range of financial institutions that they would support the scheme.

So at this stage we have no reason to believe that the relationships that we have, the undertakings we have from financial institutions, are other than that they will support land rent.

That was what he said to the people of the ACT on 28 August 2008, six weeks out from the election. He said there was no reason to believe anything other than that “they will support land rent”.

Yet we go through the documents, and the documents give any reasonable person, any reasonable observer, a lot of reason to doubt, significant reason to doubt, that the financial institutions were going to support the land rent scheme. Let us look at them, going right back to 2004, in fact. We have a letter from Martin Hehir, and Hehir states:

I understand the Commonwealth Bank is concerned about the risk it would be assuming in providing finance for the depreciating asset. I also understand that you have received advice that a 50 per cent deposit would be required to offset this risk.

This was on 6 September 2004, well before the global financial crisis. That is another part of what Jon Stanhope’s story has been on this. On 19 June 2008, there was an email from Brian Acworth, head of government business, Westpac, to Elisabeth Judd. Acworth says:

It is my understanding that the proposed Land Rent Scheme provided us with some challenges.

Westpac raises concerns. So we have had the Commonwealth and Westpac raising concerns. On 15 July 2008, there was an email from Peter Morgan, Principal Executive Officer, St George Insurance, to Elisabeth Judd in CMD. Morgan states:

At our recent meeting with George Tomlin, CMD, I undertook to refer the Land Rent Scheme to my colleagues within the bank. This was done and it appears they also reviewed the scheme earlier this year in March. This review concluded that there was no appetite for participating in the scheme for the following reasons. In the event of a borrower default it would be difficult to distinguish house versus land value upon the sale to repay the housing loan. Similar to points raised within your papers, there is valid argument that the house value will depreciate over time and therefore may be less than the overall debt.

So we have had the Commonwealth Bank, Westpac and St George raising concerns. Then we have Libio Exash, sales officer, LDA, to the Bendigo Bank, also received by NAB. I quote:

I am receiving a lot of phone calls from the public indicating that after the course they were approaching financial institutions either by phone or by appointment and are being told constantly that either the financial institution will not lend them money to build a house on a land rent Crown Lease or they are not willing to do anything until they know more about the scheme.

On 12 August 2008 there was an email from Libby Oaks-Ash from the LDA to Elisabeth Judd. Oaks-Ash states:

I am constantly being told by customers that all the banks are saying no they will not lend for a construction loan under a land rent contract. It is imperative that we find someone who will—

I am not sure what she was saying; it does not read properly—

or the scheme will fall on its head if people cannot get the money to build.

And then we did have a ray of sunshine. On 21 August 2008, we had an email from Elisabeth Judd to CMD's David Dawes and George Tomlin. Judd states:

Wizard have come on board for land rent.

Of course, later, on 26 August, we have Wizard, Manuka, stating:

Well, actually we have a hiccup in the process, this being the risk part of the acceptance loan process. They are an independent part and are not comfortable with the inability of the bank to have the security on the land.

It was two days later that Jon Stanhope went out, after his officials had been getting all this correspondence, and made his statement. In fact, we see a trail of correspondence where representatives of CMD are desperately seeking endorsement of the scheme; they want someone to confirm support and they are finding it extraordinarily difficult to get anyone to come on board. So we have got officials out there seeking it; we have got a trail of emails going right back to 2004 raising serious concerns.

When Jon Stanhope is asked about it six weeks prior to the election he says, "I have no reason to believe there are any concerns." He says, "On the undertakings we have from financial institutions, there is no reason to believe other than that they will support land rent." There is a whole raft of reasons for any reasonable observer to say, "Hang on; there are some serious concerns with this scheme. We have not got anyone signed up. We may have had some people in principle early on saying, 'That sounds all right, we will take a look at that; let us have a look at that.'"

The legislation had already passed by this point. This was work, of course, that should have been done before the legislation was passed. But after the legislation was passed and we were seeing all these individuals struggling to get it, it was raised in the media as a serious and important issue prior to an election, whether this land rent scheme had legs. That was the fundamental here. What Jon Stanhope could have said, the honest thing to have said would have been, "There have been some concerns and we are continuing to pursue lenders to try to find someone who will sign up for the land rent scheme." That would have been an honest answer. That would have been the correct answer and the honest answer that would not have misled the people of the ACT before the last election.

But what he chose to do instead was mislead—despite all this going on, despite the department running around desperately trying to find someone to come on board. And good luck to the public servants; they were doing the job they were asked to do, seeking assistance for this scheme that the government had signed up to, and they could not get them to come on board. We had lender after lender after lender saying they had concerns. In between time we would have had the odd lender saying, "It looks all right but we will need to look at it." Indeed, to date, we still do not have anyone signed up.

But the point is what Jon Stanhope said prior to the election, when he knew there were concerns. We had seen the concerns over a period of years. They had raised the bar in those last couple of months, with all this email correspondence. It is interesting—and it puts it into a bit of context, I think, as to where things were at and in terms of what the goings on were behind the scenes—that the next day, after Jon Stanhope made that statement, we had an email from Westpac to Elisabeth Judd:

Following on from my discussions with Elisabeth Judd we have put together some of our concerns. I understand there is some political pressure being applied to issue a press release regarding the scheme.

So the political pressure was coming from the government. “We need a lender. We need a lender to endorse this scheme so that we can take to the election that we have a scheme that is workable, that we have something that is worth supporting, that we have put something new and novel that works.” They were doing this behind the scenes. And when he gets pinged on 28 August, he says, “Concerns? No, we do not have concerns. There is no reason to believe that there is anything other than that the institutions will support land rent,” because a couple of institutions had once said to him, “We will look at land rent. That sounds okay, in principle, I suppose. We will need to look at the detail.”

As they looked at the detail, the concerns continued to mount. And they put those concerns to this government in numerous ways. Many of the banks and financial institutions rejected it; many continued to raise concerns, saying, “We have concerns. We are not sure about this. This provides us with some real challenges, some real risks that we are not sure about.” And yet he went out there on 28 August and misled the community. It is as clear as day. It is as clear as day that he went out there and misled the community. And it goes on.

We see, even on 29 August, the owner/manager of Mortgage Choice asking:

Would it be possible to provide me with a list of lenders who will be providing construction?

He says that someone from Treasury was able to provide him with the name of one lender; however, that particular lender is not in a position to support the scheme. He goes on to say, on 4 September, that he cannot find lenders. This is a mortgage broker who is looking for lenders under this scheme. He has clients, people who want finance under the scheme. Jon Stanhope, with his department knowing this, with his department running around trying to find these lenders, with his department getting this correspondence, says “No, we have got no reason to believe anything other than that they will support the scheme.”

I put it to you, Madam Assistant Speaker, I put it to the Assembly, that any reasonable person faced with these facts would have cause for significant doubt. They would at the very least have cause for significant doubt. They might be hopeful; they might be optimistic. You could put the best possible spin on it and say, “Jon Stanhope is an optimist and he was hopeful that someone would.” We suppose he still is. And perhaps they will.

But the evidence did not back up what they were saying. The evidence said, “There are real concerns.” And they were struggling. The 29 August email which says there is political pressure really gets to the heart of it, does it not? It gets to the heart of it. We had the departments running around, saying, “We must find a lender.” The government knew that there were serious concerns. When they were asked about it, they denied it. We see it go on.

We can give the benefit of the doubt, perhaps, for this one. But we have seen the attitude, in fact, of Jon Stanhope to participants under the land rent scheme where he refers to them, I think quite offensively, as “these people”. He sees them as these victims. He portrays them as victims. He said, as reported in the *Hansard* of 24 February 2009:

The facts are that nowhere in Australia will lending institutions make loans for mortgages significant enough to allow a household with an income of less than \$75,000—

for a mortgage of \$300,000. That is not true. We have, in fact, got correspondence to that effect. In fact, the government has correspondence to that effect. We had an email from a land rent participant on 25 November 2008:

The Commonwealth Bank declined to lend \$250,000 under the land rent scheme but would be prepared to lend me \$400,000 for a traditional loan. The problem is not my capacity to repay the loan but the financial institutions are rejecting the entire scheme based on the perceived security of the loan.

So even his further defence that he is just helping out these poor defenceless people who could not otherwise get finance is wrong. It is wrong. It is the scheme that is the problem. The scheme is why these people are not getting it. It is not the global financial crisis; the concerns go back to 2004. From the moment it was passed into law, we had a queue of individuals who wanted to sign up for the scheme, who were looking for finance and were not able to get it. We had a queue of financial institutions saying they had serious concerns, even if some were prepared to look at it, even if some considered supporting it in principle.

We have a trail of documents. We see it here again. On the same day, 24 February 2009, Jon Stanhope said:

But in relation to the interest of banks and lending institutions, it has been strong.

On 21 October 2008, prior to that, there was an email from a mortgage broker regarding the land rent:

I can't locate any lenders who would use the property as security.

Another one was:

I have visited a mortgage broker and he advised me no bank is participating in this scheme.

Another one was:

Just wondering if there is going to be any finance available from the banks as everyone we have spoken to does not sound very hopeful.

Another one was:

I was wondering if there was an available list of lenders offering loans for properties on rented lands.

It goes on and on and on. The government was getting this correspondence; they were getting it before he made that comment in February 2009. Prior to Jon Stanhope's claim, his misleading claim prior to the election, they were getting it from lenders. Even though there may have been some at the beginning who said, "We will consider it; yes, we will take it on board"—and some were looking into it—there were ample concerns and ample reason to fear that there may be a problem in getting lenders; yet he denied it. And he denied it to save his own political skin six weeks out from the election. He stands condemned, and that is why this motion should be supported. (*Time expired.*)

**MR STANHOPE** (Ginninderra—Chief Minister, Minister for Transport, Minister for Territory and Municipal Services, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts and Heritage) (3.43): I move:

Omit all words after "That this Assembly", substitute "condemns the Leader of the Opposition for deliberately misleading the community and the media about the level of support by financial institutions for the Land Rent Scheme."

**Mrs Dunne:** On a point of order, Madam Assistant Speaker: I would seek your ruling on the—

**MR STANHOPE:** On a point of order, Madam Assistant Speaker: can the clock be stopped, please? We know of Mrs Dunne's penchant for taking up all of a member's time.

**Mrs Dunne:** That is actually at the discretion of the Speaker. I would seek your ruling, Madam Assistant Speaker, on whether or not the amendment is in order on the basis that it is quite contrary to the spirit of the original motion.

**MADAM ASSISTANT SPEAKER** (Ms Le Couteur): It is in order; it is on the same subject matter, even if not drawing the same conclusion.

**Mrs Dunne:** My point, Madam Assistant Speaker, is that Mr Seselja's motion goes in one direction and this goes in the exact reverse of that. I would like a ruling on the—

**MADAM ASSISTANT SPEAKER:** My understanding is that it is on the same subject matter, even though not drawing the same conclusion. Therefore, it is a possible amendment.

**Mrs Dunne:** Thank you, Madam Assistant Speaker.

**MR STANHOPE:** Thank you, Madam Assistant Speaker. I do understand the sensitivity of the Liberals in relation to this—they are caught out.

**Mr Seselja:** Show us, Jon.

**MR STANHOPE:** I think it is fair to say, “Here we go again.” Here we have the Liberals engaged in lazy, gutter politics.

**Mr Seselja:** What? Another mislead from you?

**MR STANHOPE:** Here we go, here we go! The rabblrouser does not want to hear this. I listened to you in silence; I listened to the travesty of nonsense in silence. Here we have the Liberals engaging in lazy, gutter politics, misleading whoever gets in their way, oblivious to how many ordinary folk they might distress or alarm or misinform. The Leader of the Opposition’s obsession with land rent would almost equal his and Mr Hanson’s obsession with lunchtime walks and the comings and goings of the Deputy Chief Minister. And we know what that particular obsession led Mr Seselja and Mr Hanson to. What next? Land rent or Facebook? Facebook mark 2? The Facebook kings! It could almost be laughable if this crew were not seriously proposing themselves as the alternative government of the ACT.

There is a dark and extremely tasteless side to the antics of the Liberals, and it is on display here today in this motion and in the misleading antics that have built up to it. I do not know who Mr Seselja has that is giving him strategic advice or political advice, but certainly it is somebody that is advantaging the Labor Party significantly. I must say, you would be probably better off sticking to your Facebook antics. As I said, there is a dark and troubling side to this emerging pattern of behaviour.

By selectively quoting and selectively releasing material provided by the government and government agencies in good faith under the FOI Act, Mr Seselja and his acolytes have made a mockery of the freedom of information process, not to mention the fact that they are misleading the public and misleading local media. They are actually culling the material they receive to suit a particular misinformed and wrong impression of what the material contains. It is the kind of undergraduate nonsense we have come to expect from all the cowboys over there at the “Lazy Zed”, except that if Mr Seselja had tried to pass off this sort of analysis in a first-year essay in any reputable university he would have been thrown out, and rightly so.

This is what Mr Seselja and his office and the Liberal Party have done: they extracted and then publicly released certain excerpts—we have seen them repeated here again today—from correspondence between ACT departmental officials and financial institutions and withheld all of the information from that FOI release that did not suit their particular argument. One of the journalists before actually proceeding with the story asked Mr Seselja, “Is there anything in other material that you have that contradicts the position that you have put to me?” and he was told no. He was misled, he was manipulated, as was every other journalist in town who took the information

pack from Mr Seselja and his office. It is an abuse of the freedom of information process. It creates anxiety amongst vulnerable would-be homebuyers and proves again the Liberal vernacular that freedom of information means freedom to deceive.

So let us look at the comments that the Liberals did not think worthy of passing on to any of the journalists interested in this story and, through the journalists, to the Canberra public. Let us look at the information that the Liberals did not want the journalists to have, comments on the pages that must have slipped off the table and gone through the shredder before they got to the media. I refer to comments from officers from financial institutions:

Just updating you on the status of assessment of credit risk of ACT Land Rent.  
No unconditional approval yet but looking very good.

That was advice to the department on 10 September last year from one of the four banks. Further:

This is looking like something we would look at doing based on our first look. Credit risk now have to talk through some issues ... with Legal and also with our Strategy area which will take a few days whilst I can't give you a definite 'yes' at this stage, we are moving in the right direction with no major impediments ...

"No major impediments. Looking good at first look. Whilst I can't give you a definite yes at this stage, we are moving in the right direction with no major impediments." That is the information that Mr Seselja did not want the journalists and the media to have because it did not actually fit with his particular obsession against the land rent scheme.

That was correspondence from one of the four leading banks as recently as September last year—before the election, in the same time frame as I was speaking, a month before the election, before the global financial crisis hit, before credit dried up, before the major banks headed for the bunker and decided it was as much as they could do to continue to offer traditional lending products, let alone devote time and energy to new and innovative ones.

Another example reconstructed from the material that Mr Seselja did not think the journalists needed to have because, once again, it was not actually consistent with his particular vendetta, his campaign, against land rent was from a bank in August:

The scheme was presented to the business last Thursday as advised. Our business leaders have requested confirmation from our Legal area and also our Property Services Unit. I cannot see that they will have any issues.

"I cannot see that they will have any issues." This was the view of the banks as a result of continuing discussions and consultation. It was an iterative process; it always was. There were issues. There are always issues in every project and every proposal. We discuss, we advise, we compromise, we change.

There we have it. That is the information that Mr Seselja had in his possession which he withheld from the journalists and then had the nerve, in response to a direct



question from a journalist—“Do you have any information in your possession from the freedom of information that is not consistent with this position you are putting to us?”—to say, “No, I don’t.” He did not tell the journalist that he had any information from banks that said “This is looking good,” or “Whilst I can’t give you a definite yes at this stage, we are moving in the right direction with no major impediments.” He did not tell the journalist that he had correspondence that said, “I cannot see that we have any issues with this.” He did not think that the journalist would be interested in that, even after he was asked. Being a good journalist, the journalist asked, “Do you have anything that is not consistent with what you are telling me?” and Mr Seselja said to that journalist, “No, I have nothing.” Talk about mislead!

Of course, later that month we had further correspondence from a leading mortgage insurer:

I have been speaking with the Head of our Legal Department, who has advised this proposal looks promising, although they do have some concerns that need to be addressed prior to moving forward.

“They do have some concerns that need to be addressed prior to moving forward.” We have continued over the entire time of the process to move to address those concerns. We had no reason to believe in advance of the later knowledge of the global financial crisis that this was not a product that the banks and the financial institutions would readily support.

Of course, those industry comments are comments, according to Mr Seselja and the Liberals, that industry had conclusively and categorically rejected the land rent scheme. That is the basis of Mr Seselja’s thesis—it had been conclusively and utterly rejected. You see from these comments withheld from journalists that that is bunkum. It is false; it is not true. Having been misled and having accepted at face value what Mr Seselja was telling them because they thought he was an honourable man, an honest man, a man they could trust, the journalists printed it, they published it, they broadcast it, and they misled the people of Canberra because of Mr Seselja’s duplicitous behaviour and conduct.

Mr Seselja does not play by the rules of honour. He abuses the Freedom of Information Act. Let us ask ourselves whether he has been honest with the public and with local journalists, or has he used them for his own ends? Has he been as free with journalists as he expects government agencies to be with him? This is not freedom of information; this is freedom to deceive and to manipulate. Mr Seselja has some explaining to do. He needs to explain to those people, who, under a Liberal government, would never, ever be able to dream of buying a home, why he is so intent on misrepresenting and talking down a scheme that offers them the chance to not just dream but to realise the dream.

The truth, of course, is that the Liberals think that there are some people who should not even aspire to homeownership now or ever. The Liberal Party thinks that there are people within our community who do not deserve to own a home. That is the reality, and that is why we have this concentrated attack on this scheme. It is an obsession of Mr Seselja to destroy the land rent scheme. He is quite happy to seize stamp duty

exemptions for the sons and daughters of millionaires, but he is not prepared to actually assist battling young Canberra families into homeownership. He has held out that opportunity through his flawed stamp duty proposal of homeownership, but he will not allow the dream to those Canberra families on \$50,000 a year. We could not have that, could we, Mr Seselja? He will do everything in his power, including rewriting history, to ensure that it cannot happen. He will take quotes from 2004 and allow people to think they are from four years later. He will stick half the FOI documents he has down the shredder and then tell journalists that he does not have them.

Let us look at some of the Liberal Party's other desperate claims. House values, they claim, under land rent would depreciate over time. Not according to Treasury analysis they will not. I have said this before, and repeatedly. The Treasury's detailed analysis of houses that were built and sold in the past seven years shows that, on average, house values increased by 10 per cent a year, whereas land values grew by 16 per cent. In dollar terms, because the starting house price value was typically larger than the starting land value, more than half the average increase in value was actually due to house price growth. In not a single case in that sample by Treasury did the value of the house fall. That is more Liberal spin, more misrepresentation, more determination to undo the scheme. They are facts the Liberals do not want to know; facts for which they put their fingers in their ears to avoid having to hear; facts they consign to the shredder in fear that the journalists will get them.

It is further suggested that it was only in February this year that the government allowed people to rescind their contracts for land rent. That is another misrepresentation—more truth into the old Seselja office shredder. There is currently no penalty or charge at all for lessees of single land rent blocks who decide to discontinue the hold on their block or choose to return land to the ACT government. Those holding a single block who have not exchanged contracts have always been free to walk away from the scheme.

It was claimed that people currently holding blocks of land will miss out on the first homeowners boost. That is not true. Those people are free to enter into a traditional crown lease on the block that they are holding under land rent or another block of land in order to access the homeowners boost. Of course, in those circumstances, they would have to pay the full market value of the block. There is nothing stopping them from doing that, if they can afford it. Those people have not been disadvantaged by the land rent scheme, because it is not an obligation. Nobody is forced to pursue land rent. It is an opportunity, an opportunity which we are determined to provide to those people who struggle to gain entry into the housing market.

There is, indeed, cause for serious condemnation today. The individual to be condemned today is the Leader of the Opposition, as I have proposed in my amendment. The Leader of the Opposition has seriously and serially misled the people of Canberra in relation to the land rent scheme. He has deliberately abused the philosophy underpinning freedom of information—that is, that the full facts be made available to people. Has he revealed those full facts? No, he has not. When a journalist asked him whether he had revealed the full facts, he said yes. He was asked whether there was other information in the papers and he said no. He has snipped and

siphoned and shredded and, as a result, he has drawn unwitting journalists into a web that has resulted in the people of Canberra being deceived. He should be condemned for his misleading of the people.

**MR COE** (Ginninderra) (4.24): It is a very sad day today; it is a very sad day that the Chief Minister's vanity comes before genuine hard-working Canberrans who want to enter the property market, who are doing everything they can. They might be on less than \$75,000 or they might be on slightly more, but they are having a tough time and they want to buy in. They find it hard to buy in when they get a cottage block for \$140,000. They find it hard to buy in when they get a house and land package for pretty much \$400,000 at the cheapest.

It is a pretty tough market to get into. These people in Canberra are still around. The global financial crisis has hit them too. They are still around; they are still living in rental accommodation. All these people are collectively driving up the price of rent here in Canberra. What would really help rent in the ACT would be to free up more land and to get more of these people into genuine homeownership—genuine houses upon land that they own.

But here we have the Chief Minister determined to stick to this outdated scheme that never, ever worked. He got advice after advice to say the scheme was bad. Dozens of people contacted the Chief Minister to say, "It's not going to work." Yet here he is, a couple of years on, still saying, "No, no. My vanity, my pride, is worth more than all the people in Canberra who are dying to get into the property market." Instead—because of your arrogance, because of your overconfidence, because of your extreme out-of-touch views—they are left waiting. They are left with rental accommodation.

This scheme traps people into debt. They have a house that is depreciating which they own and they have got land which is appreciating which they have no say over. They do not have any assets in the land, yet that is the thing that is actually increasing in value.

It is interesting that people in Canberra would actually rely on the word of the Chief Minister. I find it hard to believe myself. When I see one of the Chief Minister's media releases or I see him on TV, I tend not to be too trusting of this man. However, a lot of Canberrans are; they have faith in their government. We have got a good democracy here in Australia; people have confidence in our parliamentary system and they have trusted the Chief Minister. They trusted the Chief Minister when he came out and said that he thought this scheme would work. They trusted the Chief Minister when he went repeatedly on the record saying that this program was a good program and that this scheme would work. It is supported everywhere, across the board, he said—across the board, everywhere. At no stage did any financial institution indicate that the nature of the land rent scheme would provide an impediment to lending.

**Mr Smyth:** At no stage.

**MR COE:** At no stage at all; that is right. "We have no reason to believe that the relationship we have with them, the undertakings we have from financial institutions, are other than that they will support land rent. In relation to the interest of banks and

lending institutions, it has been strong.” Well, it has been strong. It has been strong in opposition to this scheme—strong opposition.

Let me get back to the ordinary folk, as the Chief Minister called them. These are the punters out there in Canberra that want to get into the property market. I am afraid that there is a lot of evidence to say that they are hurting as a result of this scheme—a lot of evidence. It is a great shame. It is a tremendous shame that the Chief Minister is ignoring these people and is not willing to give them a look into the property market.

One person said, “I am one of the applicants for the ACT government’s land rent scheme. Ironically, the Commonwealth Bank declined to lend me \$250,000 under the land rent scheme, but would be prepared to lend me \$400,000 for a traditional home loan.” That is \$400,000 for a traditional home loan. They said, “The problem is not my capacity to repay. The financial institutions are rejecting the entire scheme based on the perceived security of the loan.” These are all real people. These are all real people that are probably still renting when they could be in the property market. They could be building up an asset for their kids and their grandchildren. Instead they are still renting.

One person says: “I work as a mortgage broker and have been discussing the finance of a building with a potential customer of yours and mine. I am wondering with the land rent scheme whose name is the land in whilst the customer is renting it from the ACT government. If it remains in the name of the ACT government, do you have any arrangements in place with any lenders in order to finance the building? The reason being I cannot locate any lenders who would use the property as security if the name is in the ACT government.” These are real people. The Chief Minister fails to remember that these people are, in fact, real and that these people are suffering—all because of the Chief Minister’s vanity.

Another person said: “I visited a mortgage broker and he advised me no banks are participating in this scheme at the moment.” Another person asked: “Is there going to be finance available from the banks, as everyone we have spoken to does not sound very hopeful?” Another person asked: “I was wondering if there is an available list of lenders offering loans for properties on rented land?” Someone said: “Obviously lenders are reluctant to lend against security over which they have limited control.” It goes on and on and on. These are real people who are all genuine about getting into the property market, yet the Chief Minister’s vanity is getting in the way.

The Chief Minister’s vanity usually only gets in the way of his colleagues. You see quite a few of his colleagues rolling their eyes at his speeches and what goes on during one of his rants. They suffer a little bit because of the Chief Minister’s vanity. I am sure that the staff here at the Assembly would suffer as a result of the vanity. I am sure many people in Canberra generally suffer because of the vanity of the Chief Minister. But we have very specific cases of Canberra families trying to get into the property market who are suffering because of his vanity.

Why don’t you release more land? Why don’t you create a structured program for releasing land? Why don’t you actually do something positive for home affordability? Why don’t you reduce stamp duty for first homebuyers? Why don’t you do that?

Because of your vanity. You will not do it, because of your vanity. You have nailed your colours to this program and it is just not working.

Chief Minister, I urge you to back away from this scheme and actually support some substantial policy motions that will make housing affordability more accessible to average Canberrans. I urge all members of this place to support Zed's original motion.

**MR SESELJA** (Molonglo—Leader of the Opposition) (4.32): The Chief Minister has shown once again why it is difficult for so many in the community to trust him. We see it time and time again. We see the stream of correspondence, going right back to 2004, which undermines all of the central planks of his arguments. We have seen his 28 August statement, where he had no reason to believe there were any problems with the land rent scheme. We have seen also his statement in June in the Assembly, which he needs to correct: "At no stage has any financial institution indicated the nature of the land rent scheme would provide an impediment to lending."

Going back to 2004, we saw the Commonwealth Bank raising concerns, and we saw the same from Westpac and St George. It is summed up nicely by some of the emails from individual officers within the LDA: "Receiving a lot of phone calls from the public indicating that they are approaching financial institutions and being told constantly that either the financial institution will not lend money on a land rent crown lease or they are not willing to do anything till they know more about the scheme." And another one: "It is imperative we find someone who will support the scheme or the scheme will fall on its head if people cannot get the money to build."

They sum it up. What the Chief Minister is claiming is that either he was not getting any of this advice—that his office was not getting any of this advice, that they never spoke to officers within the Chief Minister's Department or the Land Development Agency to find out what was going on—or that he got it but it gave him no cause for concern, no cause for concern whatsoever.

The response is pathetic. Nothing that the Chief Minister has brought back has actually contradicted anything in those documents. Nothing which the Chief Minister has brought back has changed the fact that he misled the people on 28 August 2008. It is a black-and-white case.

There was reason for concern right through the process. There was significant cause for concern. There was significant fear that it would fall over. That is why the officers were frantically chasing about. This is what one of the officers said: "We need to get a lender on board; otherwise it will fall on its head if they can't get them." The Chief Minister, apparently oblivious to this—or seeing this and not caring—went ahead and made the statement anyway, went ahead and defended the scheme, went ahead and claimed that things were on track when they were not and he knew it. He knew it; he must have known it.

Interestingly, we have not heard him actually address that point. Was he aware of this advice? Was he getting this advice from his office, from his departments? Were they telling him of these concerns? He has not addressed that. We can only assume that he was, because we know that on 29 August—we saw the correspondence—the correspondence said: "There is political pressure."

I assume that political pressure does not come from the department. I presume that our public servants are not acting politically. I think the political pressure was coming from the minister's office. The political pressure was coming to desperately try and get a win before the election on housing affordability, to desperately try and prove that the land rent scheme was working.

When confronted with the evidence, he decided "Well, you know, I won't tell the truth." He could have told the truth in a very simple statement. It would have been a very simple statement that could have been drafted for him: "We have not yet been able to attract a lender. There have been some concerns raised, but we are hopeful. We hope that we can get one," but he did not. He chose to mislead. He chose to deceive the people six weeks out from an election, to try and pretend that he was getting it done when it came to housing affordability and on the centrepiece of his housing affordability plan—the land rent scheme.

The centrepiece of his housing affordability plan was in danger of falling over, and he knew it. The correspondence shows that he knew it. He must have known it. He went ahead and made the statement anyway. He went ahead and misled the community anyway, not caring, because he figured that if he could just get away with it he could save his political skin. We can only assume that he did it deliberately.

The only alternative, of course, is the deluded response we have from the Chief Minister in the *Canberra Times*, where he claims that when they were seeing all this correspondence—when he had officials running around chasing a lender, saying, "Come on board. We need someone to come on board; otherwise the whole thing will fall on its head"—he actually believed that they still supported it. And even if they did not lend—because that is what he says—he says, "Look, they're not lending, but they support it." It is farcical; it is embarrassing. That statement from a Chief Minister is embarrassing—where he claims that banks and financial institutions bought this scheme: "They haven't withdrawn their support; they just won't lend."

Ordinary Canberrans understand that banks and financial institutions demonstrate their support by lending money. That is how they support a scheme. They lend money with a view to a long-term profit if they believe the conditions are right, if they believe the security is there. They did not see the security here. They were raising those concerns right from the start. The Chief Minister came into this place, went to the media and claimed otherwise—claimed that all things were going well, claimed that it was supported across the board. None of that can be backed up.

I commend the motion. I also again ask for the Chief Minister to come back soon to the Assembly and correct the record of what he said in June of last year on the land rent scheme.

Amendment negatived.

Question put:

That **Mr Seselja's** motion be agreed to.

Ayes 6

Mr Coe  
Mr Doszpot  
Mrs Dunne  
Mr Hanson  
Mr Seselja  
Mr Smyth

Noes 11

Mr Barr  
Ms Bresnan  
Ms Burch  
Mr Corbell  
Ms Gallagher  
Mr Hargreaves  
Ms Hunter  
Ms Le Couteur  
Ms Porter  
Mr Rattenbury  
Mr Stanhope

Question so resolved in the negative.

## **Shops—local centres**

**MS LE COUTEUR** (Molonglo) (4 :42): I move:

That this Assembly:

(1) notes:

- (a) the importance to communities of maintaining local shops, demonstrated by over 250 submissions to the ACT Planning and Land Authority (ACTPLA) regarding the Giralang Shops development proposal; and
- (b) that the new Territory Plan has removed references to size restrictions for the gross floor area of shops in local centres, which was a change to policy;

(2) also notes the Australian Competition and Consumer Commission (ACCC) recommendation in its July 2008 report into the competitiveness on retail prices for standard groceries that:

- (a) “government consider ways in which zoning and planning laws, and decisions in respect of individual planning applications where additional retail space for the purpose of operating a supermarket is contemplated, should have specific regard to the likely impact of the proposal on competition between supermarkets in the area. Particular regard should be had to whether the proposal will facilitate the entry of a supermarket operator not currently trading in the area”; and
- (b) relating to current limits to the level of price competition, that there are “high barriers to entry and expansion particularly in relation to difficulties in finding new sites for development”; and

(3) calls on the Government to:

- (a) commit to maintaining the current retail hierarchy of local, group and town centres in the ACT;
- (b) limit supermarkets in local centres to a gross floor area of 600 square metres under the Local Centres Precinct Code – CZ4 of the Territory Plan;

- (c) release its updated supermarket policy which takes the ACCC recommendations into account;
- (d) ensure that ACTPLA and Land Development Agency processes, including land sales and masterplanning, take the abovementioned ACCC recommendation on competition and the revised supermarket policy into account; and
- (e) issue a small business impact statement, on the Giralang Shops development, as per the Labor-Greens Agreement.

The Greens are introducing this motion today because there have been many concerns raised about development plans for Giralang shops, and this has drawn our attention to the government's supermarket—

**MADAM ASSISTANT SPEAKER** (Mrs Dunne): Ms Le Couteur, could you just sit down for a moment, please? Clerk, could you stop the clock? The previous debate was somewhat rowdy and robust, but Ms Le Couteur has a throat infection and will be struggling. So could I ask members who are having conversations to do so outside so that Ms Le Couteur can be heard without having to strain? I call Ms Le Couteur.

**MS LE COUTEUR:** Thank you, Madam Assistant Speaker. Yes, this is as loud as it gets, I am afraid. Hopefully, with the microphones you will be able to hear me.

The situation at Giralang has drawn our attention to the government's supermarket policy and the inadequacies of some of ACTPLA's processes to deal with complex planning issues covering multiple locations. Canberra has had problems with local shopping centres for many years. I live in Downer, a suburb which has lost its local shops, and there have been continuing concerns over many years about local shops. What is happening in Giralang seems to be just the latest episode in a long and dismal story.

What the Greens would like to see is that, instead of communities losing their local facilities, we build a more sustainable Canberra where people can walk or ride to their local shops and where local shops become part of their community, where locals can create businesses and where there is local employment.

Protecting our local economy in this troubled economic time is vital. To do this we need to protect our local neighbourhood shopping centres, support businesses that support local suppliers and also turn to local procurement. We all understand the importance to communities of maintaining their local shops. They are the hubs for local communities, just as schools are. People do really care about what happens in their suburbs. This was recently demonstrated by over 250 submissions being sent to ACTPLA regarding the Giralang shops development proposal, and almost 3,000 people signing a petition to oppose the Giralang shops development.

I do not want to focus too much on this particular proposal, and I agree that development applications should not be politicised. But I do think there are a number of policy issues that need attention, and I think it is quite useful to hear them and to look at a real case study.



The Greens are very supportive of the proposal to redevelop the Giralang shops. This is a suburb which is busy and active. It has a school, it has a service station, and it is quite reasonable that the locals want to have shops as well. However, it is unclear whether or not they want their local shops turned into a group centre. If the current development proposal was approved, it would, in effect, allow the shops to be upgraded from a local shopping centre to a group centre, as it would become three times larger.

Giralang has had no functional shopping centre for several years now, and the owners have consistently claimed that it can not possibly support even the current size shopping complex. However, we know of a few small retailers, including the supermarket, who would be very happy to establish a new shop there. My colleague Ms Hunter will talk more about that.

Local residents have had a range of concerns about the possible upgrading of their local centre to a larger group centre. Given the proximity to Giralang school and the fact that the local roads were not designed for a group centre, residents have been raising concerns about the safety of students, teachers and parents. Looking at the rest of Belconnen, we know that a supermarket three times larger than what was there previously will need to attract residents from outside Giralang.

If this development proposal is approved, it is likely that two or three smaller suburbs in the surrounding suburbs of Belconnen will become unviable and will end up closing. Thus, the local shops that they are the anchor tenant for will end up closing. We do not want to see a shopping centre at Giralang at the expense of shopping centres elsewhere in Belconnen.

My understanding is that a normal local centre could be delivered in Giralang and that result would be a win-win for the residents of Giralang and the surrounding suburbs and the small business operators. It would also mean that the businesses that invested heavily based on the retail hierarchy in the territory plan would continue to have confidence.

One of the things that this discussion highlights is some issues with the DA process. ACTPLA has no discretion. If an application is consistent with the territory plan, then it must be approved. So while people can comment on a DA, if it is consistent, then the only person who has any discretion is the minister. It is essential, but unfortunately probably impossible, that the territory plan covers all eventualities.

Another issue with the DA process is that normally only the immediate neighbours are notified. While this may be reasonable for residential developments, in a case like this which affects not only Giralang but also neighbouring suburbs, it is important that all affected people are notified so they have a chance to comment.

Given the importance of the territory plan, I call on the government to commit to maintaining the current retail hierarchy of local group and town centres throughout the territory plan and, through it, in the ACT. The territory plan has guidelines which relate to local group and town centres but these are performance-based statements

which always have an element of ambiguity in them. They are not a clear hard and fast rule. There is always an element of ambiguity and possibly in these cases no real ability for ACTPLA or even ACAT to make decisions against a development.

Certainly, we believe that if there is in fact a proposal to change the Giralang local centre to a group centre there should be community consultation specifically around this proposal. For a major change at this level it needs to be the views of the whole Belconnen community, not just the Giralang residents, because the whole community would be affected.

In the motion today I have called upon the government to limit the floor sizes of supermarkets in local areas to a gross floor area of 600 square metres under the local centres precinct code CZ4 of the territory plan. Subsequently, I have come to understand that this amount may not be appropriate for a number of reasons, and I understand that an amendment will shortly be moved to remove that.

The particular sizing came from an ACTPLA decision relating to a previous proposal for the Giralang shops redevelopment. In it ACTPLA advised:

It is considered that a commercial space of around 500sqm to 700sqm with an appropriate design can allow for a greater commercial mix, including a small supermarket and/or a reasonably-sized restaurant with the appropriate service function which would be desirable for the Giralang local centre.

If that is the case it should be clear that this is ACTPLA policy. However, while it is not policy it means that inappropriate development applications can continue to be lodged until the matter has been clarified in the territory plan. What I think is needed at this stage is for the government to start a process to develop more detailed guidelines on floor size restrictions to be incorporated into the territory plan codes. This process would presumably be a draft variation to the territory plan and would involve Canberra-wide community and industry consultation.

We know that there is already a long list of policy issues that various people in the community—developers and residents—are trying to clarify through ACAT and, if they have sufficient funds, through the courts. We know that people who take an issue to the courts usually have either more money or a lot to gain, which means that once we get to the stage where policy is determined in the courts, we end up with policy that is skewed towards those with the deepest pockets who can afford the best lawyers.

Instead, what we really want and need to see in this instance is policy determined by the Assembly and the planning authority—the people who have the least to gain and the most policy knowledge. By being transparent and up-front, this would save the government money in terms of spending time in the courts clarifying the matter. We believe that the government has a vital role to play in intervening in the market where necessary. When the government fails to have policies which protect the interests of local residents and small and local businesses, they are also failing the local communities.

In this motion today I call on the government to release its updated supermarket policy, which I believe and hope will take into account the Australian Competition

and Consumer Commission's finding on the competitiveness of retail prices for standard groceries from July 2008. The ACCC made a few key findings, which are not part of the current policy. The first planning-related recommendation of note is that:

... government consider ways in which zoning and planning laws, and decisions in respect of individual planning applications where additional retail space for the purpose of operating a supermarket is contemplated, should have specific regard to the likely impact of the proposal on competition between supermarkets in the area. Particular regard should be had to whether the proposal will facilitate the entry of a supermarket operator not currently trading in the area.

Relating to current issues with price competition, the commission said that there are high barriers to entry and expansion, particularly in relation to the difficulties for finding new sites for development and limited incentives for Coles and Woolworths to compete aggressively on price. Quite stunningly, statistics analysed by the ACCC suggest that Coles and Woolworths account for approximately 70 per cent of packaged grocery sales in Australia and approximately 50 per cent of fresh product sales.

Given the findings of the ACCC and the importance of shopping centres and local businesses, I think that this is an area where the government should intervene in the market to support genuine competition and to support local businesses and local communities.

I am also calling on the government to ensure that ACTPLA and LDA policies are reflected in the territory plan and take the above-mentioned ACCC recommendation on competition and the revised supermarket policy into account.

This would include land sales and the master plans as well as the actual development application process. If we do not ensure that the territory plan takes competition and retail hierarchy policies into account, we can end up in a situation whereby ACTPLA has no grounds to refuse a development application that has the capability, nevertheless, to put a number of small business operators out of business completely, thereby losing the amenity of local shops to nearby residents of surrounding suburbs. Not just other small business operators but an entire shopping centre can be put out of operation. The LDA can be in the same situation as far as direct land grants go unless there is a strong policy to ensure that competition issues are taken into account before agreeing to land sales.

I come back to the instance of Giralang as well as the one in Hawker shops recently. It emphasises my belief that neighbourhood planning is the key to ensuring good community outcomes. These neighbourhood plans could then be inserted into the territory plan, and it would be clear for everybody what the intention for each area is. If ACTPLA does not have the capability to run a number of master planning or neighbourhood planning processes simultaneously, then possibly one option could be to give some of the process over to the community to run it for themselves. This is something I am sure the community councils would be happy to do with a bit of funding support.

The last thing I would call upon the government to do in this motion is to issue a small business impact statement on the Giralang shops development, which takes the ACCC recommendations into account. Small business impact statements are a part of the Labor-Greens agreement. It is something that the Greens have been pushing for over many years. We took this issue of requiring large development applications to include a small business impact statement to the election last year and we found it resonated with the community. People can see that as Canberra grows, so do bigger non-locally owned businesses—sadly, often at the expense of pioneering locally owned businesses. Madam Assistant Speaker, I commend this motion to the Assembly, and I look forward to working through the issues with the other parties.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Children and Young People, Minister for Planning and Minister for Tourism, Sport and Recreation) (4.56): I thank Ms Le Couteur for raising this matter today; it is a very important debate and one that this Assembly most certainly should be having. As a passionate advocate of consumer interests, this is a particular area of public policy that I have a strong interest in. In response to the series of issues that Ms Le Couteur raised today, I would like to indicate a general support for them, but I do have some specific issues with elements of the motion and so I have circulated some amendments that I will move shortly. I just draw to the attention of members that the word “of” was inadvertently omitted from paragraph (2)(b) of my amendments. I think the amendments have been recirculated with the word “of” included, and I apologise to members for that initial omission.

In seeking to move amendments to this motion, I want to indicate that the intention of the Greens party in moving this motion is good, but they have just failed to grasp the big picture again. The problems that I have with the motion I hope will be addressed by other parties supporting my amendments. But let me state from the outset that this Labor government supports a planning framework that supports local centres. We would like to see as many Canberrans as possible able to live within walking distance, perhaps even a short bike ride, of shops that provide for their basic needs.

Our support for local centres is built into the territory plan, and we have no intention of changing that, which brings me to my first amendment. Paragraph (1)(b) of Ms Le Couteur’s motion claims that the government has removed references to gross floor area size restrictions for shops in local centres. This is incorrect. There has never been such a size restriction and we do not intend to create one, because it would create more problems than it would solve. The motion also refers to the recent ACCC report on the competitiveness in the retail grocery sector. I say again that Labor supports the thrust of the ACCC’s report. This is reflected in the current ACT supermarket competition policy, which states:

The ACT Government believes that Canberrans are best served by a diverse and competitive retail grocery supermarket sector that supports consumer choice and convenience.

It goes on to say:

In considering the use or sale of land for grocery supermarkets, the ACT Government will take into account the capacity of a retailer to access suitable

sites as well as the nature of the benefits a particular type of supermarket may bring—such as product diversity, quality of service, environmental gains, integration with existing retail/commercial centre, footprint and carparking.

The government has agreed to review this supermarket policy in light of the recent ACCC report into the competitiveness of retail prices for standard groceries. The government has also reviewed the commonwealth's response to that report. Our review is progressing, and I can tell you all today that, in broad terms, it is consistent with the findings and perspectives of the ACCC. However, this policy review is not yet finalised, and whilst I cannot this afternoon give the Assembly a firm date on its release, I can assure everyone that the government is seized of the importance of the review.

Looking further into Ms Le Couteur's motion, particularly paragraph (3)(b)—the one I have the most difficulty with—the government does not agree that a gross floor area cap for supermarkets in local areas is good policy. We believe it is bad policy for two reasons: first, it is a figure that really is made up on the run. I do not know where it came from, other than this suggestion that it was in relation to a comment from an earlier DA refusal at Giralang. But I do not believe it has been properly thought through. I take my local supermarket, the Ainslie IGA, as an example. It has a gross floor area of 1200 square metres. What would happen to the Ainslie IGA if such a policy was adopted? Would it have to shed half its floor area? Good policy requires a considered approach that tests each individual development proposal on a range of criteria, including its impact on nearby local centres. This is how the Planning and Land Authority assesses development applications, and this is a much more considered approach to protecting local centres.

I might just talk a little now about how the territory plan currently protects local centres. As everyone in this place knows, it is the role of the territory plan to facilitate the orderly planning of the territory. I draw the attention of members to criterion 33 of the local centres precinct code that forms part of the territory plan. Criterion 33 requires that a proposal to carry out development in a local centre must have regard to any significant adverse economic impact on other commercially viable local centres. So I would expect that any statement by an applicant in support of a development application in order to satisfactorily address criterion 33 must consider the impacts of small business in nearby local centres.

It is important to stress that this is not my role; it is the role of the independent statutory planning authority. In this regard, I am advised that ACTPLA has sought further information from the applicant in the Giralang matter specifically regarding this issue. ACTPLA will, as required by law, rigorously assess the application under the territory plan once this extra information is received.

This motion raises some wider policy questions about how local centres fit within the retail hierarchy. The size of local centres has changed over time as planning ideas have evolved and commercial reality has changed. The local centres that developed in the central Canberra area prior to the mid-1960s were larger, with the size reduced thereafter to reflect the introduction of group centres into the hierarchy. As I indicated before, my local supermarket in Ainslie has a GFA of 1200 square metres, reflecting its development prior to the advent of group centres.

Generally in Woden, Weston Creek and the majority of Belconnen the centres were placed at the centre of neighbourhoods located near community facilities. However, in north Belconnen and north Tuggeranong, corner stores were introduced. In response to the decline in trade, local centres in more recently developed areas of southern Tuggeranong and Gungahlin are being spaced more widely. This increases viability by providing a greater population in their catchment. Whilst mandating commercial space, release conditions often do not mandate the provision of convenience retailing. In the latter case—generally adopted to serve areas of smaller populations—it is up to the market to determine the mix of commercial uses at the centre.

So given all of this, it would be inappropriate for an arbitrary maximum target of 600 square metres to be imposed on supermarkets at local centres. The appropriate size should be determined after examining the likely catchment for the centres, and this would include considering the likely population to be served, its socioeconomic characteristics, and the location of other centres. I believe this is a process best handled in the ongoing review of the territory plan.

I remind members that it was a little more than a year ago in this place that the territory plan was adopted unanimously by this Assembly. It is reasonable for business and the community to expect that the Planning and Land Authority will apply the policy, as set unanimously by the Assembly, without any political interference.

In the ministerial statement I made in the last sitting I said that above all else this government is determined to keep the politics out of planning. I genuinely look forward to the day that this becomes a cross-party consensus in Canberra, but, until then, I am content to fight for it as Labor's view—no to short-term partisan politics, yes to long-term, evidence-based policy. Let me reiterate that the government wants to keep politics out of planning. This, however, requires discipline. The independent statutory planning authority must exercise the discipline to be rigorously independent and free of political influence over the outcome of individual development application approvals.

There is a responsibility then on the Legislative Assembly to exercise the discipline to make planning policy carefully, deliberately and in response to the general good and not to isolated campaigns and individual development applications. In line with these comments, I seek leave to move the amendments circulated in my name.

Leave granted.

**MR BARR:** I move:

- “(1) omit paragraph (1)(b); and
- (2) in paragraph (3), omit all words after “calls on the Government to”, substitute:
  - “(a) continue its support for the current retail hierarchy of local, group and town centres in the ACT;

- (b) expedite the release of its revised supermarket policy, taking into account ACCC recommendations;
- (c) ensure that ACTPLA and Land Development Agency processes, including land sales and masterplanning, take the abovementioned ACCC recommendation on competition and the revised supermarket policy into account; and
- (d) ensure that ACTPLA continues to consider in the development assessment process the impact on small business for large new commercial developments.”.

The amendments circulated in my name delete paragraphs (1)(b) and (3)(b) and reword other parts of paragraph (3).

**MR STANHOPE** (Ginninderra—Chief Minister, Minister for Transport, Minister for Territory and Municipal Services, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts and Heritage) (5.06): I wish to endorse and support the comments that the Minister for Planning has just made in relation to this particular issue. I want to really focus on just the one issue in relation to the Australian Competition and Consumer Commission recommendations in its recent report in relation to competitiveness of retail prices of standard groceries and to endorse and support the commentary of the Minister for Planning in relation to this important issue. I think we are all aware of the importance of competition, particularly within the retail grocery market, and some of the issues that all jurisdictions face in relation to ensuring competition in that particular market and the policy that should surround supermarket competition policy.

Mr Barr has referred to a supermarket competition policy which this government has adopted. As it stands, the ACT government believes that Canberrans are best served by diverse and competitive retail growth in a supermarket sector that supports consumer choice and convenience. In considering the use or sale of land for grocery supermarkets, the ACT government will take into account the capacity of a retailer to access suitable sites, as well as the nature of the benefits a particular type of supermarket may bring, such as product diversity, quality of service, environmental gains, integration with existing retail and commercial centres, footprint and car parking.

We are, as the minister said—this was the point that I wanted to go to—currently reviewing that policy and its potential for practical application, taking into account and having regard to the recent endorsement by the Australian Competition and Consumer Commission of the role which governments at all levels can play. This is, I think, a significant challenge which the ACCC has set us. We do have a policy; we have a policy which seeks to ensure that there is a diverse competitive retail grocery supermarket policy. We have support from the Australian Competition Consumer Commission which reflects the role which government can and I believe should take or make in relation to ensuring that our systems and our capacity to enhance and support competition are pursued. We as a government, through work that the Minister for Planning just mentioned, are doing that.

We propose to pursue these initiatives, and I think the motion by Ms Le Couteur is timely, coincidental as it is, with work which we have in hand. It is an issue which we, as a government, have been seeking to grapple with. It is, at one level, quite complex. There are significant policy issues that do need to be grappled with, resolved, and, importantly, acted on. It is an issue we have been discussing for some time. I am at a point, as are my colleagues, where we believe we do need to translate our policy and the views and impressions of the ACCC into some practical outcomes. It is in that vein that I am very pleased that Ms Le Couteur has proposed this motion today.

The minister has suggested some amendments, which I believe are well based and are worthy of serious consideration. But I did want to just put on the record today this government's very strong desire to work with other members of the Assembly to achieve a practical outcome, which is what I think the Greens are suggesting through this motion. They wish to achieve an outcome which I believe is an outcome we are intent on pursuing and bringing to some conclusion as soon as possible.

**MRS DUNNE** (Ginninderra) (5.10): I do congratulate Ms Le Couteur for bringing forward this important issue. It is an issue that has occupied my mind for some time and, as a member for Ginninderra, the specific issues in relation to Giralang have been significant and ongoing for that electorate and for that part of my electorate. I am sure that the Chief Minister and other members will remember the “no shops, no school, no vote” signs that went up in Giralang and surrounding areas in 2006.

The people of Giralang have struggled along for quite some time now without a local shop. Going back through my records of when this issue first arose, it seems to me to have been about 2003. There had been some history in the ACT of local shops going bad and falling into decline. That has caused, for local communities, considerable problems over the years, going back to the late 1990s. But in all of that it is not inevitable that the shops at local centres must go into decline and must go bad.

There are some standout examples. Mr Barr referred to his own shops at Ainslie. There are local centres which specialise in particular ways. The Griffith shops would be a great example. The Florey shops have always been very vibrant shops from the time that they were developed, even though that was at a time when we generally saw a decline in local centres.

We saw the demise of the Latham shops, which was a considerably contentious issue. But at the same time that the Latham shops were going into decline and the Giralang shops were going into decline, we saw the intervention of an innovative entrepreneur into the Melba shops, which turned it round from a burnt-out hulk, with one takeaway that had held on and held on. It had been a great set of shops when I first moved to Melba in 1981. It went into decline but somebody innovative came along. Now not only is every shop that was originally there operating and prospering but there are two extra shops that have been built by this entrepreneur.

So it is not inevitable that local shops will go into decline; it is about how they are managed. I think that this is one of the issues that have been of most concern to the people of Giralang. I think that we have not, as a community, been innovative enough in assisting communities like Giralang to maintain their shops.



The issues raised by Ms Le Couteur and the issues in relation to the upsetting of the retail hierarchy which would come about if the current proposal were to succeed would create a significant problem. It would be a significant problem for a range of people. I do not think that all of the issues have been properly addressed. The mere volume of submissions in relation to the development application shows that there are significant issues. I think that Ms Le Couteur is right in saying that if we change the retail hierarchy in Giralang it should be a wider conversation than just with Giralang, because it will have huge impacts across the community.

I have been, for a long time, a strong advocate for innovation in grocery retailing and I have been on the record for a long time as being involved in and warmly welcoming the entry of Aldi into the ACT grocery retailing market, which has made some considerable changes. But also we need to ensure that the independent grocers—I do not mean IGA; I mean people who independently retail in groceries—are given the support that they need so that there is viable competition.

The large retailers like Woolworths and Coles are significant employers and are not to be pooh-poohed. There are many people who get their start in the workforce and there are many people who are long-term employees of Woolworth and Coles. They have an important role to play. But I am concerned about the issue of the disproportionate share of the market that Woolworths and Coles have in Australia and in Canberra, which is not borne out in many other countries. You do not see the large proportion of grocery retailing and fresh produce retailing held by such a small number of people in other jurisdictions. I think that this is something that we need to work through.

I agree with the minister that there are issues in relation to Ms Le Couteur's original motion, which we also had trouble with. The 600 square metres, in particular, was an issue that we have problems with. I think that the minister's amendments will actually create a more rounded motion which will have the support of the opposition and will, I think, bring us to a situation which the Chief Minister has addressed, which is where we can address this issue.

**Mr Barr:** We are soaking it up right there; this is the one speech.

**MRS DUNNE:** There has been an outbreak of love. What else can I say? We are all going to feel warm and fuzzy again.

**Mr Coe:** Sing *Kumbaya* with me. Come on, sing it.

**MRS DUNNE:** Do not tempt me.

**Mr Barr:** You are itching to have a go at me, though. Come on.

**MRS DUNNE:** Just hold on. This is an important issue and I think that Ms Le Couteur has done the ACT community a great service by bringing it forward. These are complex issues.

I have to take some exception with what the minister has said. There is this schizophrenic approach that this minister and his predecessor take about "we have

created an independent planning authority and therefore there are no politics in planning”. That is bunkum. It is bunkum, because we had the capacity to do this all the time. Ministers can issue statements of planning intent. That is a political action. The minister can call in a development application either to approve or not to approve; and if he does that, that is a political action.

**Mr Barr:** Have I been doing that regularly, though?

**MRS DUNNE:** No, this minister is not doing it regularly. The previous minister did it fairly regularly.

**Mr Barr:** And Brendan Smyth was the king of call-in, yes.

**MRS DUNNE:** Mr Smyth was probably one of the longest serving planning ministers and there were a number of call-ins that I recall when Mr Smyth and his predecessor, Mr Humphries, were planning ministers where they called it in to stop a development. It cuts both ways. But those things are essentially political acts.

Mr Barr spends his time saying, “I am going to take the politics out of planning because we cannot have another Wollongong and only Labor can take the politics out of planning.” But who were the people who had their fingers in that pie in Wollongong? It was the Labor members and the Labor staffers and the Labor planning ministers who were all involved to varying extents in what was going on. It was Labor’s mess. That is why Wollongong went bad; it was because of the influence of Labor.

So let us not have any of this bunkum about keeping politics out of planning, because this minister is essentially a political bee and, every time he says that he is not interested in politics, it is nothing more than a political ploy on his behalf. He says he wants to keep politics out of planning. At the moment there are a few embarrassments for them.

One of them turned up yesterday in the budget papers, and that is that we have got to roll over funds for the Harrison high school. Why do we have to roll over funds for the Harrison high school? Because of planning delays in the development of the Harrison high school. What we actually have is a minister for education who is also a minister for planning who cannot get his act together to build a school even when he spends his time extolling how much money he spends on school buildings. But what we have is, once again, a minister who would like to distance himself as much as possible from politics when it is convenient for him to do so.

That aside, I think that what we have here is an important issue, an important issue at the local level as it relates to Giralang. But across the board it is an important issue. I think that the issue about the retail hierarchy needs to be looked at very closely by the ACT government and by the ACT Legislative Assembly. While supporting the minister’s amendments, I do note with some irony 2(a):

continue its support for the current retail hierarchy of local, group and town centres in the ACT;

which is a little hard to swallow, after you have seen the development at EpiCentre, which has substantially undermined the retail hierarchy in the ACT. It is a crack in the system. I am not even going to hold you responsible for the airport, because you are not responsible for the airport. But you are responsible for EpiCentre and developments like that and that has undermined the retail hierarchy in the ACT substantially.

So the Stanhope government can sit here and be holier than thou about this but they have form on this. But we want to uphold the retail hierarchy in the ACT. I am not sure that the Stanhope government does consistently want to uphold the retail hierarchy.

I commend Ms Le Couteur for this motion. I was happy to support the sentiments of the motion but I think that, generally speaking, the couple of issues raised in Mr Barr's amendments will it make a better one.

However, I do also note that it is interesting Mr Barr has deftly stepped around the issue of a small business impact statement. I flag that that is a discussion we should have. You have deftly stepped around it. You have mentioned the impact on small business but it is not actually a small business impact statement which is, I think, not quite the same thing as what Ms Le Couteur originally asked for. I think that we should have a further discussion on what we do in here and how it affects small business because I think we spend a lot of time talking to the big end of town and very little time talking to the small end of town.

**MS HUNTER** (Ginninderra-Parliamentary Convenor, ACT Greens) (5.23): My colleague's motion called for an improvement in neighbourhood planning and for recognition of the far-reaching impact that neighbourhood development can have on communities. While recognising that and thanking Ms Le Couteur for bringing on this motion, I will also mention up front that we will be supporting Mr Barr's amendments. Part of that is just some correction and clarification of some information, so we are pleased to support those amendments.

Ms Le Couteur's motions cites the Giralang shops development proposal as an example of the need to ensure that development in local communities serves all the residents of the area. The Giralang community have voiced concerns about the proposed development in their community and the ACT Greens have received correspondence about their openness to the development of the area but also in reference to their concerns regarding the impact on their amenity. Giralang is a community which has already fought for their school, a community which has seen a slow decay of community amenity in their area.

The neighbouring suburb of Kaleen has lost a pool and a medical centre in recent times. We have seen a neglect of neighbourhood planning which is resulting in poor social, environmental and economic outcomes for so many in Belconnen and communities across the ACT. This neglect is not only an aspect of Belconnen but there are other suburbs across the territory which are fighting to keep their local shops.

Local shops, like schools, help build a sense of community. They are a place to meet with neighbours, to hold community events; they are situated so that you do not have

to drive; you can walk, you can ride your bike, particularly if you only need to buy a few grocery items, have your haircut, buy a takeaway or the local paper. So you can ride or walk, get some exercise and reduce Canberra's ecological footprint.

It could be argued that small and local businesses give the most back to their local communities. They sponsor events and support local groups in ways nationally owned companies quite often do not. Standing up for small and local businesses is something the Greens feel strongly about. Locally owned small businesses give back to the community in so many ways that add great value to the communities they are located within. The size of a development in a local shopping centre has significant impacts on the surrounding area and a small business impact statement is needed to investigate the possible ramifications of new developments.

The Giralang local centre, as it currently stands, offers an excellent opportunity for a small business to commence a supermarket. The population of Giralang is big enough to support a smaller scale supermarket. Large developments carry the concerns of increased traffic, large trucks and a larger volume of cars. Increased traffic flow requires careful planning, may need upgrades and additional safety measures to be implemented. I urge the government to consider the broader issues of supermarket policy and large developments in general.

While I note that developments should be judged on their merits according to the territory plan, Giralang is a contemporary example of why we need to make sure the community is meaningfully engaged in planning decisions concerning their neighbourhoods. I understand that many residents of Giralang have a strong desire to see the return of their local shops but I believe that they desire a development that will serve their community as a whole and maintain the benefits of such a development within the local economy.

In my role as a member for Ginninderra, I am deeply concerned about delivering the best possible outcome, not only for the people of Giralang, but a solution that will benefit the greater Belconnen community.

**MR COE** (Ginninderra) (5.27): Fitting the right level of development in our suburbs is absolutely vital, especially these days when we are seeing a decline in our volunteering and in attendances at a lot of our community events and the closure of a number of schools so that the local shops do become very important hubs, very important social and community hubs, for people to congregate at, to share information and indeed even for the government to consult and for candidates to consult at election times.

I think the importance of local shops to Canberra can be seen very clearly in the months leading up to elections, when you have every candidate, from every party seemingly, at a local shopping centre on a Saturday morning. If local shopping centres were not in demand, then we as candidates would not be at these local shopping centres. These local shopping centres are meeting points; they are hubs for our suburbs; and it is very important that we get development that affects these local shopping centres correctly.

The issue at Giralang is, of course, a very complex one. It is one that has been around for a number of years. The shops did deteriorate over a number of years, to a point where the shopping services simply were not there. Of course the petrol station still remains but the shopping centre itself did go, as far as the actual tenants were concerned.

The people of Giralang have been quite active and, indeed, quite vocal in their call for a shopping centre and in support of their local school. When plans were mooted that there would be shops established in Giralang once again, I think that was met with some excitement. However, the plans that have been proposed are quite controversial and the community has certainly engaged with ACTPLA on this issue.

There are many good examples throughout Canberra of local shops that serve many purposes, not just simply providing tenants that sell goods but also serve as a meeting point for the community, as I said earlier in my speech. Not far from where I live in Nicholls, there is a great example of a local shopping centre that is very well served by its tenants, very well served by the community and very well served as a social precinct.

I remember growing up in Wanniasa and the number of small shops in Wanniasa and the neighbouring suburb of Kambah was seemingly astronomical. There must have been six, seven, eight, nine or so local shopping centres in those two suburbs at that time in the late 1980s and 1990s, especially in the early to mid 1990s. Quite a few of the local shops in Kambah did struggle and, like many shopping centres in Canberra, did go in peaks in troughs. That is why it is all the more important that we do make sure we get the level of development right so that we can at least minimise the extent of the trough.

Going back to what the minister said earlier in terms of taking the politics out of planning, I think that is an important thing to do. I think it is important that we do not politicise the process especially. I think the process must be crystal clear. I think it must be clear, and it is important that everybody is aware of what the process is so that developers, landholders and the general public are well aware of their rights and well aware of how they can actually make a contribution to the process.

But when we say “take the politics out of planning”, I want to make sure that we, as an Assembly, never go down the line of just leaving bureaucrats to do the planning. I think that this is very much what Ms Le Couteur and Ms Hunter were saying earlier about getting the community involved in planning as well. I think that is absolutely vital. Once you take the community out of planning and you just have bureaucrats, suddenly the only thing that matters is efficiency or effectiveness from a government point of view. That is not necessarily good for developers; it is not necessarily good for shopkeepers; and it is not necessarily good for shoppers or for the community at large.

This minister, the champion of taking the politics out of planning, is a bit like the minister for housing who says that we should take politics out of housing and that we should take politics out of everything, it seems, in this place. It is a shame we are politicians, isn't it? It is a shame that we, as politicians, want to take politics out of everything but that is a struggle that we are going to have to face. That is a struggle

that we are going to have to face, being a politician and withdrawing the politics from everything.

However, it is interesting that the minister should say, “Take the politics out of planning.” When he said that, he went on to say, “Only the Labor Party can deliver fair and good planning.” Only the Labor Party delivered the Wollongong City Council crisis, the Wollongong City Council riots. Maybe this is another one.

Mr Barr is very good at referring to federal Labor, very good at referring to Kevin O’Rourke and all the slogans that belonged to that year. But let us hear him talk about Labor in Wollongong. Let us hear him talk about the great achievements they had in planning in Wollongong. It was a very effective system for a very select few people there. I think a few people in Wollongong did very nicely out of that little arrangement. You might even know some of those people, Mr Barr. Perhaps they were in Young Labor with you; perhaps they were even on committees or executives with you over the years. Perhaps they even benefited from a little kickback here or there in Wollongong, as it seemed a few Labor folk did.

Getting back to the crux of the issue here, I think it is important that we get the right level of development in our suburbs, especially in Giralang, with the issues they face there. The people of Giralang do deserve to have a local shopping centre and they deserve ACTPLA to treat all applications with the utmost respect and transparency. I do hope that this place and that ACTPLA exercise the will of the community and the will of all concerned and bring about the best possible outcome for the people of Belconnen.

**MS LE COUTEUR** (Molonglo) (5.34): I am ready to close, if there are no other speakers. Thank you, members. Firstly, I cannot resist making a comment about taking the politics out of planning. I really think that is just not possible. Planning is inherently political. The territory plan gives a whole heap of property rights. It is a political process.

Going back to the Wollongong example, which I think was not so much about politics as corruption—and I am not suggesting for a minute that we do have corruption in the ACT—it is an inherently political process and one of the challenges that we have in terms of actually trying to do planning here or anywhere else is that we are in a mixed economy. The plan can be whatever we write but the people who actually own the land have to decide to act under policy levers which we are using. They may or may not. In fact, that has been one of the issues with local centres, because sometimes the owners of the local centres have thought, “I can make more money if I turn this into residential,” and thus it has been in their interest to achieve that by whatever means. I will talk more about this no doubt at some other time when I have more voice.

Getting back to the substantive amendment: the first part talks about the size restrictions for the gross floor area. This was one area where we had some poor advice, because we actually had thought that the territory plan previously did have size areas and so on. I am happy to be corrected that I got that bit wrong.

Moving on to the other bits: in regard to the supermarket policy clause, I see that the government would prefer to expedite the release rather than commit to releasing it.

I think that is probably to a large extent a semantic argument; so I am happy to leave it at that. I look forward to seeing the supermarket policy released expeditiously.

Regarding the small business impacts clause, I appreciate that ACTPLA already does do some small business impact analysis but we would like to see this impact be particularly focused on small businesses. We do believe it needs to be made more effective. And that is one of the reasons it was part of the Labor-Greens agreement. However, I do not think that this is the appropriate forum to go through all of that. We just cannot do it here and now; so I am happy to agree to Mr Barr's amendments and commend them to the Assembly.

Amendments agreed to.

Motion, as amended, agreed to.

## **Hospitals—disability care**

**MR DOSZPOT (Brindabella) (5.38):** I move:

That this Assembly:

(1) notes:

- (a) the increasing number of dischargeable patients with a disability in Ward 12B at The Canberra Hospital on the waiting list for an Individual Support Package (ISP);
- (b) that at least one of these patients has been waiting on funding for an ISP from Disability ACT since July 2007;
- (c) that retaining dischargeable patients in hospital for lengthy periods of time has a significant impact on the mental health and overall wellbeing of these patients and their families; and
- (d) the increasing burden on ACT Health as a result of the inability of Disability ACT to fund ISPs for long term hospital patients; and

(2) calls on:

- (a) the ACT Government to expedite a strategy to prepare for future patients who will be diagnosed with a profound disability that may require long term hospital care within the framework of the "Pathways from Hospital" program; and
- (b) the Minister for Disability and Housing and the Minister for Health to report back to the Assembly by the end of this sitting week on the status of the individual who has been a dischargeable patient in Ward 12B at The Canberra Hospital since July 2007.

Mr Speaker, I rise today to present this motion in order to raise some significant issues relating to long-term hospital care of patients with a newly acquired disability. This issue was the first of many relating to the care and provision of support of people

with a disability in the ACT that came across my desk just weeks after my election. The ongoing advances in medical technology have enabled individuals who acquire disability through illness or accident to have better opportunities and expectations than was previously possible. Officials at Disability ACT have told me that in the ACT in any given year we can expect three to four new diagnoses of people with newly acquired disability that will require support from government. There are a number of other individuals who will also be diagnosed who may have other means of private support, through family, insurance and/or compensation.

I am quite amazed by the seemingly insurmountable stumbling blocks and red tape that are placed in the path of those who most need our assistance, people with disabilities and their families. One of these stumbling blocks is undoubtedly time—the time it takes to wait for services, the time it takes to convince the government that something needs to be done. And there is the inability of our system to cope with issues that appear to be different at times and the fact that there is not a one-size-fits-all solution for all human beings.

I have become aware of at least three individuals who are currently in the so-called waiting room in ward 12B at the Canberra Hospital. Ward 12B is a rehabilitation ward, and it must be said that it is not unusual for patients to spend a long time in this ward. I am aware of a friend's father, a stroke victim, who spent three months rehabilitating in this ward.

I have personally visited this ward since being elected as an MLA—and not without my own exposure to the hospital bureaucracy, which initially tried to stop me from visiting a constituent. The officials at the hospital seemed somewhat nervous about my first visit, even after I assured them that I was at the hospital at the invitation of a constituent, a patient who had raised concerns with me through her advocate—concerns and a request for help that was also made to the Minister for Disability and Housing in November 2008.

The minister and, I assume, Disability ACT were well aware of the issues raised by this patient. In fact, I was given a briefing by the department, at the direction of the minister, on 9 February this year. I note the following extract from the DHCS website document *Partners in transition to the community project: newsletter 1, January 2009*:

The issue of transition to community living for long-term patients in hospital with complex and ongoing needs is a consistent and significant challenge for staff and service providers. There are examples of patients remaining in hospital for over 12 months after they have been declared medically ready for discharge. These are younger people who have experienced traumatic brain or spinal injuries or who have degenerative and disabling health conditions (such as Multiple Sclerosis, Huntington's Disease, Motor Neurone Disease) and it is inappropriate for them to enter residential aged care services.

Whilst the financial costs of remaining in hospital are significant for the health system, the ACT Government also acknowledges the large social cost to the individual and their families and carers.



The document goes on to say:

Currently, there are no obvious policy supports in place to facilitate this process. The lack of a framework often results in an inconsistent approach to the planning and outcomes for the individuals.

But there is still no plan for the three individuals waiting on support to go on with their lives at home.

I know that the minister will today draw our attention to the \$3 million funding initiative over four years that was announced yesterday as part of the budget. At first blush, this does seem to indicate a light at the end of the tunnel for these individuals, but time will tell.

I initially intended not to single out any individual case with this motion, but events of today leave me with a serious concern about what a departmental briefing really means. I have been under the impression that the second briefing I received from the department about the specific individual on 2 April this year was a full briefing; but, after a number of discussions with Minister Hargreaves and his adviser today, I am told that was not the case.

Mr Speaker, this leaves some very serious issues for all of us to consider regarding our expectations about information that we are given and the reality of what actually occurs. When is a briefing not a full briefing, and why? There are already serious questions that need to be answered about how the current situation with regard to this patient has been left to go on for so long—nearly two years. I have been trying to get some answers on this individual's situation since December last year. I have had a briefing, but it must be said that I felt as though I knew more about her situation than the officials did. That prompted me to ask for an urgent reassessment of her by Disability ACT or ACT Health, which I believe was finally carried out about a week or a week and a half ago.

The system has failed this patient. The government and the minister have sat on their hands and left her in the too hard basket. Despite her improved physical condition, which would appear to significantly reduce the assistance required, it appears that until recently the government was still under the assumption that her case was too complicated and costly to address. I personally have written to the minister for disability on this issue since January, seeking a meeting with him directly. But only this week, and only after a motion had been put on notice, have I been able to get the minister's attention.

I draw your attention to this and I seek your support of the motion. I also seek leave to move an amendment to the motion.

**MR SPEAKER:** Is leave granted?

**Mr Hargreaves:** Reluctantly. You should have circulated it by now, sir. That is the protocol, and you should have done it. This is the last time.

**MR DOSZPOT:** I move:

Omit paragraph 2(b), substitute:

“(2) (b) the Minister for Disability and Housing and the Minister for Health to report to Steve Doszpot MLA and Amanda Bresnan MLA within seven days on the actions the ACT Government is taking to find appropriate support for the individual who has been a dischargeable patient in Ward 12B at The Canberra Hospital since July 2007, so that she can be discharged from hospital.”.

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

## **Adjournment**

Motion by **Mr Hargreaves** proposed:

That the Assembly do now adjourn.

## **Canberra Services Club**

**MR COE** (Ginninderra) (5.46): On Thursday, 16 April 2009 I had the great pleasure of attending the dedication of the Lady Gowrie hall at the Canberra Services Club in Manuka. Following the outbreak of World War II, an association was formed in Canberra to support service personnel. What was to become known as the Canberra Services Welfare Association proposed that a “rest hut” be constructed for the use of people in the forces.

Lady Zara Gowrie, the wife of Australia’s 10th and longest serving Governor-General, Lord Gowrie, played an active role in raising funds for the construction of the hut. She hosted a garden fair at Government House in which some £3,500 was raised. This garden fair included a raffle to which she generously donated some of her personal belongings. In the end £7,000 was raised, and on 13 March 1941 the Lady Gowrie Services Club opened. The club provided a place for rest and relaxation, served meals and was a venue for many social occasions. The club’s invitation was eventually extended to anyone in uniform, including United States personnel and those from other commonwealth countries.

Lady Gowrie knew something of the sacrifice those in the military give in service of their country. Her husband, Lord Gowrie, joined the British Army in 1898 and had a long and distinguished army career. He served in the Sudan campaign and in India. During World War I he served in France and Gallipoli, and later in Germany, where he commanded forces. Amongst his decorations are the Victoria Cross for bravery in saving the life of an Egyptian officer, his distinguished service order and bar and numerous mentions in dispatches.

Lady Gowrie was president of the club until 1944, just before the end of Lord Gowrie’s commission and their return to the United Kingdom.

The modern-day Canberra Services Club still provides services to those who serve and have served, including the serving community, veterans community and

emergency services personnel. The refurbishment of the club and dedication of the Lady Gowrie hall recognise, in the words of the club president, Vince Pannell APM, “without doubt a person of great character, integrity, compassion and drive and her extensive contributions to the Australian community”.

The club is a little something that we in the community can support and give in return to those in the services who have given and continue to give so much. Those in the community who have supported the improvements to the room include the AFP Association, the ACT Chamber of Commerce and Industry, the Australian Industry Defence Network, Aristocrat, the Australian War Memorial, BA Plumbing, Bradley Allen Lawyers, Buxton Painting Services, the Canberra Times, Canberra Sand and Gravel, 2CC/2CA radio, Chemworks, Clubs ACT, Coca-Cola, the Commonwealth Bank, David Turner Electrician, Eric Martin and Associates, Finance Solutions 24/7, Fini Frames, Fosters Group Ltd, Lieutenant General Peter Leahy, Macquarie Editions, Montaignes Removals, Mr Noel Ryan, Mr Steve Dickinson, Mr Terry Emery, the National Library of Australia, Paragon Printing, PhotoAccess, Plume Graphic Design, Service for Art, T OK Carpentry and Partitioning Pty Ltd, the United Firefighters Union, Workin Gear and Yarralumla Nursery.

Congratulations to Vince Pannell APM and the board of directors for steering the Canberra Services Club, congratulations on the dedication of Lady Gowrie Hall and I look forward to a bright future for the club.

### **Facebook website**

**MS GALLAGHER** (Molonglo—Treasurer, Minister for Health, Minister for Community Services and Minister for Women) (5.49): Tonight I want to talk about honour in politics—not just the honour that is bestowed on each of us as representatives of our constituents, but the honour and dignity that should form part of how we conduct ourselves as politicians.

I want to talk about how this opposition have no honour and no dignity in the way they choose to conduct themselves over the fraudulent Facebook site created by persons unknown but with some very clear links to the Liberal Party. The site contained material that was highly offensive. It depicted me as the proverbial dumb blonde. It ridiculed my relationship with my partner. It misrepresented my political views. And it disparaged me as a woman. This impostor then created a second Facebook page inviting a whole range of prominent national and local Liberals to join it—and many did.

Given that the person impersonating me clearly had so many reliable Liberal Facebook friends, it appeared to me a fairly straightforward leap to presume that, if the Facebook site was anti-Labor, the site had prominent Liberals as friends and the site had a picture of the Leader of the Opposition on it, the person behind it was highly likely to have Liberal links. We called for the Liberals to investigate.

What did we get from the Liberal Leader of the Opposition? Cowardly silence. Did we hear any denunciation of the views expressed on the fake Katy site, any vague message that this sort of politics is not on or even mild disapproval? Nothing. He did not see fit to put on the public record that he did not support this approach to politics.

He did not repudiate the views expressed on this site. Instead, he went missing in action.

That silence condones the behaviour and it condones the slurs. It condones a very nasty and juvenile way of doing politics and it reflects the culture of this nasty and timid opposition, an opposition that has more in common with a high school clique than a viable alternative government. It is run by amateurs—spiteful, juvenile amateurs. Did we see any earnest investigation into who might be responsible for this dirty ploy? Did we see any action at all?

On the eve of this sitting, in response to a letter from me to the Leader of the Opposition, we see the true cowardly approach followed by the Liberal Party. Instead of an indication that they were taking this matter seriously, the letter demanded answers from me about this episode. It appears that Zed's way of investigating this episode was not to make inquiries into his own party, his own staff and his own members—all of whom are linked to these fake sites. No; Zed decided to investigate me.

I call on Zed Seselja to inform this Assembly before the end of this sitting period whether he has any knowledge of anyone in his party responsible for making these slurs. I call on him to publicly repudiate the views expressed on this bogus site. I call on him to undertake to seek an assurance from all his party, staff and fellow MLAs that they did not participate in this exercise, and to report that assurance to the Assembly.

Facebook has removed the fraudulent sites after my complaints, and they have confirmed to me that the content did breach the terms and conditions of the use of Facebook. While I am pleased that the site has been pulled down, this will not be the end of the matter for me. I am determined to find out who is behind this, and I am taking further advice on the options available to me.

It is unfortunate that I even have to be giving this speech tonight, when there are so many other pressing issues important to the people of Canberra, but I have given the Liberals the opportunity to redeem themselves over this episode. They have had weeks to come out and deal with this matter, and they have chosen not to. I have decided that it would not be right to say nothing and to give the opposition leader and his petty party a free pass on this—to say that this is a legitimate way of doing politics, a legitimate way of prosecuting a political agenda. It is not okay.

The Liberal Party, and their leader and all of his MLAs, stand condemned for their silence. This whole episode has revealed how lightweight the Liberal Party really are—no honour, no courage, and obviously destined to be in opposition for a long, long time.

Question resolved in the affirmative.

**The Assembly adjourned at 5.53 pm.**