



# Debates

WEEKLY HANSARD  
SEVENTH ASSEMBLY

Legislative Assembly for the ACT

15 SEPTEMBER 2009

[www.hansard.act.gov.au](http://www.hansard.act.gov.au)



## Tuesday, 15 September 2009

Death of Dr Robert Boden OAM (Motion of condolence).....	3909
Climate Change, Environment and Water—Standing Committee .....	3914
Administration and Procedure—Standing Committee .....	3916
Leave of absence.....	3916
Justice and Community Safety—Standing Committee.....	3916
Public Accounts—Standing Committee .....	3917
Climate Change, Environment and Water—Standing Committee .....	3919
Public Accounts—Standing Committee .....	3924
First Home Owner Grant Amendment Bill 2009 (No 2).....	3925
Planning and Development Amendment Bill 2009 .....	3928
Adoption Amendment Bill 2009.....	3939
Carbon sequestration—audit report .....	3939
Ministerial arrangements .....	3948
Questions without notice:	
Cotter Dam—cost.....	3948
Cotter Dam—cost.....	3951
Cotter Dam—cost.....	3953
Pace Farm—battery hens.....	3954
Cotter Dam—cost.....	3956
Hospitals—Calvary Public Hospital.....	3958
ACTION buses—fleet .....	3961
ACT Health—agency nurses .....	3963
Minister for Education and Training .....	3965
Papers.....	3966
Executive contracts .....	3966
Intergovernmental agreement .....	3968
General practice and sustainable primary health care.....	3968
Disability ACT.....	3970
Papers.....	3974
Justice and Community Safety—Standing Committee.....	3975
Statutory authorities and territory-owned corporations (Matter of public importance.....	3977
Financial Management Act—instrument.....	3996
Adjournment:	
Labor Party .....	3996
Girl Guides .....	3998
Mr Ante Sardelic— <i>Cultural Parallels</i> .....	3999
Battle of Britain commemoration .....	3999
Sri Lanka.....	4000
Homelessness—fundraising .....	4001
Wheelchair for Scarlett.....	4002
Youth poverty .....	4002
Facebook website .....	4003
Switch to Green conference.....	4004

**Tuesday, 15 September 2009**

**MR SPEAKER** (Mr Rattenbury) took the chair at 10 am, made a formal recognition that the Assembly was meeting on the lands of the traditional custodians, and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

**Death of Dr Robert Boden OAM**  
**Motion of condolence**

**MS GALLAGHER** (Molonglo—Treasurer, Minister for Health, Minister for Community Services and Minister for Women): I move:

That this Assembly expresses its deep regret at the death of Dr Robert Boden OAM, former Director of the Australian National Botanic Gardens, a life dedicated to trees and the amenity of horticulture, and tenders its profound sympathy to his family, friends and colleagues in their bereavement.

For more than half a century, Dr Robert Boden dedicated himself to the study and protection of trees. His legacy is evident everywhere we look around us in the national capital, in any direction. And his legacy will endure, long after this generation of our urban forest has gone, in the form of his pioneering work on the conservation of threatened species. Dr Robert Boden's death late last month has deprived our community of a champion of the natural environment and an inheritor of the scientific and horticultural tradition begun in this territory by figures such as Weston and Pryor.

On behalf of the ACT government, I convey my condolences to his wife, Susan Parsons, his former wife, Anne McDonald, his children, David and Susan, and their families.

Robert Boden came to Canberra in 1955. From his base at Yarralumla Nursery, he began extensive surveys of and studies into Canberra's parks and reserves. A year after his arrival, he completed a diploma of forestry at the Australian Forestry School in Yarralumla. It was the start of a long scholarly engagement with a subject that had captured his heart. He was later awarded a Master of Science degree from the University of Sydney for his research into why some species of eucalypt cope with waterlogged soil conditions while most do not.

Robert Boden's early work in propagating and trialling exotic and indigenous vegetation led him to develop a new freefall cultivar of the well-known pin oak. Unlike old-style pin oaks, which retain their dead foliage over winter until the old leaves are pushed off by new growth in the spring, the new cultivar behaved like most other deciduous trees, properly defoliating after its brilliant autumn colours faded.

The development of this cultivar was born out of Robert Boden's own observations that certain specimens of pin oak naturally lost their leaves. He took cuttings of these specimens and grew them in a trial plot at Yarralumla Nursery. From these trees, buds were taken and grafted onto regular pin oak seedlings. So began the first trial of what became the freefall cultivar, which defoliates on cue in autumn. Wholly developed right here in Canberra, based on Canberra research, the freefall cultivar is now grown

at the ACT government tree farm at Pialligo, under the care of Yarralumla Nursery, and is distributed around Australia.

Earlier this year, a forest of Dr Boden's freefall was planted at the arboretum, sponsored by the Institute of Engineers. The Boden pin oaks will form a host forest for a smaller number of rare maple-leaf oaks, a species that is confined in the wild to a few upland forest areas in Arkansas in the United States.

In the late 1960s, Robert Boden's interest in trees and the environment took a new turn when he embarked on a doctorate at the Australian National University into the ecological effects of changing rural land use patterns in the Canberra region. He was awarded the degree of Doctor of Philosophy in 1971 and leapt into a new career in nature conservation administration with the Australian National Parks and Wildlife Service in Canberra. In the late 1970s his professional career took yet another dramatic turn when he was appointed inaugural director of the National Botanic Gardens.

Dr Boden's vision over the next decade was for the gardens to become a world-class seat of learning and research, as well as a much-loved place of recreation and relaxation. As director, he successfully turned what had been a local botanic garden into Australia's premier conservation institution and an internationally renowned tourist attraction.

In 2005, the Australian National Botanic Gardens honoured Robert with a plaque which read, "A life dedicated to trees and amenity horticulture, with a special interest in the eucalyptus." But Dr Boden's legacies at the gardens extended much further than a plaque. He was instrumental in the construction of the Burbidge Memorial Amphitheatre, which opened in 1980, and the visitor information centre, which was opened in 1985 by the Prince and Princess of Wales.

Dr Boden also instigated a centre for horticultural therapy and improved access for the disabled. He was responsible for the boardwalks that lead visitors through the rainforest gallery, the cafe at which countless visitors congregate each year, the first public concert on the eucalypt lawn in 1983 and the annual celebration of Wattle Day at the gardens.

After his departure from the gardens in 1989, Dr Boden's passion for trees and conservation found new outlets. He served as a council member for the National Trust of Australia for several years and was admired and respected for the expertise he freely shared and the contribution he made to a number of local and national inquiries. As the first deputy chairman of the ACT Flora and Fauna Committee, Dr Boden's experience was crucial in the development of criteria for assessing threatened species. In 2001, Dr Boden was appointed as a tree adviser under the Tree Protection Act. Through this role he was able to directly contribute to the protection of trees in the ACT.

Dr Boden's passion was again evident in June 2006, when he advocated successfully to save 230 poplars that were to be cut down by the National Capital Authority between the National Library and Questacon. He was also instrumental in

reinvigorating Wattle Day and became an adviser to and a member of the Wattle Day Association.

In 2007, Dr Boden was awarded the Medal of the Order of Australia. The citation reads: “For services to horticulture, particularly through contributions to the development of the Australian National Botanic Gardens, and to the preservation of the natural environment.”

Dr Boden is remembered by those who knew him as a gentle and gracious man, with a prodigious power of persuasion. His contribution to his community lives on in the trees of our city, in his contribution to our knowledge of conservation and in the memories of those who met and worked with him over the course of his long and distinguished career.

**MR SESELJA** (Molonglo—Leader of the Opposition): I rise to speak to the motion of condolence for Dr Robert Boden and to pass on our sympathies to family and friends of Dr Boden on behalf of the Canberra Liberals.

Although I did not know Dr Boden, I am aware, as many other Canberrans are, of his contributions through the National Botanic Gardens, of which he was the former director. I am impressed by his record, including gaining admission into university at a young age, where he was awarded a Bachelor of Science specialising in forestry. I am also impressed by his commitment, for he took his path of study from his teenage years and dedicated the rest of his life to forestry and the environment.

His life has seen him recognised throughout the world for his unique understanding of trees as part of a broader landscape, and of how they impact, influence and enrich the human experience within that landscape.

For 10 years, Dr Boden was director of the National Botanic Gardens, but his influence extends throughout the Canberra landscape as he became a consultant practising in conservation and natural resource management. His work has appeared in both newsprint and published books.

His wide knowledge and deep commitment were recognised when he was appointed to the National Trust of Australia and as the foreman of the ACT Flora and Fauna Committee. He was acknowledged by the CSIRO and by Government House, and his work as a special adviser on the ACT Tree Protection Act meant that his knowledge had a very real impact on the everyday lives of many Canberrans and many streetscapes in Canberra.

In 2007, Dr Boden was awarded the Medal of the Order of Australia for services to horticulture. The Canberra landscape has been enriched by Dr Boden’s talent and perseverance. I have no doubt he has also enriched the lives of those who knew him. I respectfully offer my condolences to Dr Boden’s family, friends and loved ones.

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens): On behalf of the ACT Greens, I rise today to offer our deepest sympathies and condolences to the friends and loved ones of Dr Robert Boden. “A true man for all seasons” was how the *Canberra Times* described Dr Boden in its front-page tribute on 1 September 2009.

Dr Boden studied forestry at the University of Sydney, and in 1963 he was awarded a Master of Science degree from the university for a research thesis examining how some species of eucalypts cope with waterlogged soil conditions. Later, his work on the ecological effects of changing rural land use patterns in the Canberra region resulted in him being awarded a Doctor of Philosophy from the Australian National University. Following this, he worked for the federal Department of the Interior. He then spent five years in India and Pakistan as a Colombo plan adviser working on reforestation.

Dr Boden was the founding director of the Australian National Botanic Gardens, and during his 10-year tenure in that position he added a conservation biology role to the existing functions of horticulture, education and botanical science. In addition to making the gardens a place of learning and research, he developed the gardens into a place that people could go to for relaxation and recreation. He improved access for the disabled and had boardwalks installed, established the cafe and the rainforest gully, started the public concerts and promoted the gardens as a place for locals and visitors alike.

For many years, the Australian National Botanic Gardens were the only botanic gardens dedicated to growing Australian native plants. They now represent the world's largest living collection of Australian native plants and are of great international scientific significance.

Dr Boden indicated some time ago that the most significant administrative event for the future of the gardens was that they became a national rather than territorial responsibility when self-government was introduced. Among other things, this enabled the federal government to prefix the name of the gardens with the word "Australian", which gave the gardens recognition internationally.

From 1998 to 2004, Dr Boden served as a council member for the National Trust of Australia, and was the first deputy chairman of the ACT Flora and Fauna Committee. In 2007, he was awarded the Medal of the Order of Australia for service to horticulture, particularly through his contributions to the development of the Australian National Botanic Gardens and to the preservation of the natural environment.

There have been a number of suggestions with regard to the naming of a major park in Dr Boden's honour as a tribute to his legacy. However, perhaps a more fitting tribute would be to reinvigorate the Australian National Botanic Gardens, which in recent times have been lacking the level of federal government funding necessary for ongoing maintenance and research into Australian flora.

One travel website lists the Australian National Botanic Gardens as "a beautiful relaxing place to spend a few hours or a whole day". While not knowing Dr Boden personally, it is widely acknowledged that he had a lot to do with making the gardens the wonderful place they are today, and perhaps that is the most fitting tribute of all. Once again, on behalf of the Greens, I extend my deepest sympathy to Dr Boden's wife, Susan Parsons, his family and loved ones.

**MR CORBELL** (Molonglo—Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services): I am pleased to join with other members in acknowledging the work of Dr Robert Boden and to extend my sympathies to his family, friends and colleagues.

Robert Boden was one of Canberra's truest friends. A legacy of work in arboriculture in Canberra spanning more than 50 years means that many aspects of his work have probably touched most people in the ACT. And not only in the ACT; Dr Boden's expertise took him to the Northern Territory, India and Pakistan, and several roles at that national level, which will have impacted around Australia. But it is as a particular friend of Canberra that I would like to remember Dr Boden today.

One of his most direct involvements with trees in Canberra was through the ACT's Flora and Fauna Committee. Dr Boden was one of the founding members of the committee, appointed as deputy chair in 1994, before becoming chair and staying on the committee for six years. During his time on the committee, it was responsible for either classifying as threatened or drawing up critical action plans to help protect a range of threatened vegetation and animals across Canberra. Examples such as the sub-alpine herbs, leek orchids and the golden sun moth are particularly relevant.

Dr Boden's time on the committee was not his only contribution to the flora and fauna of the ACT. A quick internet search of his name will uncover a mountain of reports and submissions either created by Dr Boden or referencing his excellent work. Whether through his role as foundation director of the Australian National Botanic Gardens, council member of the National Trust of Australia in the ACT or through his consultancy work and individual advocacy, many people have benefited from the expertise and passion of Dr Boden. And we will continue to benefit in many ways for many years to come.

In his later years, he was a driving force in the development of the Canberra International Arboretum and Gardens. His advice was pivotal to shaping the gardens, and his association with the project gave it weight and credence when many sought to knock it.

Canberra has been fortunate to have been home to some of this country's finest arboriculturists, and without a doubt Robert Boden is among them. I had the privilege of knowing Robert Boden, particularly in my time as an opposition member in this place, and I always found him to be a gentle, intelligent and persuasive man. He was a man with a common decency, quiet and understated in his approach, but passionate about Canberra—Canberra as a garden city, Canberra as the bush capital.

His death is a loss to the territory, but his legacy will live on through the trees of this place that he loved so much. I again extend my deepest sympathies to his family and friends.

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

## **Climate Change, Environment and Water—Standing Committee**

### **Terms of reference**

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens) (10.16), by leave: I move:

That the resolution of the Assembly of 11 December 2008, as amended 23 June 2009, which referred the issue of ACT greenhouse gas reduction targets to the Standing Committee on Climate Change, Environment and Water be amended by omitting:

“(3) resolves that the Committee shall report by 17 September 2009;”

and substituting:

“(3) resolves that the Committee shall present an interim report by 17 September 2009 and present a final report by the last sitting in March 2010;”.

The Assembly referred this greenhouse gas reduction target inquiry to the Standing Committee on Climate Change, Environment and Water on 11 December 2008 for reporting back in July 2009. On 25 June 2009, the Assembly resolved to extend the inquiry reporting date to “by 17 September 2009”.

The committee’s inquiry has been made more difficult by the uncertainty around various international, local and national processes. Obviously, people will know that later this morning I will be tabling a report from that committee. But there have been a number of things going on at the national level, things such as the debate in the federal parliament around the CPRS. At a local level, the government has taken on the job of drafting an interim energy policy and also there has been the discussion around a zero emissions map for the ACT.

Of course, in December of this year we have the talks that will go on internationally in Copenhagen. We felt that all of these things provided, I suppose, a situation where we felt that we needed that opportunity, despite tabling the report today, to be able to come back and to look at a number of issues.

At the committee’s private meeting of 2 September 2009, the members considered the circulated draft report and agreed to rename it an interim report. The committee agreed to adopt an interim report with some initial recommendations and not to finalise the inquiry. The above resolution and terms of reference create an expectation that a final report is to be tabled by 17 September 2009.

The proposed legislation and climate change policy and programs need to be considered by the committee in light of a number of developments, the outcomes of which may impact on ACT greenhouse gas reductions. They include the things I have mentioned earlier in this speech—that is, the ACT government’s zero net emissions



road map, the proposed interim draft energy policy, the outcomes in Copenhagen and the likely evolution of the carbon pollution reduction scheme.

The committee considers that its inquiry into these and related issues should be ongoing. While noting these developments, the committee believes that drafting of legislation for ACT greenhouse gas reduction targets and associated monitoring, reporting and review mechanisms should proceed as soon as possible. The committee recommends consideration of draft legislation by the Assembly in the first half of 2010, taking into account the above developments that I have outlined at a local, national and international level.

**MR CORBELL** (Molonglo—Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services) (10.20): The government will support this motion this morning. I note, however, that the proposal is for a final report to not now be presented until March next year in relation to this matter.

Whilst I understand the committee's reasoning for that position, it does, of course, leave open the question that it may not be until halfway through the term of this Assembly that there is actually legislation passed on mandated greenhouse gas reduction targets, if you abide by that time frame.

Given the urgency that the Greens and other members in this place stressed needed to be put on this issue, I think it is of some concern that we now face potentially nearly a full two years before legislation is in place on this matter. I look forward with interest to seeing what the committee's interim report says when it is tabled, as I understand it, later today.

It may be the case that that report will give sufficient guidance about the committee's views on what a greenhouse gas reduction target should be that my concerns might be allayed. I will obviously need to wait and see. But I would simply add the observation, and perhaps the caution, that whilst it is, of course, desirable to have as complete and as comprehensive a report on this important matter as is possible, we also need to have regard to the fact that I know there is a strong view in the community and, indeed, expressed by non-government parties in this Assembly that there should be new targets in place as a matter of urgency.

I just make the observation that as it is nearly two years after the election that we actually get around to legislating those targets, this does not perhaps demonstrate the urgency that members have previously expressed. That being the case, I look forward to seeing the committee's report and seeing what guidance it gives.

The government will be moving to act quickly on the committee's recommendations and hopefully in a way that is able to provide definitive guidance on what should be our greenhouse gas reduction targets and what associated measures there should be. That said, the government will support the amendment to the resolution of appointment today.

Question resolved in the affirmative.

## **Administration and Procedure—Standing Committee Membership**

**MR SMYTH** (Brindabella) (10.23): Pursuant to standing order 223, I move:

That Mrs Dunne be discharged from the Standing Committee on Administration and Procedure for today, 15 September 2009, and that Mr Hanson be appointed in her place.

Question resolved in the affirmative.

## **Leave of absence**

**MR CORBELL** (Molonglo—Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services) (10.24): I move:

That leave of absence be granted to Ms Porter for this sitting day.

**MR SPEAKER:** Mr Corbell, I understand you need to give grounds for Ms Porter's absence. Perhaps you could briefly enlighten the Assembly.

**MR CORBELL:** Thank you, Mr Speaker. Ms Porter is ill today and is unable to attend this sitting. That is why I am seeking leave of absence.

**MR SPEAKER:** Thank you.

Question resolved in the affirmative.

## **Justice and Community Safety—Standing Committee Scrutiny report 12**

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens): I present the following report:

Justice and Community Safety—Standing Committee (performing the duties of a Scrutiny of Bills and Subordinate Legislation Committee)—Scrutiny Report 12, dated 14 September 2009, together with the relevant minutes of proceedings.

I seek leave to make a brief statement.

Leave granted.

**MS HUNTER:** Scrutiny report 12 contains the committee's comments on 11 bills, 32 pieces of subordinate legislation and three regulatory impact statements. The report was circulated to members when the Assembly was not sitting. I commend the report to the Assembly.

## **Public Accounts—Standing Committee Report 4**

**Ms LE COUTEUR** (Molonglo) (10.26): I present the following report:

*Report 4—Review of Auditor-General's Report No 8 of 2008: 2007-08 Financial Audits*, dated 12 August 2009, together with a copy of the extracts of the relevant minutes of proceedings.

I move:

That the report be noted.

I am pleased to present this report today. The Auditor-General's report No 8 of 2008 was presented to the Legislative Assembly on 17 December 2008, and consequently referred to PAC for inquiry. It has been the annual practice of the ACT Auditor-General to provide a report such as this one which contains independent opinions on financial reporting and accounting in the ACT public sector, and this includes comparisons of agency budgets against financial performance as reported in their operating statements. Also, the report reports on matters coming to light during the audits of the agency financial reports and the reviews of the statements of performance that the agencies make.

This is not to do with the Auditor-General's performance audits. This is purely the financial audits. The matters which are typically reported on are noted in our 10 recommendations. They include weaknesses in government arrangements, control weaknesses and breakdowns, IT issues—there are always IT issues, I guess—and timeliness in reporting by agencies in responding to the Auditor-General's reports.

As all members would be aware, an independent audit opinion is essential to ensure the appropriate level of accountability to the Legislative Assembly and to the ACT public for ACT finances and performance. Independent opinions such as provided by the Auditor-General's annual report on financial audits provide an integral part of our effective system of accountability for the stewardship of public funds, how these funds are spent and the quality of decision making that underpins that spending.

The audit report summarises the audits of the financial reports and the views of the statements of performance completed during 2007-08 covering the territory and its agencies. It contains comments on the systematic and significant matters found during these audits. The committee received a briefing from the Auditor-General and also received the government's submission in relation to the audit report's findings.

The committee considered and assessed the matters of significance raised by the audit report and its report focused on a selection of significant issues raised. It also provides a summary of the government's response in relation to them. The committee's report makes 10 recommendations covering various aspects of financial reporting and accountability in the ACT public sector. Last of all, I would like to thank all those people involved in creating the report: my colleagues, Mr Smyth and Ms Burch, the people who assisted the committee in considering the report and, most particularly, I

would like to mention Ms Cullen of the Committee Office secretariat and, of course, the Auditor-General, without whom this report would not have existed. I commend the report to the Assembly.

**MR SMYTH** (Brindabella) (10.30): There are a number of sensible recommendations, 10 in number, that the committee has made to the Assembly. Much of it goes to the nature of the information that is provided and the effectiveness of that information in conveying the future of what goes on inside the departments. It also suggests, for instance, that agencies like the Land Development Agency ensure compliance with the requirements of the Financial Management Act.

As the chair has outlined, what we found was nothing major that needed to be looked at, but it is about making sure that, of course, the information that we receive is actually usable. It is not a challenge just to fill up the statements; it is a challenge to make the statements (1) comply with the directions; (2) comply with the Financial Management Act; and (3) actually useful for the members of the public.

There are a number of requests or suggestions from the committee. For instance, the committee in recommendation 9 recommends that the Treasurer provide to the Legislative Assembly on the last sitting day in September 2009—two days hence—a detailed project report on delivery of projects under Appropriation Bill (No 3) 2008-2009, last financial year. We understand that there is difficulty in that, given that the report is only being tabled today. There is also recommendation No 7, where we see the review of the territory's unfunded superannuation liability.

There are some helpful suggestions. There are two paragraphs that I would particularly bring to the attention of members. Paragraph 3.52 noted that a number of weaknesses identified in key controls and reported as audit findings in 2006-07 have not been resolved, particularly in TAMS. Yes, it always seems to come back to TAMS.

There are a number of dot points there. TAMS has not developed or monitored business plans for many of its business units. None of the TAMS business units had approved and tested business continuity planning arrangements. Internal audit of leave processes indicated that TAMS was exposed to a higher risk of erroneous and fraudulent leave claims and of paying employees in excess of their entitlements. It is the bread and butter stuff of government that they have these plans and they have these controls in place. It is a shame that recommendations made in September 2007 have not been implemented as yet.

The other paragraph I would draw members' attention to is paragraph 4.23. As noted previously, accountability entails not only a calling to account for the stewardship of funds but also a calling to account for performance—that is, how public funds are spent and the quality of the decision making that underpins such spending. It does really highlight, as the next paragraph says, the importance of the relationship between the financial and the non-financial performance indicators and where we report.

With those few words, I commend the report to the Assembly. I would like to thank the chair and Ms Burch for their work in putting this report together. In particular, I

thank the secretary, Ms Cullen, for the excellent work that she does on all the work that the PAC has to get through.

Question resolved in the affirmative.

## **Climate Change, Environment and Water—Standing Committee Report 2**

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens) (10.33): I present the following report:

Climate Change, Environment and Water—Standing Committee—Report 2—*Inquiry into ACT Greenhouse Gas Reduction Targets*—Interim report—September 2009, dated 9 September 2009, including additional comments (*Mr Seselja*), together with a copy of the extracts of the relevant minutes of proceedings.

I move:

That the report be noted.

Before I comment on the report, I would like to thank my committee colleagues, Ms Porter and Mr Seselja; the staff of the Committee Office, including the committee secretary, Hanna Jaireth, and Rachel Lee, who assisted the inquiry secretary; Chiew Yee Lim from the library; and Lydia Chung.

This was a challenging report with substantial terms of reference. Climate change is well known as a wicked policy problem. I take the liberty of quoting Professor Ross Garnaut, who was commissioned by all state and territory governments to advise on climate change. In April 2008, he addressed a climate change and social justice conference at the University of Melbourne, noting climate change as a wicked policy problem. He said:

Wicked problems are hard to define so that people have different ideas on the nature of the problem. They have many interdependencies and multiple causes that interact. Wicked problems don't just keep still. They interact and evolve in a dynamic social context. New forms of wicked problems emerge, while one is seeking to understand and solve the original version. Or the solution leads to new, unintended consequences.

All members of the committee were confronted and challenged by the wicked nature of the policy parameters of climate change, and we certainly talked about these issues and their complexities. Nonetheless, while the issue is broad and the issues raised before the committee covered a wide spectrum, our key task was to determine appropriate targets to be set into future ACT legislation to reduce our ACT greenhouse gas emissions, as well as associated monitoring, reporting requirements to accompany those targets. We were also looking at the triple bottom line, the social, environmental and economic impacts of any proposed targets, and other issues.

The public was very interested in this inquiry. We received 36 submissions from the community and held 11 public hearings. On behalf of the committee, I take this opportunity to thank the community for these contributions. It is evident there is great interest in finding local and sustainable solutions to climate change. The views we heard reflected the passion, creativity and analysis of so many of the ACT community who want a sustainable, zero carbon ACT.

We received a very clear message that, despite the complexities of climate change, the need and desire for action were well founded, particularly in the short to medium term. There was also confidence that well-planned policy and programs could address unexpected outcomes and impacts. Our colleague the minister, Mr Corbell, indicated that the ACT government recognised that the community expects strong targets and that we have a very strong moral obligation to future generations to adopt stronger and more visionary targets.

Throughout the submissions and evidence, the word “leadership” was often mentioned. The committee agrees that the ACT should take a leadership role.

The committee received a very clear message that the science of climate change indicates that all of us, no matter how big or small or unique our carbon footprint, should take steps to reduce our carbon footprint as soon as possible. The scientific evidence indicates that, if we wish to avoid threshold climate change, we need to make significant global cuts by 2020. We are all special cases, whether by being a small jurisdiction or having particular industries. We should do the best we can. Dr Richard Dennis of the Australia Institute said:

While the ACT is a small territory and a small country in a big world, frankly, everyone lives in a small community as part of a big country somewhere, and if individual communities do not try to make a significant difference then there is literally no prospect of our solving the problem.

The committee received a very clear message that in the context of the ACT, with 73 per cent of our greenhouse gas emissions from running our buildings, we could realistically expect to significantly cut our greenhouse gas emissions dramatically by applying energy efficiency measures and make significant ongoing financial savings in the process.

On the evidence before us, the committee is of the view that there is a strong case for ambitious action in the ACT, particularly in the short to medium term. It is on this basis that the committee recommends an ambitious, non-enforceable target of a 40 per cent reduction by 2020 on 1990 levels. The committee is confident that, with the effective implementation of appropriate energy efficiency programs and policy targeting both the residential and commercial building sectors, the ACT will be able to reduce its emissions by 40 per cent by 2020.

I would like to reiterate the evidence put before us that this should not be at any great cost to the ACT economy or community. Rather than pushing our local households or businesses out of Canberra, it will save them money. Economic analysis shows energy efficiency makes economic sense; environmental analysis shows it reduces

greenhouse gas emissions; yet it seems to constantly fall into the black hole of market failure. It seems that even with the introduction of a national emissions trading scheme it will still fall inside the black hole.

The challenge, therefore, is the shape of the policy and program drivers to ensure the uptake of energy efficiency. This is one reason why the committee has recommended this inquiry be ongoing. Other reasons why the committee has sought ongoing deliberations arise from the uncertainty in a range of policy developments taking place regarding climate change at the moment.

Nationally, we have uncertainty in regard to the Australian government's proposed carbon pollution reduction scheme and other Council of Australian Governments processes, such as the complementary measures policy agreement. Internationally, we await the outcomes from the 15th meeting of parties to the United Nations Climate Change Convention taking place in Copenhagen in December 2009. Locally, we are yet to see the long-promised energy policy or the data information timetable analysis that will inform the ACT government's road map to zero net emissions for the ACT.

Likewise, while we welcome the release of the 2005-06 ACT greenhouse gas inventory in July, we await the promised 2006-07 and 2007-08 inventories, as well as the 2008-09 inventory. The committee, the ACT government and the community need these up-to-date inventories as soon as practicable to assess how we are tracking. Have our previous policies worked? In what sectors are we making gains, and where do we need to focus our attention? It is for these reasons, as I outlined earlier, the committee is putting forward this report as an interim report, with our final report to be tabled at the end of March 2010.

While noting these developments, the committee believes that drafting of legislation for the ACT greenhouse gas reduction targets should proceed as soon as possible. So I guess that is picking up on Mr Corbell's point that he raised earlier, a concern about the delay in this process. The committee is making it quite clear that there should not be a delay and the drafting of legislation should proceed now.

The committee want to see a consideration of legislation before July 2010. We believe the legislation will be an important symbol to motivate the ACT community towards creating a zero net emissions, sustainable city. It will also provide a focus for the government to deliver on programs and make achievements in reducing greenhouse gas emissions.

Importantly, whatever happens with other processes, the committee is of the view that the ACT should regularly, reliably and consistently be informed of its progress in reducing greenhouse gas emissions. Therefore, the committee recommends that there be mandatory public monitoring, reporting and review mechanisms in the proposed legislation as a first start, including the annual production of the ACT greenhouse gas inventory.

The committee stresses the importance it places on putting in place the processes and methodology to ensure that the most cost-effective and efficient policies and programs are put in place to reduce greenhouse gas emissions. In that regard, the committee remains disappointed that to date the ACT government has not had a rigorous

methodology in place to make decisions about important climate change policies and programs or processes to evaluate their effectiveness. We do acknowledge that this is not an easy task.

The committee was at pains to ensure that potential policy measures take into account initial economic, social and environment impacts, as well as longer term costs and benefits. For instance, the committee recommends that all ACT government agencies undertake a sustainability assessment of all major policies, programs and projects.

It is for this reason we did not set a definitive long-term target. We need to assess the feasibility of getting the next 40 per cent to take us to a reduction of 80 per cent by 2050. The challenge will be this additional 40 per cent. The committee suggests that energy efficiency might well assist here as well. However, significant reductions will be more expensive and will come from fundamental changes in the ACT energy supply.

The committee notes that many policy and program suggestions were made during this inquiry and therefore asks in this interim report that the ACT government take them on board and consider them, using a consistent methodology in the context of the visionary road map to zero net emissions proposed by the ACT government.

The committee recommends that the ACT government take leadership and demonstrate to the community how it is tackling and reducing emissions in its own operations, as a matter of priority. Therefore, the committee recommends that the ACT government lead the community by outlining its pathway to achieving zero net emissions in its operations by 2015. It can provide leadership by sharing its lessons with us all.

In summary, our initial key recommendations are to seek consideration of climate change legislation in the Assembly in the first half of 2010; support a medium-term legislative target of a 40 per cent reduction in ACT emissions by 2020 on 1990 levels; support delivery of any set targets by introduction of legislated mandatory and consistent public reporting, as well as independent review of policy programs and progress; and incorporate sustainability or triple-bottom-line considerations into climate change policies and programs as well as the broader requirement of requiring a climate change analysis of all major policies, projects and programs.

The recommendations seek consideration of all policy and program ideas raised during the inquiry to be addressed as part of the ACT government road map to zero net emissions. We recommend the delivery of key measures in the 2010-11 budget to deliver energy efficiency measures.

We note our capacity to deliver a longer term target in the range of 80 per cent by 2050. It needs to be considered in the context of national and international events and local policy options such as will, hopefully, soon be evident in the road map to a zero net emissions ACT. We note the need for a local energy policy to inform our energy supply options.

The committee recognises the enormity of the challenges created by climate change—economic, social and environmental challenges. It also sees great potential for



innovation and growing the ACT and regional economy sustainably, particularly in new green-collar jobs and skills updating. The committee welcomes and looks forward to the public consultations on the draft ACT government road map to zero net emissions and its energy policy as key work to inform the future deliberations of the committee.

Once again, I would like to thank all those who put hard work into this inquiry, in particular, the key role played by the committee office, and I commend the report to the Assembly.

**MR CORBELL** (Molonglo—Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services) (10.46): I will take the somewhat unusual step of making some brief comments now in relation to the report, even though it has just been tabled. And I would like to do that because I want to congratulate the committee on its work.

On the face of it, a large number of these recommendations appear to be well considered and reasonably comprehensive. Obviously, the government will need to consider the report in some detail and provide a detailed response. But I want to indicate that the government welcomes this report and it should serve as a strong basis for the development of a tripartisan position on the issue of climate change in the ACT and how we address the impacts that we, as a city, have on greenhouse gas emissions and the overall issue of climate change.

Whilst I cannot commit, and will not commit, the government in relation to each of the recommendations today, I will make the general observation that this is the kind of report that should provide us with a basis for a consensus position. And a consensus position is essential if we are to get on with the very difficult and hard work of reducing greenhouse gas emissions and the behaviours in policy, the changes of policy that will be required, the changes in behaviour that will be required, to achieve zero net emissions for our city.

Earlier this year, I was very pleased to indicate the government's position that we would adopt a zero net emissions approach. I welcome the committee's endorsement of that, as well as the recognition that this is a target that will only be achieved through a series of steps and a series of interim targets along the way. I think it is the case that cities cannot achieve a climate-neutral position or achieve aggressive policy aimed at realistically and effectively reducing greenhouse gas emissions without a broad political consensus on the matter. Without that broad political consensus, policies are open to change, policies are open to reversal.

Those cities around the world that have demonstrated an enduring commitment to climate change issues and an enduring commitment to reducing greenhouse gas emissions have been able to do so because there has been a clear political consensus and, regardless of the position of the governing party, there can be confidence amongst policy makers and amongst administrators and the broader community that there is an ongoing objective to be achieved, regardless of who is in government, regardless of who is elected to the parliament. Cities that have achieved that consensus, including Copenhagen itself, have demonstrated to the rest of the world that real and meaningful change can be achieved, built on that foundation.

I would hope that this report today serves as that foundation for this parliament and for this city. By having such a foundation, our chances of success, our chances of achieving real reductions in greenhouse gas emissions, are that much greater because all parties are signed up to the task. So I thank the committee for its report.

The government will provide a detailed response in due course and in particular in relation to the specific target recommendations. I stress again that the government will need to consider those recommendations carefully and respond accordingly, and that is what we will do. But as a matter of in-principle support, if you like, I want to indicate the government's support for the work of the committee. I welcome this very detailed report and in the coming months look forward to a detailed engagement on its recommendations and the way forward.

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

### **Public Accounts—Standing Committee Statement by chair**

**MS LE COUTEUR** (Molonglo), by leave: Pursuant to standing order 246A, I wish to make a statement on behalf of the Standing Committee on Public Accounts. The Standing Committee on Public Accounts recently resolved to inquire into and report on a review of the *Auditor-General Act 1996*. The committee will inquire into and report on the following matters:

- (1) whether any amendments to the *Auditor-General Act 1996* (the Act) are required to take account of developments in both auditing standards and public administration in the ACT and other jurisdictions;
- (2) whether there should be any changes to the coverage and scope of the ACT Auditor-General's audit mandate and, in particular, with the power to audit organisations that receive funds from the ACT Government;
- (3) whether the annual budget for the ACT Auditor-General should be set by the Legislative Assembly and not by the Executive Government;
- (4) any amendments that could be made which would strengthen the managerial autonomy and resourcing of the ACT Auditor-General;
- (5) any amendments which would strengthen the role of the ACT Auditor-General as an independent officer of Parliament;
- (6) what amendments, if any, are required to clarify the intention of sections 22—*Proposed appropriations* and 22A—*Additional amounts for certain audits*—of the Act;
- (7) the recommendations of an independent performance audit of the Auditor-General to be conducted in accordance with Part 5 of the Act during 2009-10; and
- (8) any other relevant matter.

The committee is expecting to report to the Legislative Assembly for the ACT as soon as practicable.

## First Home Owner Grant Amendment Bill 2009 (No 2)

Debate resumed from 20 August 2009, on motion by **Ms Gallagher**:

That this bill be agreed to in principle.

**MR SMYTH** (Brindabella) (10.54): The opposition will be supporting this bill, and I thank the Treasurer for arranging a briefing at short notice so that we could discuss this at the last sitting. Unfortunately, we did not quite get there; as events transpired, it was not possible to debate the bill. The opposition acknowledge the short time that the ACT government has had to prepare this bill following the announcement from the federal government. We also acknowledge that it was not possible to bring this bill into the Assembly before the August sittings.

Most people will be aware that the extension for the first home owner grants at their full value expires at the end of September. Essentially, therefore, this is a very straightforward matter following the extension to these grants announced by the federal government some weeks ago. The two boost grants have been extended at their full value to 30 September 2009. The boost grants will then reduce by 50 per cent for the next three months and will cut out altogether after 31 December 2009.

The only issue on which I would like to make comment concerns the retrospective provisions in this bill. It is evident that the Assembly is debating this bill nearly three months after the date from which the federal government's program was extended. This bill is dealing in part therefore with decisions that have been made since 30 June 2009. The ACT government has been able to make decisions to administer the extension to the program under regulations that have been made prior to 30 June 2009. This bill simply replicates these matters and incorporates them into the main act. To that extent, therefore, the bill is effectively validating decisions that have been made under appropriate regulatory powers. As I said, the opposition will be supporting this bill.

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens) (10.55): The ACT Greens will be supporting these amendments to the First Home Owner Grant Act 2000. The amendments provide the statutory basis for the ACT government to vary the first home owner boost, a commonwealth government scheme managed by the ACT government, which was introduced in October 2008 as one way of stimulating the housing sector and the economy in general to counter the global financial crisis.

The first home owner boost of an additional \$7,000 for existing homes and \$14,000 for new homes on top of the existing \$7,000 in the first home owners scheme which was due to cease on 30 June 2009 has been extended to 30 September 2009. This extension is welcome and no doubt has contributed through increased duties to the turnaround in the state of the ACT budget, which the Chief Minister spoke of on 14 August. The boosted first home owner grant and other property sales have increased ACT revenue by some \$13 million over the past three months.

We are concerned, however, that the commonwealth government is now watering down the first home owner boost by 50 per cent from 1 October 2009, and it will cease altogether on 31 December of this year. This is at a time when it is not clear that the worst of the global financial crisis is behind us. Indeed, the head of the commonwealth Treasury, Dr Ken Henry, in his address to the Australian Industry Group on 17 August, remarked:

... we have been well placed to deal with the considerably larger challenges of the past year or so but, as many people have noted, the task of economic reform is ongoing; and it must continue.

Our concern is that, while these changes today are essentially to cover off the statutory requirements under the first home owner boost, the benefits for all concerned but, in particular, individuals and couples buying their first homes from 1 January 2010 may be short lived when the boost ceases on 31 December. While we have no assurances that the global financial crisis is behind us, it would seem logical to continue the boost until a greater degree of stability has returned. I am sure the ACT Treasurer would be pleased for that to happen as she tries to cover off the deficit we have. Mr Stanhope stated as much on 14 August when he warned that there could be a drag-forward effect from the first home owner grant boost, saying that you would expect a similar dip in expenditures somewhere in the outyears.

We understand that there is a need for these amendments to pass through the Assembly close to the date of effect of the extension of the first home owner boost from 1 July 2009, and, while we are concerned that the scheme is being phased out, the ACT Greens will support these amendments.

**MS BURCH** (Brindabella) (10.58): I would like to speak in support of the First Home Owner Grant Amendment Bill 2009 (No 2). These amendments will allow for the continuation of a highly successful first home owner boost scheme, or the boost. The Australian government has announced that the boost will be continued after enormous public support. The ACT government will continue to support the Australian government by administering the boost on its behalf.

In the 2008-09 financial year, the ACT provided approximately 1,800 boost payments, 3,000 first home owner grant payments, and approximately 2,000 duty concessions to homebuyers. The extension of the boost will continue to provide more opportunities for Canberrans to enter the housing market. The increase in activity in the construction industry continues to support and provide jobs for apprentices, builders, plumbers, electricians and tradesmen. The Prime Minister has also pointed out that the banking sector has benefited from employing more people because of an increase in processing new loans, and there has been a flow-on effect to other small businesses associated with the housing industry.

The boost was introduced by the Australian government as a temporary but vital part of the government's response to stimulate the economy. The Australian government has reported that finance for the construction of new houses has increased by 55 per cent since October 2008, and in recent months first homebuyers have made up a record share of the housing market.

The boost will be reduced by half from 1 October 2009. The known phasing out of the boost from 31 December 2009 will reduce the rush towards the end of the boost period. However, building work will continue after this period as the construction of new houses must commence within 26 weeks of the date of the contract and must be completed within 18 months of construction commencing.

The Treasurer has mentioned that the government is committed to making housing affordable to Canberrans. The boost, as well as the government's second phase of the affordable housing action plan, will address the needs of homeless Canberrans and create affordable, appropriate accommodation options for older Canberrans. These initiatives will continue to stimulate the ACT economy and community.

I will just go back to the figures where the ACT government will continue to support the Australian government by administering the boost. The figures really do tell of great benefit to the ACT community, with the ACT providing approximately 1,800 boost payments, 3,000 first home owner grant payments, and approximately 2,000 duty concessions to ACT homebuyers. That is great for the ACT economy, so I will be supporting the First Home Owner Grant Amendment Bill 2009 (No 2) and I call upon other members of the Assembly to do the same.

**MR CORBELL** (Molonglo—Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services) (11.02): On behalf of the Treasurer, I would like to thank members for their support of this bill. The bill amends the First Home Owner Grant Act 2000. These amendments allow for the continuation of the first home owner boost scheme—the boost—in accordance with announcements made by the Australian government. Affordable housing is something that all Canberrans should have access to, and the government is committed to achieving this.

Through the affordable housing action plan, the government are providing innovative and coordinated measures to improve housing options for all in our community. We have implemented initiatives to make housing more affordable. We have released more land than before, introduced a better planning system, introduced targeted duty concessions for first homebuyers and pensioners and encouraged innovative housing designs that provide for affordable homes. The government are providing access to more appropriate and more affordable housing for all Canberrans through the housing affordability action plan. The government will continue to work to improve housing options and, together with the first home owner boost, initiatives of this government are assisting more Canberrans to achieve the dream of owning their own homes.

The government is pleased to assist the Australian government in the continued administration of the first home owner boost scheme. Administering the boost and first home owner grant payments together provides significant administrative efficiencies for both government and homebuyers. The joint administration means that first homebuyers are able to obtain the benefits of both payments through a single application process. Demand by first homebuyers has contributed significantly to the growth and to strength of activity in the ACT housing market. This demand demonstrates the effectiveness of the boost scheme. Together with other housing initiatives and the low interest environment, the boost is helping to make

homeownership more affordable. This bill provides the necessary legislative amendments for the continued administration of the boost, and I thank members for their support of the bill.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

## **Planning and Development Amendment Bill 2009**

Debate resumed from 27 August 2009, on motion by **Mr Barr**:

That this bill be agreed to in principle.

**MR SMYTH** (Brindabella) (11.04): I rise to speak on the Planning and Development Amendment Bill 2009, which, as stated in the explanatory statement, will amend the Planning and Development Act 2007 and the Planning and Development Regulation 2008, to pick up modifications to the act that have been made by regulation since March 2008, when the act commenced.

The Liberal Party will be supporting this bill, as I note that the amendments to the bill are mainly technical in nature. These modifications do not include those regulations which were transitional in nature after the act commenced and which are no longer required.

According to the explanatory statement, the bill includes modifications to the act including the following:

lease variations in designated areas and conversion of Commonwealth leases of National land to territory leases upon revocation of National Land status;

development assessment processes including transitional provisions;

use as development;

granting of leases and payment; and

extension of time to commence or complete building and development.

This bill will clarify the act and correct some inconsistencies within the act which, according to the explanatory statement, have come about through different drafting styles. The changes will ultimately assist industry and community members to have a better understanding of the act, and I note that industry groups are supportive of this bill.

The Canberra Liberals have always believed in improving the planning system and recognise the need for it to be unclogged. To that end, we are supportive of changes which make planning legislation as clear and concise as possible.

Canberra has become the wonderful city it is through its unique planning regime. It is disappointing to see the recent failures by the Stanhope Labor government which, as we have stated previously, can be traced back to poor decision making by Stanhope government ministers.

In conclusion, the Canberra Liberals will support the passage of this bill through the Assembly. We encourage the government to continue to examine ways to simplify and clarify the act where necessary.

**MS LE COUTEUR** (Molonglo) (11.07): This bill seems fairly straightforward and non-controversial. The Greens' understanding of this amendment bill is that it basically does two things: it embeds into the act a range of transitional provisions that would otherwise have expired next March and it will make permanent many of the regulations which have arisen since the act commenced last year.

I understand that there will be further planning and development amendment acts coming later this year which I believe may be more controversial and hence will attract far more discussion and scrutiny in the months to come. I thank the minister for separating the issues and keeping this bill fairly simple, straightforward and non-controversial today.

I do not see the need to go into great detail about the bill. The minister has covered most of these issues in his presentation speech and Mr Smyth said what I would possibly have said if I was going to speak about it anyway. But there is one point that I would like to note with concern. Proposed section 198B allows ACTPLA to waive the public notification if satisfied that "the environmental impact caused by the amendment will do no more than minimally increase the environmental impact of the development". That is a very ambiguous statement. What does "no more than minimally increase" mean? And I do not think it should be up to ACTPLA to determine the issues around what is minimal environment impact. But my understanding is that we are going to have this debate in greater detail later in the year when the minister will be bringing forward a range of issues about EIS.

I am very supportive of the clarification of the formalisation of allowing a range of components to be part of the payment for concessional leases. There are certainly many aspects to granting concessional leases. Making it clear that infrastructure, goods, services or works are all potentially acceptable parts of the payment package can only be good for all concerned.

The clarification on a payment formula for calculating the concessional lease costs for an additional adjoining concessional lease will help both sides of negotiations. I also hope that rural lessees will find the clauses regarding the determination of grants and amounts payable for further leases on rural land useful. Certainly, the clarification of the formula for applications for extension of time to commence building will also be useful; I wonder if that formula is currently being applied to QIC for their section 84 development adjacent to the Griffin Centre.

Finally, as Mr Smyth said, the transitional arrangements being embedded permanently into the act seem quite straightforward. The Greens will be supporting this bill today.

**MR HARGREAVES** (Brindabella—Minister for Disability and Housing, Minister for Ageing, Minister for Multicultural Affairs, Minister for Industrial Relations and Minister for Corrections) (11.10): With the indulgence of members, I rise in the debate today to support the Planning and Development Amendment Bill 2009. The bill makes permanent a number of temporary modifications to the Planning and Development Act 2007 that have already been made by regulation. These modifications are currently in schedule 20 of the Planning and Development Regulation 2008.

As members are aware, the Planning and Development Amendment Bill was presented in the last sitting period, on 24 August 2009. Since that time, the bill has been reviewed by the scrutiny of bills committee. The committee has made no comments on the bill, and I support the bill as originally presented.

I refer firstly to the context of this bill and how the amendments came about. This government has been unambiguous in its commitment to reforming the ACT planning and land administration system to make it simpler, faster and more effective and in its commitment to continuing and refining the reforms made by the Planning and Development Act and the restructured territory plan which commenced in March 2008.

In December 2008, the government announced a number of measures to assist the ACT Planning and Land Authority to work more closely with industry to ensure an efficient and effective development assessment and planning framework. These measures included an action plan called ACTPLAN and the establishment of an industry monitoring group as well as ongoing consultation with industry and community groups.

This bill includes a number of amendments to make the development assessment and planning frameworks more efficient, consistent with the objectives of ACTPLAN. The amendments also address a number of difficulties raised in consultation with industry through the industry monitoring group and other associations as well as with community groups.

Other amendments are included as a result of ongoing government monitoring of the operation of the act. The government took the view that the necessary adjustments were needed sooner rather than later. As a result, act modifications were made immediately through the regulation-making power in section 429 of the act. Modifications made under this transitional regulation power are temporary only. The regulation-making power under section 429 and the regulations made under this section cease two years after the commencement of the act—that is, on 31 March 2010. The regulations cease on this date because section 431 of the act expires the regulation-making power section 429 and regulations made under this power on this date. I know that Mr Smyth knows all about that sort of stuff. The bill makes these temporary modifications permanent.

The bill needs to be read with this in mind. For example, where the bill states “new section”, as it does at clause 6, this does not mean that the provision is in fact brand new. Rather, it means that the provision is new to the act; it has been in operation since the relevant regulation contained in that provision was notified.



For example, clause 6 was introduced through Planning and Development Amendment Regulation 2008 (No 4) and has been in operation since September 2008. The provisions in the bill are a near-literal translation of the provision as it appeared in the regulation that made the modification, except for some minor variations for clarity and drafting purposes. Because the bill translates these act modifications as permanent amendments to the act, schedule 20 of the Planning and Development Regulation needs to reflect these changes. This bill will result in there being no provisions listed in schedule 20, making it redundant. The bill therefore amends the Planning and Development Regulation to remove schedule 20.

I will now turn to the substantive content of the bill and summarise a number of key provisions. Many of the amendments are technical, to improve processes or clarify an existing provision. The amendments cover the following areas: amendments to already granted development approvals; lease variations in designated areas; conversion of commonwealth leases from national land to territory land; development assessment processes including transitional provisions; granting of leases and payment; extension of time to commence or complete building and development; and a number of transitional matters.

I will comment on the provisions related to the assessment of applications to amend development approvals. I will leave the balance of the provisions for a separate summary.

I now turn to perhaps the most significant amendments in this bill: clauses 7, 8 and 9. My comments here relate to clause 9 of the bill. Clause 9 should be read with clauses 7 and 8, which make minor changes consequent upon the main clause, clause 9.

Monitoring the operation of the new Planning and Development Act and consultation with the industry highlighted a difficulty that applies in the following scenario. A homeowner or other builder obtains development approval based on a certain building design and then commences construction. During the process of construction, the need for a minor design change to the location of a window, door or wall might become apparent or the construction might accidentally exceed a height or a setback limit by a few millimetres. In these situations, the homeowner would have to apply for an amendment of the development application. This might require repeated public notification and agency referral as well as formal assessment.

Experience suggests that minor adjustments of this nature do not warrant the delay and the cost involved in an amendment application. Any significant delay in obtaining the relevant DA amendment can result in delayed lawful occupation of completed buildings, which adds to development holding costs. Under the Land (Planning and Environment) Act 1991, the repealed act, such contraventions and variations were readily regularised by way of a DA amendment after the fact. Such amendments, depending on their nature, were approved relatively quickly. The Planning and Development Act does not permit this, as it rightly affirms a need for public notification and agency referral for DA amendments. While this principle is fine for significant amendments, experience suggests that it is not appropriate for minor changes.

Sectors of the ACT construction industry expressed concern with increased delays during implementation of the Planning and Development Act and the new territory plan. These sectors expressed the view that a tolerance on allowable changes to construction under a DA would benefit all stakeholders, including homeowners, without significant detriment.

Clause 9 inserts new section 198C, which permits the regulations to define the circumstances when a minor change in construction or design does not require an amendment to a development approval. When section 198C applies, the construction can go ahead under the original development approval without any amendment.

It is useful to illustrate how this provision might be used in the future by referring to regulations already made under an equivalent provision inserted by the regulation modification power I referred to earlier. These regulations permit certain design changes to be made without amendment to the development approval. Under these regulations, the landowner is able to make any changes during construction that would be considered DA exempt if they were made some time after construction was completed. For example, a new window could be added to a building notwithstanding that it was not provided for in the development approval if it would be lawful to add the new window some time after the house was built by making use of a DA exemption. Such permitted changes are subject to some important exceptions—for example, if the development is of a single dwelling, the change cannot result in multiple dwellings.

Clause 9 includes other amendments to realise yet further efficiencies in the development assessment process. Clause 9 inserts a new section 198A into the act. This new section will permit ACTPLA to dispense with the need to refer an application for amendment of a DA to the relevant government agency if the amendment does not impact on any matter that was commented on by the agency when the original development application was referred for comment. In other words, if the proposed amendment has no impact on matters that the referral agency has expressed an interest in, a repeat of the agency referral process is not necessary.

Clause 9 also inserts new section 198B into the act. This new section permits ACTPLA to dispense with the need to repeat the public notification process for an application to amend a DA. This power will only be able to be exercised if ACTPLA is satisfied that the amendment will have no adverse impacts on third parties and will have no material adverse impact on the environment. In other words, if the proposed amendment to the already granted DA would have impacted on no-one and will not affect the environment then a repeat of the public notification process is not necessary.

Importantly, this provision is not new. The same discretion to dispense with public notification already exists under section 146 of the act in relation to amendment of a development application prior to approval of the development. This amendment will extend this flexibility to applications to amend a development approval after the development application has been granted. In this sense, this amendment makes the provisions for amendment of granted development approvals more consistent with the existing provisions for amendment of development applications. I note that clause 7 and clause 8 of the bill make cross-referencing amendments that are consequential upon the main amendment in clause 9. It is absolutely as clear as a bell.

These are significant amendments that make the development assessment process considerably more efficient by removing the need for unwarranted DA amendment applications. These amendments also make the development assessment process more efficient by removing the need for unwarranted agency referral and public notification for those DA amendment applications that are still required. Together, these amendments will significantly reduce the time and cost of the approval process for homeowners and industry, and also make the most efficient use of limited government assessment resources.

To conclude, these amendments demonstrate the government's continued efforts to ensure a development approval process that is rigorous but also practical and efficient. As I mentioned earlier, the bill makes a number of amendments which I will leave for a separate presentation. I sincerely commend the Planning and Development Amendment Bill 2009 to the Assembly.

**MS BURCH** (Brindabella) (11.21): I am pleased to speak in support of the Planning and Development Amendment Bill 2009. As has been made clear, this bill makes permanent a number of temporary modifications to the Planning and Development Act 2007 that have already been made by regulation. These modifications are currently in schedule 20 of the Planning and Development Regulation 2008. My colleagues have talked to a number of points in this bill, but I am going to take the opportunity to remind members of the aims of this legislation and of the broader outcomes it will have, and is already having, for the community.

After a comprehensive community and industry consultation and policy development program, the government put its new planning system in place in March 2008. In doing this the government delivered on its promise, made in 2004, to reform an outdated planning system. The reforms set in place in March 2008 were extensive and fundamentally changed many aspects of our planning system. I do not propose to go through them again. Suffice it to say, though, that the measures included adoption of the leading practice development assessment track system; a restructured territory plan to replace some 87 different planning instruments; a new system for environmental assessment of major projects; more efficient and effective processes for territory plan variations; more efficient and flexible administrative systems through better integration of leasehold and planning systems; and more transparent and effective compliance mechanisms.

There is one feature of the new system that I would like to emphasise, and that is its flexibility—its ability to adapt, sometimes at short notice. The new system includes an ability to make minor technical refinements to the territory plan relatively quickly, to allocate development to different assessment processes—that is, code, merit or impact tracks—and the ability to exempt development from the need to obtain approval altogether.

The initial reforms also put into place a more efficient administrative system able to adapt to changing priorities. The last 18 or so months since implementation of the new system have demonstrated the worth and importance of this flexibility. During this time the new system has been tested by a number of difficult challenges. These challenges included concerns of industry about some delays in development

assessment, technical issues with implementation of the new system and, of course, the global financial crisis. In many ways the challenges to the system post March 2008 and the timely responses to them are as significant as the initial reform process.

Let me take a moment to illustrate some of the reforms and refinements made since March 2008 in the key areas of administration, supporting IT development, territory plan variations and regulations. In response to industry commentary about elements of the new system which were not working as well as intended, the ACT Planning and Land Authority announced its ACTPLAN initiative in December 2008. This initiative was a comprehensive plan of action which included: the re-allocation of additional staff to assist in processing a large influx of applications; the improvements to customer service and related support functions; streamlining coordination arrangements between ACTPLA and TAMS; and the commencement of a project to codify various standards by TAMS to enable staff to make a range of decisions against established criteria without having to refer the application to TAMS for comment.

These initiatives on their own have made a significant difference in reducing time taken to process and assess applications. Importantly, ACTPLAN also resulted in the establishment of an industry monitoring group to improve communication between government and industry and to provide a forum for the identification and rectification of barriers to achieving timely and effective development outcomes for the ACT. This IMG includes representatives from the Housing Industry Association, the Master Builders Association and the Property Council of Australia. It is convened by ACTPLA and has representatives from TAMS. I note that the IMG has expressed its support of this bill.

I think one of the most fundamental reforms to the planning system is the decision to remove classes of development from the requirement to lodge a development application. This happened through a number of progressive regulation changes from March through to this year. Significantly, these exceptions now include single residences. Single residences that comply with the relevant territory plan codes now no longer require development approval, but still require building approval. There are a number of new exceptions for minor matters in relation to windows, external doors, enclosures, signs, shade sails and the like. There has also been significant expansion or relaxation of the exemption design rules to permit structures to be higher, wider and larger.

In addition to expanding the range of exempt developments, significant reforms have been made to the actual operations of the exemption rules or criteria. The rules now permit multiple exempt structures to be built at the same time. Importantly, the exemption rules now give a builder of a single residence the ability to apply to ACTPLA for permission to exceed an exemption limit in minor ways, provided there are no environmental or third party impacts.

These processes, in association with the expanded building tolerances, are significant, innovative reforms in themselves that will continue to significantly reduce the need for development applications for trivial matters. The territory plan requirements for utility endorsement of exempt development such as clearances from ActewAGL have been simplified or removed. Utility endorsement is no longer an impediment for

builders wishing to make use of the expanded range of exemptions. These utility matters, where applicable, are handled during the building application phase of a development. So nothing is compromised.

There have also been significant rule changes to further simplify and streamline the development assessment process. New rules permit exempt structures to be added during the construction of a larger ACTPLA-approved development without having to change the development approval. New rules also permit development approval to be modified in minor ways without repeat agency referral or public notification. These particular rule changes required modification of the Planning and Development Act and will be made permanent by this bill.

In relation to leasing, a number of regulation changes have been made to simplify the process for direct land sale of land, the procedures for payment of rural and other leases, the definition of concessional leases and the assessment of leases in land identified by the commonwealth national capital plan as designated land. Changes are also made to confirm the status of leases over commonwealth national land should the commonwealth elect to change the status of this land from national land to territory land. Some of these rule changes required modification of the Planning and Development Act and are made permanent by this bill.

There have been a number of recent territory plan changes. Technical variations, as opposed to full territory plan variations, have delivered important changes that remove or simplify the level of documentation and utility endorsements required for development applications or compliance with exemption rules. A number of clarifications have been made to the territory plan codes and development tables. I note that the Planning and Development Act had sufficient flexibility and adaptability to permit several of these technical variations to be made quickly and simply.

In addition to the short-term reforms, the government has established a territory plan review program to review the structure and content of the plan to ensure that it is an easy-to-use document that continues to meet the needs of the ACT community. The priorities for the review are the single dwelling housing development code, multi-unit housing development code and the residential subdivision code and community facility zone development code. The review for these matters is well underway and the following territory plan variation process should commence in early 2010.

The reforms that I have just outlined remove over 40 per cent of residential development from the requirement for development approval. This means that industry can get on with the job of delivering a range of housing types to meet community needs in a more timely and cost-effective way. It also means that ACTPLA staff can focus their energies on assessing the larger, more complex applications and getting them out the door more quickly. This is good news for families and good news for our economy.

I mentioned earlier that recent planning reforms included further development of the systems and processes that underpin the new planning system. I am pleased to say that the first electronic or internet lodgement of development application occurred this year on 20 April and that, on average, currently around 25 per cent of development applications are being lodged online, with milestones for progressively higher take-up

rates being pursued by ACTPLA. This system, which again leads the nation, also permits registered applicants to track the progress of their development application online 24/7 from their office or home. The new system also incorporates a workflow module which enables the processing of applications to be closely monitored by managers and team leaders and workloads adjusted as needs be.

The second phase of system development currently underway will see the electronic lodgement and processing of building applications online in the first half of 2010. All this means convenience for customers and very significant time and cost savings. This will be achieved because applicants will not have to visit ACTPLA to lodge applications and subsequently phone development officers to check the progress of their reports or applications.

The recent reforms I have touched on today build on the foundations of a very responsive new planning system set in place in March 2008. The underlying health of the development assessment system is illustrated, for example, by a recent comparison with other jurisdictions. This comparison, made in connection with the ACTPLA initiative, found that the time taken for the assessment of development applications in the ACT is by far the shortest when compared with other planning agencies such as those in Queensland, Victoria, New South Wales and South Australia.

This bill contains a number of technical but important changes, including clarifications and corrections. The bill also includes a number of more significant changes related to confirming the reforms that I have outlined. In either case this bill, together with the recent and ongoing reforms, indicates that the government is not resting on its laurels after the initial reform effort. The reforms demonstrate that this government has been, and continues to be, willing to consider and make necessary changes to meet changing community needs. This is appropriate in the current difficult and uncertain economic climate. It is also appropriate given the importance of planning policy to the community.

Planning policy has the potential to significantly affect people's living, working and recreational environments. As such, it will always be a highly scrutinised area of public policy, as it should be. It is a truism worth repeating that, while planning systems can be improved, there will never be one associated with policy settings that meet everyone's needs and expectations. To contend that this is possible or even desirable is to misunderstand the nature of planning systems. This government will continue to listen and will always be ready to make the changes where they give rise to good outcomes for the sustainable future of our most wonderful city of Canberra. I commend the Planning and Development Amendment Bill to the Assembly.

**MR SESELJA** (Molonglo—Leader of the Opposition) (11.35): Thank you, Madam Assistant Speaker. I apologise: I was out of the chamber at the Battle of Britain commemorative ceremony, and Mr Smyth has put the basic position of the Liberal Party on this bill. We do believe that the tidying up of various regulatory measures is important, and for that reason we have no issue with supporting the bill.

I want to touch briefly on the issue of use development, which is particularly highlighted in this bill. Whilst this is a clean-up and we do not have a problem with the particular provisions of the bill, we did have, and continue to have, a problem with

the way use development was included in the original legislation. We believe that use development as a concept is wrong. It is unnecessarily prescriptive. It is an unnecessary delaying of what are essentially property rights that exist in leases where a number of different uses are enabled under a lease.

Use development forces individuals who wish to exercise a different property right under a lease to go through a development application. That concept has always been wrong. It is very difficult to defend. It was very difficult to defend at the time this legislation went through and it is still very difficult to defend. I renew the comment that I made at the time. We should not be putting in place legislation which deliberately seeks to slow things down.

Yes, we should seek to get it right, but there are fundamental issues around the purchase of property rights. Due to leasehold we have a more prescriptive system than exists in other parts of the country. That has positives and negatives. But we should not add extra layers to that, and that is indeed what the concept of use development does. It adds another layer of complexity and another layer of potential delay for, it would seem to me, no reasonable purpose. So I renew the comments that I made, I believe, last year when we debated the planning and development legislation.

More broadly, we will always support the government when it looks to clean up legislation to make it more effective and more workable. We will not stand in the way of reasonable changes to legislation that helps improve our planning system. Our planning system is still wracked with problems, and much of it is in the implementation. No doubt there will be a need for further legislative reform as we go forward.

But the legislation is not the fundamental problem. The fundamental problem has been the attitude of successive planning ministers under this government and the failure to make some of the structural changes that are needed to our planning agency in order to ensure that planning and development in the territory is not unnecessarily stifled.

We are going to have some big decisions to make as a community in the coming years. We are going to have to move beyond some of the short-sightedness that we see from time to time over particular developments. I refer particularly to the issue of infill in our town centres. The government has emphasised where in-fill should be, and we think it has very much got it wrong. Its emphasis on encroaching into the suburbs and not focusing on getting the real in-fill happening at the town centres has been the wrong approach. There are some noises being made by the government at the moment, and the planning committee is undertaking a limited inquiry into in-fill, but it has been a long time coming and there is still a large question mark in relation to this government's attitude to this issue.

Will it actually make decisions which result in genuine growth in our major centres? Will it make decisions that protect our suburbs from inappropriate development? That is the balancing act and, to date, despite the backtracking and some positive changes, we have seen the emphasis on in-fill in our suburbs in the core areas. We have seen some inappropriate developments. We have seen the inevitable clash that occurs between builders and developers and the community when those developments go

into the wrong places while at the same time major centres are being under utilised because there is not the same body of community concern, and reasonably so because people expect that there will be a greater level of development in and around those major town centres.

The policy settings still have not recognised that. Whilst there has been a tinkering, certainly a tinkering and, in some cases, a positive one, the government still does not seem clear as to actually what it wants, what policy outcomes it is going to go for and how it will develop those. Now, referring it to a committee is fine. We supported that, but we need to take a broader look, and our planning rules should reflect that.

In short, we have no dramas with the technical amendments and the changes in this legislation. As I say, and I will restate it again, we will always support simple positive changes that fix legislation, that make legislation more workable and that make it easier for industry to exist with some degree of certainty. So we will be supporting the bill.

**MR BARR** (Molonglo—Minister for Education and Training, Minister for Children and Young People, Minister for Planning and Minister for Tourism, Sport and Recreation) (11.41), in reply: I thank members for their contributions to the debate. I seek to reiterate that the bill is critical to maintaining the existing operation of the act. The modifications that we are addressing today will ensure that the act continues to work effectively to deliver a simpler, faster and more effective planning process for the Canberra community.

In closing the debate, I would like to acknowledge the work of the scrutiny of bills and subordinate legislation committee for its advice on the regulations as they were made and in response to this bill. I would also like to acknowledge while I am here the support that the committee gets from its advisers.

Faced with the challenges of the current economic climate and the uncertainty of the future, it is essential that the planning system in the ACT operate sympathetically and in a timely manner. As members would be aware, earlier this year, in February, the Prime Minister and state and territory leaders signed the nation building and jobs plan announced by the Prime Minister on 3 February. This plan extended the commonwealth economic stimulus measures that were announced in December of last year.

The ACT is working with the commonwealth to implement the nation building and jobs plan to limit the extent of the economic slowdown and associated job losses. There is no doubt that streamlined planning approval processes have ensured that the ACT has received the full benefit of the timely delivery of the stimulus package. For instance, regulations to expedite the schools construction program and significant exemptions from development applications took effect on 23 March this year. Those exemptions apply to all projects that meet the prescribed physical parameters within certain heights and setbacks and for a range of features such as shade structures and upgrading the front entrances of our schools.

I would like to take the opportunity while I am on my feet to thank representatives of industry groups for their contributions to the development of this bill. These include



the industry monitoring group and the professional associations, including the Planning and Development Forum, the Housing Industry Association, the Master Builders Association, the Property Council and the Law Society. I thank them for their ongoing contributions to the development of the legislative framework for planning.

As is demonstrated by this bill and by territory plan variations, the consultation effort continues beyond the commencement of the original Planning and Development Act back in March of last year. I would like to thank members of the Assembly for considering the bill and the team at ACTPLA for their work in monitoring the implementation phase of the Planning and Development Act and their continuing consultation effort with the community and industry to provide an effective and efficient planning system in the ACT.

This bill provides for the achievement of better planning processes and outcomes for the community and industry. I thank members for their support.

Question resolved in the affirmative.

Bill agreed to in principle.

Leave granted to dispense with the detail stage.

Bill agreed to.

## **Adoption Amendment Bill 2009**

Debate resumed from 27 August 2009, on motion by **Mr Barr**:

That this bill be agreed to in principle.

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

## **Carbon sequestration—audit report Paper and statement by minister**

Debate resumed from 25 June 2009, on motion by **Mr Corbell**:

That the Assembly takes note of the paper.

**MR SESELJA** (Molonglo—Leader of the Opposition) (11.46): This is a paper worth noting on a topic worth supporting. Carbon sequestration has been called the hottest topic on the planet and is intertwined with debates on emissions trading and carbon trading around the globe. It covers two definitions: the natural removal of carbon from the atmosphere by the soil and plants, and any processes for the removal of excess carbon dioxide from the atmosphere in an effort to mitigate global warming. Australia has been considered a world leader in the study and extrapolation of carbon sequestration even as early as 2005, according to the energy bulletin. It is encouraging that we are taking a look at these issues.

The report looks at the sequestration capacity of the vegetation biomass in the ACT. It covers how much of the 2008 carbon stock is contained in the biomass currently and how that stock will change between now and 2015. The ACT was divided into urban estate and non-urban estate to conduct the study. There were a number of interesting points to emerge. Non-urban estate includes the arboretum, former pine plantations and unplanted parks and reserves in the urban environment. Urban estate includes streetscapes but not residential gardens. Non-urban estate will sequester 108,000 tonnes of carbon between 2008 and 2015. Almost half that total comes from radiata pine plantations—some 51,000 tonnes. Native vegetation sequesters 57,000 tonnes, and urban estate will sequester 98,000 tonnes. Therefore, the non-urban native vegetation will sequester only 28 per cent to 2015 while the urban estate will collect 48 per cent.

It is worth noting that the bushfires had a significant effect on non-urban estate, emitting an estimated 2.833 million tonnes of carbon through combustion and a net increase of 1.613 million tonnes in debris regrowth offset by decaying debris. It is worth noting also that the arboretum is expected to add 2,000 tonnes of carbon over seven years, and raising Cotter Dam will add 18,000 tonnes. There are a number of interesting parts to the work in relation to the Cotter Dam, in particular, and that is, of course, one of the challenges that will be faced. We know that there are mitigation measures; we know that there are offsets in relation to Cotter Dam. The carbon sequestration audit actually states that, assuming all planted trees in a 1,000-hectare area of native species revegetation survive and there is no fire event or other disturbance, modelling indicates it will take approximately 11 years to sequester the volume of carbon emitted by the inundated vegetation. That seems a reasonable approach and that seems a reasonable amount of time, given the importance of this project to the community and given the fact that the Cotter Dam will last for many, many years beyond those 11 years.

This is important and interesting work but, like anything in this debate, it is a single measure that must be taken into consideration with other factors. It will be part of the overall picture as we look at this issue in coming years. The sequestration of carbon will simply be one factor in mitigation of emissions. I commend the paper. I think it has an interesting contribution to make to the debate, and we look forward to seeing further studies that come out both from the ANU and, no doubt, from the ACT government in the future.

**MR RATTENBURY** (Molonglo) (11.50): I welcome the opportunity to speak about this report, *A carbon sequestration audit of vegetation biomass in the Australian Capital Territory*. I also welcome the report, and I agree with the minister that it provides a useful contribution to the climate change debate and a useful analysis for the government in the lead-up to their establishment of a climate change target and energy policy for the ACT. These issues are, after all, interconnected, and this report on carbon sequestration should help inform any offsets policy the government establishes on the way to zero net emissions in the ACT.

Trees are an important part of our response to climate change, for building climate resilience, for preventing erosion, for biodiversity, for urban cooling in a climate where our days are getting hotter and drier, and as a carbon store. New evidence from

the ANU suggests that some of our carbon stores around the country are and will be an important part of our climate response. Stopping logging in our native forests is a good place to start. A recent report by Brendan Mackey and his colleagues at the Fenner School at the ANU outlines the impact that stopping native forest logging in Australia could have on our carbon bottom line, and the implications were significant.

If Australia were to cease logging our native forests and allow them to reach their full sequestration potential, they could sequester an additional 136 megatonnes of CO<sub>2</sub> per year for the next hundred years. That is in the region of 24 per cent of Australia's emissions, so clearly this is an important issue. However, that is something for the state Labor governments, the federal Labor government and the Liberal government in Western Australia to address—although anything Mr Corbell can do to encourage them along this path might be very helpful.

This report that we are discussing today, also from the Fenner School at the ANU, is a welcome assessment of the ACT's carbon sequestration status and gives us valuable information about the potential of the ACT's urban and non-urban carbon stocks and potential as a store over the next decade. It also provides useful information about the carbon stores that were affected by the Canberra bushfires, which I will come back to shortly.

The government has, on occasion, taken pot shots at the Greens when we have sought to raise criticisms of the government's funding of the arboretum as a climate change measure, saying that we do not like trees. Well, Madam Assistant Speaker Burch, we do like trees; we like trees for all sorts of reasons, as I outlined above, but we do not believe that planting trees should constitute the bulk of a \$100 million program to address climate change. I note your own comments, Madam Assistant Speaker, at the switch to green conference the other day, where you described the arboretum as a significant response to climate change.

To date, the government has allocated \$60 million out of the \$100 million of its climate change program to tree planting projects, including both the arboretum and the urban tree replacement program. As I say, spending government money on tree replacement programs is understandable, but labelling programs that would have occurred anyway and dressing them up as climate spending is not helpful, and I think the new minister for climate change probably appreciates this. We will have a limited bucket of money to allocate to the suite of climate-related measures that need to be implemented, and we will need to consider how we get the best abatement value for our money.

We must also keep a perspective on the capacity of carbon storage to actually deliver the emissions reductions that the ACT requires in order to reduce our greenhouse gas profile to the extent that we must. We have just received this morning the outcomes of the inquiry into climate change targets, and I think it would be interesting to see how the debate on this plays out. There is no doubt that the debate will be a considerable one over the next few months. The committee has recommended a 40 per cent target. That means we will need to take significant action quickly to cut our greenhouse gas emissions if we are to achieve that very appropriate target, because it is a target that reflects what the scientists are telling us we need to do.

The reality is that the action that we take to achieve that 40 per cent target will be made up of many policy measures. Some will deliver cheaper, faster abatement than others; some will come with added benefits, such as job creation or improved energy security. As we choose these policy measures, we will need to be mindful of the cost and benefit of each of them. It is on this point that the Greens flag caution about overstating the role of our urban and non-urban forests in reducing our greenhouse footprint.

The report that the minister tabled stated that the total average carbon sequestration capacity of the urban and non-urban estates was 29,400 tonnes per year. The recent greenhouse gas inventory for 2006 that was released by the minister puts the ACT's annual carbon emissions at a shade over four million tonnes. So the entire ACT estate will offset annually around 0.73 per cent of our total emissions. While we acknowledge that every bit counts in our response to climate change, that is not a significant amount, and it is certainly not significant in the backdrop of a 2020 target of 40 per cent emission reductions. Certainly, it is not significant when it costs 60 per cent of our climate budget.

The arboretum alone has been funded to the tune of \$16 million from the \$100 million climate budget, and there are, of course, other amounts being appropriated for the arboretum. This report finds that the arboretum will only become carbon positive—that is, it will start to store carbon—by 2015, and it will only sequester on average 350 tonnes of CO<sub>2</sub> each year. Just to be clear, that 350 tonnes is around 0.008 per cent of our annual emissions. That is not exactly a speedy response to climate change either, I might note—63,000 tonnes over 200 years. At the switch to green conference the other day, I had the good fortune to listen to Dr Will Steffen, and if you suggested to him that we were putting in place a climate response that would deliver in 200 years, I cannot imagine what he might say in response, but I do not think it would be complimentary.

But back to the report: it also usefully clarifies the potential for offsets into the future in the ACT. I think it is a very valuable contribution in that sense. The climate change inquiry which reported this morning did hear some interesting evidence from Actew about their offsets policy for carbon emissions, developed in response to their concern to make the Cotter Dam expansion carbon neutral.

The take-home message from this report is that our native forest areas do not have a large capacity to sequester further carbon, but that our urban forests do, primarily because of the age of the trees concerned. The development of an offsets policy which ensures that offsets should be additional may limit the scope for our urban forest to qualify. Actew have certainly outlined their concern to ensure that projects that were funded through offsets were not programs that would have gone ahead anyway, and I think that that is a very good policy position that they have taken and it sets a standard for the ACT.

The other policy requirement is that offsets are permanent. For this reason, Actew has identified that international projects do not currently meet their criteria and that they will only support national projects. For the ACT, permanence is possibly less an issue of governance and more an issue of bushfire risk. In 2003, we lost nearly 14 times

more carbon than we are expected to sequester over the next seven years in one fire—one big fire for sure, but it serves as a valuable lesson about the status of our carbon stock. It again puts in perspective the potential of our urban and non-urban estates to contribute to the reduction of greenhouse emissions in the ACT. They can contribute, but it is a small amount, and there are issues around permanence because of the threat particularly of bushfire.

Having made those brief comments, as I said at the outset, I do welcome the report. I think it is a thorough report; I think it is a very useful contribution to the debate. I think it will be very helpful in informing both this Assembly and the government as we go forward looking to tackle the issue of the ACT's greenhouse emissions.

**MS LE COUTEUR** (Molonglo) (11.58): I would like to raise a few additional points about carbon sequestration and what we could do to improve our activities in this regard in the ACT. I know the government and the Greens appreciate that trees are a very important part of the carbon equation—I think the climate budget spending makes that very clear—and with such a high proportion of the climate change budget going to street tree planning and the arboretum, it is clear this is an important thing from their point of view. But we would like to see a better reflection from government policy of an understanding that soils, as well as smaller plant life, are also key parts of carbon sequestration, that our waste policy and parks and land management policies need to reflect this and reflect this sooner rather than later.

I would also like to underline today the importance of the need to reduce our emissions as a policy, to avoid the feel-good round of tree-planting, instead of maintaining existing carbon levels stored in trees, shrubs and grasses. I would like to point out also that, while climate change is a very major environmental issue, it is unfortunately not the only environmental issue.

To be truly sustainable, we need to think about our ecological footprint, not just our carbon footprint. Generally speaking, if we calculate our impacts by footprint, the ecological footprint of our activities shows the need at present for at least twice the number of planets than if we calculated just on the basis of our carbon footprint. In other words, carbon is not the whole story of the impacts. While we are talking about carbon sequestration here, in general I would like to see our discussion being more sophisticated than just looking at our carbon impacts.

I would like to start talking now about carbon and carbon in relation to soil. As I said, the ACT government does not as yet have a soils policy. In fact, I do not know whether any of the governments of Australia have a soils policy as yet. But Australia is an old, dry country, with the least amount of topsoil of any continent; and on dry, windy days, we watch it blow away. We have all seen those horrible pictures of Melbourne with no sun, due to wind blowing away the topsoil of Australia. We see it in Canberra as well on windy days, with the topsoil of the new suburbs being blown away. We need to value our soil. It is a major carbon store. We need to retain it and enhance it.

I think that we need to be measuring the levels of carbon in our soil and calculating the bio-sequestration of stable soil carbon. And if we understood the value of this, we could also be offering incentives to ACT rural landholders to be contributing to ACT

carbon storage levels, above ground—trees—and below ground. We also need to be looking at how much potential there is in fact to sequester carbon in woodlands and grasslands in the ACT. It is not all in trees.

Carbon sequestration relies on an ecosystem to be functional. The bushfires of 2003, which were commented on in the report and by my colleague Mr Rattenbury, not only destroyed a large number of trees and released a large amount of carbon but burnt the landscape generally right down to the humus level, taking away the ability of the former natural microbial processes to enhance the biodegradation of litter into stable soil humates within ACT forests—in other words, deep, rich, productive soils. The fires took away the ability of the landscape to significantly offset urban emissions, and it will be a long time, if ever, I fear, before these natural processes are fully restored.

The drought, of course, does not help. Adding extra nutrient to the soils by adding mulch and other organic matter will. This will help to cool the ecosystems and create a moister microclimate. This is especially important in our water catchment areas, as moist, healthy soils contribute to higher water yields as well as enhanced biodiversity and ecological values. With another hot, dry bushfire season fast approaching, we and the forest need all the help they can get. We should be collecting our organic matter and using it to mulch our newly planted trees and shrubs, not putting it into landfill.

That brings me to another major part of this story: waste. Organic waste is a vital part of the story of carbon sequestration. At present, almost 50 per cent of ACT household waste is made up of food and compostable waste and 25,000 tonnes of organic waste goes to landfill annually just from domestic household collections. In addition, a further 30,000 tonnes comes from the business sector, and we are still waiting for this government to produce a program which allows for organic waste collection.

In landfill, unfortunately all this buried food breaks down to produce methane, which is one of the worst greenhouse gases. It is 23 times as potent as carbon dioxide. Although the ACT landfill system does use a methane gas capture system to convert methane to energy, these systems only capture a fraction of the toxic gases, and methane is only part of the waste and climate change story in any case. In terms of carbon sequestration, we need to start understanding that organic waste is not waste. It is in fact part of the carbon cycle and it needs to be processed into another valuable product, compost.

Re-sequestering this organic matter would reduce landfill emissions and greatly improve the capacity of our soil. Merely increasing by 0.5 per cent the organic carbon in two per cent of Australia's agricultural land would sequester all of Australia's greenhouse emissions. Instead, we continue to put these into our landfill.

Recent trials in New South Wales, such as the city-to-soil and the groundswell projects, have demonstrated that, with the right support, residents can separate organic matter from their garbage, with extremely low levels of contamination. Our neighbours in Goulburn and Queanbeyan participated successfully in these trials and now we would like the ACT to do the same.

The farmers in our region are also keen for more organic nutrients for their soils. When the Goulburn-Mulwaree city-to-soil project first called upon farmers to volunteer to take the compost, they were inundated by about 30 farmers from one tiny ad in the paper. Unfortunately, they could only supply two farms with what they were producing, but it does show that there is a ready-made market for our compost once we start producing more of it.

This reuse of organics and conversion to compost is going to be extremely important in a few years to come because, as well as the greenhouse gas problems, the world is also running out of chemical fertilisers such as nitrogen and phosphates. Phosphate in particular is a resource we are rapidly depleting. Of course, if you looked at Australia's waterways you would find that we were not depleting it; we were adding it to our waterways.

Another major part—I will have to start speaking more quickly—about the carbon story is looking at our urban development issues. This is an area where the government needs to focus particularly in terms of greenhouse gas emissions. In terms of the urban land release program, we need to focus on ensuring that greenfields of high ecological value and, hence, high-carbon sequestration levels are not being developed, that urban infill in transport corridors is prioritised to reduce transport-related emissions and that urban infill is not taking away suburban capacity for carbon sequestration. We also need to start thinking harder about urban offsets when we do large infill developments.

We need to look at new suburban blocks to make sure that, as well as having space for the house, there is space for some garden to offset the carbon sequestration, to offset the emissions produced by the household. In this way we can hopefully ensure carbon neutrality on an ongoing basis.

There is a great general theory that urban infill is always environmentally preferable. However, current research by the CSIRO's sustainable urban systems section shows that the energy output is far higher in areas such as Gungahlin, which has smaller block sizes and therefore a higher ratio of concrete to greenery, and that, in older, bushy suburbs, there are larger gardens and there is lower energy output.

Obviously, it is preferable to develop existing areas rather than greenfields. As I am running out of time, I seek leave to table this beautiful picture from the *City News*. Look at the picture to see what they are doing.

Leave granted.

**MS LE COUTEUR:** I present the following paper:

Bonner has environmental focus—Article—*City News*, August 27-September 2, 2009.

**MR CORBELL** (Molonglo—Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services) (12.09): I would like to thank members for their contribution to

the discussion on this important report. The carbon sequestration report is the first time that carbon stock and sequestration rates have been measured for an entire Australian state or territory. The production of the report is a direct result of action 43 of the ACT government climate change strategy, weathering the change.

The report assesses both carbon stocks and sequestration levels from 2008 to 2015 and will significantly inform government policy development concerning tree planting, ecosystem management and future carbon offset activities. The report will also help us to value the environmental services provided by our vegetation and understand the impact of the 2003 fires on the local carbon cycle. The report adds to our understanding of the impact of climate change on our ecosystem and the various mitigation and adaptation options before us. Therefore, the report will assist us, as a community, to make better decisions about city design and how we interact with the environment.

It is worth noting that the report is a wide-ranging one but it is often the case, when faced with solid policy research, that detractors will cherry-pick what they want and seek to make a political point from it. The government have sought to take a different approach. We released our research to the whole community as part of our ongoing policy development process.

I would like to turn now to the report's findings. The report adds to the global research on sequestration but brings it to a very local focus. It looked at our urban estate—street trees growing on territory land, trees in urban parks and within the Canberra nature reserve—and the non-urban estate of the ACT, our parks, reserves, unplanted parks and reserves in the urban area, leasehold farmland, pine plantations and, of course, the arboretum. The report looked at the carbon emitted from the 2003 bushfires, the increase in the Cotter Dam wall, the arboretum and the conversion of woodland and grassland for urban land development.

Trees on private leasehold land were not included, a point I think that has been missed in the debate when there has been some public commentary on block size in the ACT. Whilst there are a range of concerns that are quite legitimate in that debate, it would be wrong to say that, based on this report, there is evidence to support an argument that those blocks are contributing less in terms of sequestration, because the study did not look at those blocks.

I think it really is worth restating some of the key findings. The report found that the carbon stock in the non-urban forest is 28 million tonnes, and the urban forest is a further 10 per cent of that amount. The amount of carbon stored in the urban and non-urban forests will rise each year by 29,400 tonnes for the next seven years, a total increase of 206,000 tonnes to 2015. The non-urban native forest contains 95 per cent of the current carbon stock in vegetation biomass. However, this sector only produced 28 per cent of the projected sequestration between 2008 and 2015. The pine forest contains four per cent of the total carbon stock and sequestered 24 per cent of projected sequestration, while the urban forest, with only one per cent of the current carbon stock, produced 48 per cent of the projected sequestration.

The report found that urban trees are more effective at sequestering carbon than native trees because of their relative youth. Trees between 25 and 45 years of age are the



most effective absorbers, whereas older trees absorb carbon more slowly but in ever-increasing amounts.

The urban forest should not just be looked at in terms of its ability to sequester carbon, as the report states that the urban forest provides many benefits beyond sequestration. Indeed, urban trees reduce air pollution, they reduce the amount of stormwater runoff and they provide cooling to our homes, our offices and our buildings—indeed, the whole microclimate of our suburbs. The report projects that the cooling properties of urban trees provided a reduction in energy use valued at \$23 million in 2008. In a city where the vast majority of energy use is in the heating and cooling of buildings, this is a very important issue.

The report also looked at the effects of the 2003 bushfires. The 2003 fire emitted 2.8 million tonnes of carbon, or about 11 per cent of the estimated carbon stock. The report highlights that, because of that fire, it may take 100 years to reach 95 per cent of pre-fire carbon stocks.

The report also looks specifically at the arboretum. This has been the focus of much discussion by other members. The report showed that the arboretum will produce carbon up to 2015 as a consequence of removing the pines. But then it will become a net sequesterer, peaking at 800 tonnes in 2025 and absorbing carbon for around 200 years, becoming a 70,000-tonne carbon sink. This is, by the report's own admission, based on conservative growth assumptions in relation to the planting of the remaining 200 hectares at the arboretum site due to trees being widely spaced and some species being imperfectly suited to our environment.

It is further noted that the pines removed from the arboretum site are too immature to be used as wood products and will, therefore, be mulched to reduce weed infestation and help conserve water at other locations. To not do so would require additional mulch being purchased if the pines were not chipped.

The report also found that the practice of wood chipping or mulching trees removed from the urban forest promotes the decay of timber, resulting in a faster rate of emission. However, it should be noted that mulching, of course, reduces water consumption and weed infestation; so it does have other benefits that need to be carefully balanced. This one example shows the complexity of the policy challenge that is brought to the fore with climate change. As a government, as policy makers, we are forever trying to bring together the various elements to ensure that we are a good land manager as well as responsible in trying to keep our carbon emissions at a minimum.

Staff of Parks, Conservation and Lands are looking at additional research work to further measure and analyse the carbon sequestration potential of trees in rebuilding our urban forest, to make sure we influence the optimal age-class structure of trees that we plant, so that the urban forest has a large proportion of trees in a semi-mature state, compared to our existing assemblage of over-mature trees. These are difficult policy issues and only through a mature debate within government, with our research partners and with the community and by analysing emerging areas of research will we be able to make sustainable policy decisions.

The other area of the report that has gained headlines without necessarily a lot of informed discussion was the expansion of the Cotter Dam. The report, based on a worst-case scenario, estimates that 18,000 tonnes of carbon would be released through the expansion of the Cotter Dam. Actew has used the same FullCAM methodology as the authors of the report. However, the company assumed that mature trees would remain as carbon stock, releasing only 1,190 tonnes of carbon as a result of the project. By “mature trees”, I am referring to mature trees which will be submerged in the inundation following the completion of the new Cotter Dam.

The difference in these figures highlights the challenges presented by this new and evolving field of carbon accounting. Actew has committed to completely offset all the greenhouse gas emissions resulting from the construction operations of the new Cotter Dam. This is a first for the ACT and will provide more information to help inform further policy development in this area of climate change.

In conclusion, the government is proud to have demonstrated that it is prepared to fund significant research projects and release them in full to the community. The government, like many other governments around the world, is looking for answers on the issue of climate change. It is only through research and audits that we will know where we are at. Now is the time to take stock and then set forward upon a path to reduce our carbon emissions, using informed policies and bringing the community with us. I would like to thank members for their contribution to the debate today, and I commend this report to the Assembly.

Question resolved in the affirmative.

**Sitting suspended from 12.18 to 2 pm.**

### **Ministerial arrangements**

**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): My colleague the Attorney-General apologises for his absence from question time today. I stand ready to provide assistance in relation to any matters that may have been raised with the Attorney-General in his absence, and I will seek to do my best. Mr Corbell apologises that private issues have kept him from question time today.

### **Questions without notice**

**MR SPEAKER:** Members, it is the first application of our new standing orders today, so bear with us all as we navigate our way through the new system. I call the Leader of the Opposition.

### **Cotter Dam—cost**

**MR SESELJA:** Thank you, Mr Speaker. With your indulgence, I apologise for the shadow attorney-general, who would like to be here but who has a medical procedure.

My question is to the Treasurer, and it relates to the reported presentation made to cabinet by the Chairman and Managing Director of Actew Corporation to advise

cabinet formally of the cost blow-out to \$363 million for the enlarged Cotter Dam. Treasurer, prior to that cabinet presentation, were you aware of the actual or any potential cost blow-out for the enlarged Cotter Dam over and above the figure of \$246 million which was made public in May? If so, when did you become aware?

**MS GALLAGHER:** The answer to the question is that I was aware that the costs were still being finalised from that last public figure of \$246 million, but I did not have an exact figure until, I think, 24 August 2009, which was prior to cabinet being briefed. Both shareholders were provided with that information following an Actew board meeting, I think the day before.

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

**MR SESELJA:** Thank you, Mr Speaker. Treasurer, how often were you being briefed on this project and the costs and, if you were not being briefed regularly, did you or your office ask for updates?

**MS GALLAGHER:** We had been briefed. I guess it is whatever your definition of regular is. The shareholders received the minutes of the board's consideration of various matters. I had also been briefed by my department, Treasury, on their discussions with Actew. Indeed, I had met with Actew. Yes, I think I was being kept updated at regular intervals.

As to the final cost, though, the actual dollar figure, the \$363 million, that was not confirmed by the Actew board until, I think, about 21 or 22 August. I will check that date. Certainly that final figure was made aware to me on 24 August. We were in regular discussion and contact and I was aware that Actew had instigated their own review of their cost structures. They had that independently evaluated and Treasury had certainly briefed me on that. I think I was kept briefed at regular intervals but the final cost, as you know, was made public pretty much as soon as the government was made aware of it.

**MR SPEAKER:** Thank you, Treasurer.

**MR SMYTH:** Supplementary, Mr Speaker.

**MR SPEAKER:** Further supplementary, Mr Smyth.

**MR SMYTH:** Treasurer, as minister responsible for the Actew Corporation, what discussions did you have with the Minister for Planning in relation to his decision to call in the Cotter Dam enlargement development application? And if you had none, why?

**MS GALLAGHER:** No, I did not have any discussion with the Minister for Planning about his decision to call in the dam. I see that as a completely separate matter—that statutory process—that is within the Minister for Planning's portfolio responsibilities, and I did not see any need to have a discussion with him on it.

**MR SMYTH:** Supplementary, Mr Speaker.

**MR SPEAKER:** Ms Burch?

**MS BURCH:** Yes.

**Mr Smyth:** Under your rules, Mr Speaker, members rising have to say “supplementary question”. Is Ms Burch asking a new question or are we having a fourth supplementary?

**MS BURCH:** Supplementary question, Mr Speaker.

**MR SPEAKER:** Ms Burch did catch my eye before, Mr Smyth.

**Mr Smyth:** I raise the point, though: are we abiding by the rules in that members rising for a supplementary have to ask? Otherwise it is confusing. She may well be leading to a new question.

**MR SPEAKER:** The point is well made. We will bear that in mind as we go forward.

**MS BURCH:** Thank you. I have a supplementary question for the Treasurer. Can the Treasurer tell what has been the voting shareholders’ reaction to the blow-out in the cost of the Cotter Dam?

**MS GALLAGHER:** Thank you, Mr Speaker. I thank Ms Burch for the supplementary. The voting shareholders’ response—

*Opposition members interjecting—*

**MR SPEAKER:** Order! Let us hear from the Treasurer.

**MS GALLAGHER:** I am glad the opposition think this is a really funny subject, water security for the ACT.

**Mr Hanson:** No. Your cost blow-out is the point we are talking about, Katy.

**MS GALLAGHER:** Okay.

**MR SPEAKER:** Order! Let us hear from the Treasurer.

**MS GALLAGHER:** The usual antic from the opposition is just to laugh your way through everyone else’s questions in question time.

The voting shareholders’ response to the final briefing from Actew post their board’s consideration of the final cost being determined was one of concern and one where we sought assurances from Actew that these were the final costs for the dam. We had a very thorough briefing with them, including through the cabinet process, where we were able to question the chair and managing director of Actew.

**Mr Hanson:** These are the final filing costs?

**MS GALLAGHER:** I know I should not respond to interjections, but the previous costs—and I think this is pretty well established except, obviously, for the

Liberal opposition—always indicated that they were estimates, pending further work being done. That work has been done and has been finalised, and those costs are now known as the final costs quite separate to estimates. We can talk you through that—

**Mr Smyth:** So estimates are just guesswork.

**MS GALLAGHER:** Well, we can give you a little bit more basic information if you cannot quite grasp—

*Opposition members interjecting—*

**MR SPEAKER:** Order!

**MS GALLAGHER:** The shareholders have also written to the board outlining our concern at the costs and the nature of the cost increase and how significant it has been, from the previous final figure. We have received a response from the board. We will keep a very close eye on this project.

### **Cotter Dam—cost**

**MS HUNTER:** My question is to the Treasurer. Mark Sullivan indicated on radio last week that one reason the cost of the Cotter Dam has increased by \$118 million is that the construction of the dam will require further excavation and concrete due to the requirement to dig around nine metres deeper than originally thought. Did Actew provide the government with a breakdown of the cost increase and can you provide details of this to the Assembly?

**MS GALLAGHER:** Yes, Actew did provide information around the nature of the cost increases. They related to excavation work. They also related to management of habitat of fish. I can certainly provide the Assembly with a breakdown of those costs; in fact, I think it is a matter that the Assembly is dealing with tomorrow, where that information is also being sought. The costs were to do with construction costs, fish preservation management and other spent costs which had not been included in the previous estimates; they were costs incurred by Actew. But I am certain we can provide the information to the Assembly, whether we do it through question time or through the motion on the notice paper for tomorrow.

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

**MS HUNTER:** Was the government aware that cost estimates provided in 2005, 2007 and 2008 were not intended to be comprehensive nor reflect the final cost of the project and does the government support this model of obtaining estimate costs for major projects such as the Cotter Dam?

**MS GALLAGHER:** I think, when you go back to the process involved, in April 2005, in relation to the first figure of around \$120 million and, indeed, \$145 million in July 2007, the detailed work that went on through 2008 and 2009 had not been done. So it was a very rough estimate of the figures, on the knowledge and the information that they had available to them at the time. I think it is difficult to go out with a figure when all the detailed planning and environmental studies have not

been undertaken. I think there is also a public interest in having some understanding of the nature of the costs of a project as well.

I think, when I reviewed the public statements on the dam, it has always been very clear that these were estimates of costs. There have always been very clear statements from Actew and, indeed, from ministers when commenting on it that there were potential cost increases in the order of 50 per cent to 70 per cent and that further work had to be done to finalise those costs.

It is not clear to me that there can be a better way to do it without going through the process that had to be undertaken, because it was the environmental and the detailed planning work that actually finalised those costs towards the end of this process. It simply would not have been known at the beginning. We all learn from these processes, particularly about the way we can manage the public statements on this. I think there has always been a very clear caveat on the cost of the dam. Really it was not until October—

**MR SPEAKER:** Thank you, Treasurer.

**MR SMYTH:** Supplementary, Mr Speaker.

**MR SPEAKER:** Ms Bresnan.

**MR SMYTH:** A supplementary, Mr Speaker.

**MS BRESNAN:** Supplementary, Mr Speaker.

**MR SPEAKER:** Ms Bresnan; then I will come to you, Mr Smyth.

**MS BRESNAN:** Has your department reviewed the latest cost increases projected by Actew, and what conclusions did your department reach on vetting those costs?

**MS GALLAGHER:** They have been involved in discussions with Actew and I think they have had some role in the analysis of the costs. Certainly they have briefed me about the final costs and they certainly have not drawn to my attention any concerns they have around the cost other than that it has grown significantly. Treasury were very pleased that they had an independent analysis done of the final costs to make sure that they were within reason. As far as I am aware, Treasury agree with the costs of the enlarged Cotter Dam as announced in August 2009.

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

**MR SESELJA:** A supplementary question. Treasurer, why were these early costs promoted as actual costs when, in your own answer to the question, you described them as rough estimates?

**MS GALLAGHER:** Did I say rough estimates or estimates?

**Mr Smyth:** You did.

**Mr Seselja:** I think so.

**MS GALLAGHER:** Okay.

**Mr Stanhope:** I wouldn't believe them.

**Mr Coe:** You fill us with confidence!

**MS GALLAGHER:** Well, I never believe anything that comes from that side, I have to say.

**Mr Coe:** Put that in your own words.

**Mr Seselja:** If you want to deny that you said it—

**MR SPEAKER:** Order! Let us hear from the Treasurer.

**MS GALLAGHER:** So I don't know; I have been here long enough never to believe it. My view is—and I have reviewed public statements going back to 2005—that the costs as outlined in 2005, 2007, prior to the government making a final decision to go ahead with the enlarged Cotter Dam, were always made as estimates, with caveats around doing detailed planning and environmental studies to finalise the exact total costs of the enlarged Cotter Dam.

### **Cotter Dam—cost**

**MR SMYTH:** My question is to the Treasurer. Treasurer, the cost blow-out to \$363 million for the Cotter Dam enlargement is likely to mean additional debt for Actew Corporation and may impact on the dividend paid to the government from Actew's profits.

Treasurer, what modelling have you done to assess the additional debt that Actew Corporation will require for the enlarged Cotter Dam and the impact this additional debt will have on the territory's current AAA rating and the dividend coming to the government from Actew?

**MS GALLAGHER:** Some of that work is being done. I do not have all of that detail to provide you with today but I can certainly provide it to you in future because we have asked for that detail. I do know that, of the \$350 million that Actew have been given approval to borrow, not all of that has been used at this point in time. It is not expected that they will need to borrow any additional capital until the financial year 2010-11. I understand that this will not, at this point in time, place the AAA credit rating in any jeopardy.

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

**MR SMYTH:** Thank you, Mr Speaker. Treasurer, have you personally reviewed the cost-benefit analysis for the Cotter Dam enlargement project, and are you satisfied that it still provides value for money and a viable proposition for the ACT taxpayer?

**MS GALLAGHER:** I have certainly discussed this with Treasury and I am advised that the enlarged Cotter Dam at the price of \$363 million is economically viable and that there is not any choice about whether we go ahead and build the dam. I am satisfied with the advice that I have been given.

**MR SPEAKER:** Ms Burch?

**MS BURCH:** Thank you. Can the Treasurer share with the Assembly and talk to us about the strength of the ACT balance sheet?

**MR SPEAKER:** I am sorry, Ms Burch; that is not relevant to the first question.

**MS BURCH:** There was—

**Mr Stanhope:** Point of order—

**MR SPEAKER:** Actually, yes, fair enough.

**MS BURCH:** AAA credit rating goes to the balance sheet.

**MR SPEAKER:** Yes. Treasurer?

**MS GALLAGHER:** The ACT balance sheet is one of the strongest in the country. We have—

**Mr Stanhope:** I think it is the strongest in the country. I think it may be the strongest balance sheet in the country.

**MS GALLAGHER:** In fact, I think it is the strongest.

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

**MR SESELJA:** Yes, thank you, Mr Speaker. Treasurer, will you table in the Assembly the cost-benefit analysis of the project to enlarge the Cotter Dam?

**MS GALLAGHER:** I will have to take some advice on that, Mr Speaker, and I am happy to come back to the Assembly.

### **Pace Farm—battery hens**

**MS LE COUTEUR:** My question is to the Minister for Territory and Municipal Services and concerns the cages at Parkwood egg farm. Are you aware that the cage door, as distinct from the floor space, is too small to meet the poultry welfare code requirements and will the government enforce the law and ensure that Parkwood upgrades its cages to comply with all aspects of the code?

**MR STANHOPE:** I thank Ms Le Couteur for that question. The short answer is no, I was not aware that the cage facilities provided by Pace at Parkwood did not meet Australian standards. In fact, I believe that the advice that I have received in relation



to that is that the cages and space provided by Pace Farm at Parkwood exceed the agreed Australian standard.

If I misunderstand your question or misinterpret the issue in relation to size or space, Ms Le Couteur, I will take some advice on that. Having now had this issue raised with me, I will seek further advice, but my understanding—the understanding on which I have been proceeding in my assessment, most particularly, of your legislation—has been that the Pace egg farm and the cage capacity and facility at Parkwood exceed the Australian standards in relation to squarage or space required under that standard for each cage.

Ms Le Couteur, as always when you raise an issue, I take it seriously. I will take further advice on the matter and confirm that the advice or the understanding that I am proceeding on is in fact the case.

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

**MS LE COUTEUR:** Supplementary question. First, can I clarify that I was talking about doors, not space, which are two different concepts.

My supplementary is: given that government agencies are, in effect, committed to purchasing the non-cage eggs from interstate, have you actually considered offering a contract to Parkwood to produce non-cage eggs in the ACT?

**MR STANHOPE:** Thank you, Mr Speaker. Mr Speaker, it is the case, and the ACT government, I believe, was the first government in Australia to mandate that all eggs purchased by ACT government instrumentalities would be non-cage eggs. We have shown significant leadership as a government in that respect. I think it is an area or an example of leadership that does have a flow-on effect, and some of the issues around this issue of the welfare of hens and cage facilities are around leadership. I acknowledge that and I acknowledge the leadership that you are showing, Ms Le Couteur.

We have shown that in relation to the purchase of eggs. Indeed, the ACT government now only purchases non-cage eggs. As I have explained to you in discussions we have had, Ms Le Couteur, I believe there is an issue in relation to the purchase of egg product. So to put the issue beyond doubt, my understanding is that egg product is traditionally made by the producers of egg product from cage produced eggs, and I would want to be open about that in relation to the fact that we do purchase some egg product. The egg product that we purchase is probably egg product produced from caged hens. I am not sure what I can do about that.

I have made on a number of occasions, Ms Le Couteur, an offer of a \$1 million payment to Pace Farm to convert their facility at Parkwood to barn production. Pace have not accepted that offer. Pace do not believe the offer is significant enough. I have not been inclined to increase that offer to date, but it is perhaps an issue going forward that the government will be prepared to give consideration to.

I have made a direct offer to the manager of Pace Farm of a \$1 million payment to facilitate the conversion of their facility at Parkwood to barn production. That offer

has not been accepted. The reason for not accepting it was twofold: one, that it simply was not enough to meet the significant costs of conversion and, two, that there was not a market for barn eggs to justify that.

**MS HUNTER:** A supplementary.

**MR SPEAKER:** Ms Hunter?

**MS HUNTER:** It is to the Minister for Territory and Municipal Services on the issue of caged hens. Can you explain why Pace has a lease at Parkwood for \$486 per annum for 41 hectares?

**MR STANHOPE:** I do not know the basis of the contractual arrangements that apply to the Parkwood lease. I am not sure it is something that I have ever been directly involved in or that I have information on. If I have, I must say that I do not recall it. I am more than happy, Ms Hunter, to—

**Mr Hanson:** Do you go walking out there, Jon?

**MR STANHOPE:** I walk everywhere, Mr Hanson. I am happy to take advice on the contractual arrangements that apply to the Parkwood lease and provide you with that information.

### **Cotter Dam—cost**

**MR COE:** My question is to the Treasurer and it relates to the cost blow-out to \$363 million for the Cotter Dam enlargement. On ABC radio on 3 September 2009 the Managing Director of Actew Corporation is reported as follows:

“I’m putting a lot at stake,” he said. “I’ve been asked directly by my board and by the Government, ‘are you putting your name to this cost’ and I am.”

He said, “I’ve never had to do that before in terms of a cost estimate.”

Treasurer, since receiving a cabinet briefing on the cost blow-out, what have you done to satisfy yourself as to the accuracy and reliability of the detail of this estimate?

**MS GALLAGHER:** I am not sure how that related to the first bit of the question. We had the opportunity to discuss the final costs with Actew, with both the managing director and the chair of the board, and we were able to question them on the costs and the reasons for the increase in those costs. We have also written to the board, as shareholders, asking to be kept informed at regular intervals around the progress of the enlarged Cotter Dam, and indeed all of their future water options projects. I have taken advice from my own Department of Treasury around the work that has been done to review the costings that the Actew board have accepted, and I am satisfied that those costs hold up. I have certainly done my job in terms of reviewing the evidence that Actew have put forward and taking advice from my own agency about their views on those costings and indeed taking into consideration the independent review of those costings as done by an independent reviewer.

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

**MR COE:** Treasurer, like the Actew managing director, are you also putting your name to this cost? If “no”, why not?

**MS GALLAGHER:** You guys are getting a little too predictable. You support the dam but you do not support the cost of the dam, I think, is what I am picking up. We acknowledge the statement that Mr Sullivan has made and, as a renowned businessman, I think it comes with some confidence that those numbers are correct, the fact that he has been prepared to put his reputation on the line. We acknowledge the comments that he has made.

**Mr Hanson:** You would agree with them?

**MR SPEAKER:** Order, Mr Hanson!

**MS GALLAGHER:** What do you want me to do—come in here and say I am putting my name to it?

**Mr Seselja:** Are you responsible for anything?

**MS GALLAGHER:** I do not sit on the board. My job, as a shareholder, is to—

*Opposition members interjecting—*

**MR SPEAKER:** Order! Let us hear the minister’s answer to the question.

**MS GALLAGHER:** I am finished. They are not interested.

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

**MS BURCH:** I have a question to the Treasurer. How does the Cotter Dam upgrade compare with other alternatives to ensure the ACT’s future water security?

**MS GALLAGHER:** I thank Ms Burch for the question. Interestingly, the Tennent option was also independently reviewed in terms of the costs required to build the dam at Tennent. Thankfully, we did not proceed down that path, based on good advice from Actew at the time. I can inform the Assembly that had we determined that Tennent, a place where it never rains, was inappropriate for a dam to be built. The latest figures on Tennent, for that dam—

**Mr Smyth:** It never rains there?

**MS GALLAGHER:** Well, it would never fill; it might rain a little bit but it would never fill.

**Mr Smyth:** But you said “never rains”.

**MS GALLAGHER:** That is the advice we have got—that it would cost \$600 million. So there you go: the Liberal option is to build a dam. In fact, Mrs Dunne was going to be out there in a hard hat and with a shovel the day after the—

**Mr Stanhope:** Mr Smyth made the promise.

**MS GALLAGHER:** And Mr Smyth as well. The two of them would have been out there building a dam in a place where it never rains, and costing the community \$600 million. That is the Liberal option, and it is not an option that has been accepted by this government.

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

**MR SESELJA:** Thank you, Mr Speaker. Treasurer, will you now guarantee that the cost of the Cotter Dam enlargement project will not exceed \$363 million?

**MS GALLAGHER:** That is the advice that has been given to the government and that is the advice we are operating on.

### **Hospitals—Calvary Public Hospital**

**MR HANSON:** My question is to the Minister for Health, and is in relation to the proposed purchase of Calvary hospital and the sale of Clare Holland House. Minister, can you update the Assembly about the status of negotiations that would see the government purchase Calvary hospital? Can you assure the Assembly that the government will meet the terms of the resolution of the Assembly of 17 June 2009 in relation to the purchase of Calvary hospital, which calls on the government to conduct a health consumer survey and implement recommendations 53 to 55 of the estimates report?

**MS GALLAGHER:** I have to confess I have not memorised recommendations 53 and 54 of the estimates report, but I do recall that I think we accepted those recommendations at the time. So, yes, we will abide by recommendations 53 and 54.

**Mr Hanson:** And 55?

**MS GALLAGHER:** Whatever, 54 and 55. The negotiations and valuation have, I guess, reached a point now where a submission will be going to cabinet by the end of this month. Following that consideration, the government will go out for a consultation period with the community, an extensive consultation period, prior to any matter coming before this Assembly.

As members will be aware, the Assembly has called for certain things to be done, which we will abide by. Of course, the final consideration if this sale is to go ahead is that it will be subject to a matter of an appropriation bill. None of those decisions have been taken. The government has not made any final decisions around this, but negotiations are reaching those final stages now.

I have been talking with Little Company of Mary about a way forward in terms of engaging with the community and putting all the details on the table so that we can have that open discussion.

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

**MR HANSON:** Minister, will you provide the cost to the territory government for the purchase of Calvary hospital?

**MS GALLAGHER:** Yes. The costs will be included in the information, including some analysis from Treasury on cost-benefit.

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

**MS BRESNAN:** Thank you, Mr Speaker. Is the minister aware of concerns that have been raised in relation to linking the sale of Calvary to Clare Holland House, and have those concerns been addressed?

**MS GALLAGHER:** Yes, I am aware of the concerns that have been raised, particularly by the Palliative Care Society, about linking the two. I have to say that, in my discussions with the Little Company of Mary, the two things go together. They will not want to proceed with the sale of the hospital if the hospice is not part of the consideration. Part of their decision making within their own organisation about coming to a point of being prepared to consider the sale of the public hospital has been in terms of their own philosophy, need and a desire and a want to consolidate their role in palliative care in the territory through the hospice. The concerns that have been raised by the Palliative Care Society have been on—

**Mr Hanson:** A sweetener for a secret deal.

**MS GALLAGHER:** Mr Hanson obviously thinks an open consultation process, with the cost and a cost-benefit analysis going out to the community, is a secret deal.

**Mr Stanhope:** On a point of order, Mr Speaker: I think there is a convention or a standard in relation to proceedings in the conduct of this Assembly that allegations that the Catholic Church is involved in bribery and would accept sweeteners for a sweetheart deal really are outrageous. Mr Hanson should be asked to withdraw the allegation against the Catholic Church.

**Mr Seselja:** Mr Speaker, apart from the fact that Mr Hanson did not say anything of the kind, Mr Stanhope has made an allegation against Mr Hanson that he has made an allegation of bribery and he should be asked to withdraw it.

**Mr Stanhope:** On a point of order, Mr Speaker: Mr Hanson said, “Is that a sweetener for a secret deal or a sweetheart deal?”

**Mr Hanson:** That is not what I said.

**Mr Seselja:** He did not say “sweetheart deal”.

**Mr Stanhope:** He did. Mr Hanson has suggested that the Catholic Church in the ACT was involved in nefarious, underhand, secret, sweetheart deals with the government, and he should be asked to withdraw.

**Mr Hanson:** I think it is the government that has problems, Mr Stanhope.

**MR SPEAKER:** Order, Mr Hanson! My recollection of the comment from Mr Hanson was that he said, “Is that a sweetener?” I think it is—

**Mr Stanhope:** He said more than that, Mr Speaker.

**MS GALLAGHER:** A sweetener to a secret deal is what he said.

**Mr Stanhope:** He called it a secret. He said, “Is that a sweetener”—what do we know a sweetener as: a bribe, an inducement?—“for a secret deal?”

**Mr Hanson:** It is—

**MR SPEAKER:** Mr Hanson, is this on the point of order?

**Mr Hanson:** No. I will let it go for the moment.

*Members interjecting—*

**Mr Hanson:** He is accusing me of alleging a bribe. A sweetener is about a deal.

**MR SPEAKER:** Order! Mr Hanson, let us not redebate the matter. There is no point of order. Treasurer, please continue.

**MS GALLAGHER:** I met with the—

**Mr Seselja:** On the point of order, Mr Speaker: the Chief Minister, in making his point of order, did make a very serious claim against Mr Hanson, that he had made an allegation of bribery. It was a very serious imputation. I would ask you to ask him to withdraw.

**Mr Stanhope:** Mr Speaker, on the point of order: I took a point of order. I asked, through you, to adjudicate, and I accept your adjudication. That is spurious nonsense. I raised a point of order. You have ruled on the point of order. I accept your ruling.

**MR SPEAKER:** Mr Seselja, at this stage I am going to review the *Hansard*. If there are any matters arising from this, I will come back to the chamber tomorrow. Treasurer, you have the floor.

**MS GALLAGHER:** To finish there, I have met with the Palliative Care Society twice in the last couple of months and have agreed to meet with them regularly as we go through this to discuss with them their concerns. I think a number of their concerns can be addressed easily; some of the other ones, maybe not. I think that the public consultation process that we will go out with very shortly will be the opportunity for these issues to be aired more comprehensively across the community.

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

**MR COE:** Minister, will you table the business case which supports the proposed purchase of Calvary hospital?

**MS GALLAGHER:** No, I will not. I will be making that public through a discussion paper when that paper is finalised.

### **ACTION buses—fleet**

**MS BURCH:** My question is to the Chief Minister, in his capacity as Minister for Transport. Minister, earlier today you launched the first of 100 new buses for the ACTION fleet. Can you inform the Assembly of the features of this new bus?

**MR STANHOPE:** I thank Ms Burch for her consuming interest in public transport. Not long ago, I had the pleasure of welcoming—indeed, at lunchtime today—the first of 74 MAN Euro 5 buses as part of this government’s \$49.5 million 100 bus replacement program for the ACTION fleet. As I said at the launch, it is not normal practice to hold a special welcome for a new bus in the ACTION fleet, but the bus that has joined the fleet today is no ordinary bus. The MAN Euro 5 clean diesel is one of the very first batch of new generation low-emission buses to roll off the assembly line worldwide, and the very first to reach Australian shores.

The new bus, the first of 74 to roll in to the ACTION fleet over the next year or so—indeed, we anticipate taking delivery of one new bus every 10 to 12 days over the next 74 or so weeks—is built to Euro 5 standards. Euro 5 is the emissions output specifications of the engine. This is achieved with ultra-layered sulfur fuel that is now used in Australia and the engine technology developed by the manufacturer. Euro 5 refers to a European emissions standard which defines the acceptable limits for exhaust emissions of new vehicles sold in EU member countries. Australia began harmonising Australian design rules certification for new motor vehicle emissions with the Euro categories in the early 2000s, with Euro 3 introduced in 2006, Euro 4 in 2008 and Euro 5 due in 2011. So here today, Mr Speaker, we are two years ahead of the rest of Australia in accepting the first Euro 5 capacity bus.

I would like to explain this move to clean diesel in the context of our climate change policy. At the time that the 2007-11 action plan was released, compressed natural gas was the clear favourite. But as technology has changed, we too must, as governments, change and adapt and adopt best practice. Advances in clean diesel engine technology to Euro 5 standard will now deliver similar environmental outcomes to CNG. CNG is no longer the cleanest fuel, with clean diesel a competitive alternative. CNG buses carry fewer passengers due to the extra weight of the vehicle’s storage tanks. For every 10 clean diesel buses, 11 CNG buses are required.

The new MAN Euro 5 has the capacity for 67 passengers, made up of 45 seated and 22 standing passengers—above the capacity of our current CNG buses, with the Scania having a carrying capacity of 62 and the MAN CNG carrying 60. Our new buses are also DDA compliant and will help the ACT to meet our targets under the Disability Discrimination Act. Ten of the new buses will also pilot service information screens, providing bus stop and service information. The screens meet requirements set out in the Disability Discrimination Act for visually and hearing impaired customers. The screens will also provide information similar to that which is aired in Canberra Connect shopfronts. This will be an ideal communication tool to promote public transport and other key messages for the community.

In the interests of safety, there are four CCTV cameras on each bus, and each bus is fitted with a speed limiter, ensuring a top speed of 85 kilometres per hour. In addition, there is a security panel near the driver's cabin.

We are continuing the highly successful and highly used bike racks on buses initiative. All of ACTION's new clean diesel buses will have bike racks, giving Canberrans greater sustainable transport options.

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

**MS BURCH:** Can the minister tell us how these buses will help the government meet its commitment for fully accessible public transport by 2025 under the Disability Discrimination Act?

**MR STANHOPE:** I thank Ms Burch for her supplementary question. The ACT government are committed to meeting our requirements under the Disability Discrimination Act. We have had in place a strategy and a range of sequential action plans to ensure that we meet our accessible public transport targets, with the next of these action plans to be released shortly.

The government has a commitment to have 55 per cent of the ACTION fleet accessible by December 2012. This is, I believe, a standard or a target that has been adopted by all Australian jurisdictions. Currently, including the new MAN clean diesel bus introduced into the fleet today, 116 of ACTION's 394-strong fleet are accessible buses. To put it another way, 29 per cent of ACTION's fleet is currently accessible.

To help meet this target, the government committed \$49.5 million in the 2008-09 budget for a fleet replacement program to be rolled out over the next three financial years to acquire 100 new accessible buses. The introduction of the new MAN Euro 5 clean diesel bus brings the government close to that DDA target.

In addition, the 74 low-floor buses are fully accessible and, as they roll out, will become a welcome addition to the fleet. And the 26 Scania steer tag buses also to be rolled out over the next two years as part of the fleet replacement program will be fully accessible low-floor buses.

The government are ahead, and we do believe, on the basis of this significant investment of just on \$50 million over the next three years, that we will meet our target of 55 per cent of all ACTION buses being disability Australia standard compliant by 2012.

**MR SPEAKER:** Supplementary question, Ms Hunter?

**MS HUNTER:** Yes. I was wondering, with this announcement of the 74 new Euro 5 buses to the ACTION fleet, what percentage of the ACTION fleet will now be low-emission buses, that is either with clean diesel or CNG powered.



**MR STANHOPE:** Thank you, Ms Hunter, for that question. I tried to anticipate the great level of interest that I knew there would be in this significant announcement today, but the one question that I did not take advice on, Ms Hunter, I think was that. Ask me about the grams per kilogram of carbon monoxide being emitted by—

**Ms Hunter:** Another supplementary.

**MR STANHOPE:** But you probably know the answer to that. I will have to take the question on notice, Ms Hunter, and provide you with that information.

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

**MR COE:** Thank you, Mr Speaker. Minister, does the abandoning of securing further natural gas buses mean that we will not get the desired economies of scale from that technology?

**MR STANHOPE:** Thank you, Mr Speaker. No, it does not mean that. It means that we have taken a very conscious decision on the basis of a detailed triple-bottom-line analysis of costs and benefits of diesel vis-a-vis CNG. The costs and the benefits measured across the life of the bus are quite significant. We, in fact, will achieve significant cost-benefits as a result of the decision to move from our previous position of natural gas to diesel. Indeed, the initial cost savings have been estimated as somewhere in the order of \$21 million.

When one does a detailed, quite forensic analysis of the environmental, social and economic implications of the decision then, far from not achieving the benefits that we might have achieved as a result of continuing with natural gas, we will achieve the benefits that are now embedded as a result of the conversion to natural gas previously. With the decision now, in the light of cleaner diesel and new engine technology, we will, on advice provided to me, as a result of the decision to convert to diesel with the purchase of these 100 buses, make significant cost savings and, at the same time, not in any significant way change the environmental benefits that previously existed in relation to the purchase of CNG but which now, as a result of changes in technology and changes in fuel composition, have been largely negated.

### **ACT Health—agency nurses**

**MS BRESNAN:** My question is to the Minister for Health and is in regard to agency nurses. I understand that publicly employed nurses have been told they can no longer use agency nurses as a last resort when filling in a roster, despite this being a requirement of the certified agreement. I also understand that nurses on the ground have had to go higher up the management chain if they need to get approval to call in agency nurses on a shift. Minister, could you advise the Assembly how the department plans to maintain quality of care when publicly employed nurses find themselves short-staffed and it is more difficult for them to call in help from agency nurses?

**MS GALLAGHER:** I thank the Greens via media release for the forewarning of this question. The preference of ACT Health is to recruit permanent staff to vacancies, and

indeed over the last six months or so we have seen a very significant reduction in vacancies in the order of from 130 full-time equivalents in March 2009, that is 130 vacancies, to 62 full-time equivalents in August 2009. The preference is on permanent staff, not just for continuity of care and the fact that nurses are attached to wards and work in a team environment but also relating to cost. Agency nurses can be two to three times the cost of permanent staff, and at the same time as we are looking at staffing issues across the hospital we are also looking at how we contain costs at the hospital.

Agency nurses are certainly still in use—they will always be in use—but we are asking nurse managers to consider other alternatives such as redeployment from other areas across the hospital and the use of the casual pool or the part-time pool for working additional shifts. Again, this not only gives nurses who work at our hospitals additional work opportunities if they want it; it also limits the cost—and in health I think around 70 per cent of costs are staff costs. This is an obvious area where we are looking to ensure that we remain within budget; we are looking seriously at the use of agency nurses, which are very expensive. But I have to say that I have sought assurances from ACT Health that the hospital is adequately staffed at all times, that patient safety is number one. I have been given the assurance that that is the case. But certainly nurse managers are being asked to consider those other means of staffing their wards, if there are vacancies on a roster, prior to just automatically calling in an agency nurse.

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

**MS BRESNAN:** Minister, nurses have raised concerns about the proposed changes and have said they are short staffed. Are these concerns correct and have they been addressed?

**MS GALLAGHER:** Certainly where they have been raised with me, and I think the ANF probably have raised this with me. We occasionally get the notification reports that the ANF promotes to their members. I occasionally receive them in my office from time to time. They are asked to lodge a report if they are concerned with workforce shortage on their ward. All of those are investigated and responded to.

I accept that while we are tightening the protocols around the use of agency nurses, there will be some turbulence from staff. We are certainly tightening the management and control of this in an attempt to contain costs. One of the biggest cost blow-outs at the hospital is the use of agency nurses. Whilst our preference is to use permanent staff to fill any vacancies we have, I think that is good for the hospital, but also good for the budget.

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

**MS BURCH:** It is on nursing staff. Can the minister tell the Assembly what activities and strategies ACT Health has to increase the on-staff pool to reduce the need for agency staff?

**MS GALLAGHER:** The most significant strategy is to fill the vacancies with permanent staff and extend the graduate nurse intake—the graduate nurse intake for

2010 has been increased by 60 per cent—that, along with the push to fill those spots with permanent staff. The number of full-time equivalents in March was 132. In six months, that has come down to 62. The graduate nurses will start in January. Those two measures, on their own, will reduce the need to rely on agency staff.

We do always manage this on a day-by-day basis. Because of the nature of nursing, we will have times when nurses call in sick or do not show up for work, and those positions have to be filled. So there will always be a role for agency nursing. We do not want it to be as great as it has been in the past and we do not want it to be the first point of call that nurse managers go to if there are other options.

Use of the casual pool and the part-time pool, offering additional shifts, bolstering our own workforce, increasing the number of opportunities for new nurse graduates, I think, is a sensible way and more long-term way of staffing our hospital adequately. But there will always be a role for agency nurses and we work very closely with those agencies. I accept that, when the budgets get tightened, there is some disquiet amongst staff but there is nothing that we cannot work with and resolve.

**MR SPEAKER:** Mr Hanson?

**MR HANSON:** A supplementary, Mr Speaker. Minister, can you advise whether this change in policy and the additional turbulence will lead to breaches of the current nursing and midwifery staff union collective agreement, specifically schedules 7 and 8?

**MS GALLAGHER:** There will be no breach of the certified agreement. Schedules 7 and 8 are the rostering guidelines and the staff resource protocol. Both of those indicate alternatives for staffing the hospital, aside from agency nursing. It is merely reminding, and tightening up the process around approval for the use of agency nurses. It is a significant cost to the hospital budget. I think the biggest unforeseen cost to the hospital budget is the unrestricted use of agency nursing. We simply have to ensure that agency nurses are not the first point of call and that they are one of a range of points of call for nurse managers to fill vacant shifts at the hospital.

### **Minister for Education and Training**

**MR DOSZPOT:** My question is to the minister for education, Mr Barr. Minister, on 26 August, this Assembly directed you to apologise to the Non-Government Schools Education Council and myself for misrepresenting statements made by me. Minister, why did you ignore the direction of this Assembly to apologise and correct the misleading statements that you made?

**MR BARR:** I responded to this matter in the context of the Assembly debate in the last sitting.

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

**MR DOSZPOT:** Minister, can you guarantee that you will not use your position as minister to make misleading statements in the future?

**MR BARR:** Mr Speaker, I have never made a misleading statement in my position as a minister.

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

**MR HANSON:** Mr Speaker, a supplementary. Minister, have you rejected the primacy of the Assembly by rejecting the call to apologise?

**MR BARR:** No.

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

**MR HANSON:** Minister, will you now apologise as directed by the Assembly at part A of the motion.

**MR BARR:** Mr Speaker, I do not accept, as I indicated in the context of the Assembly debate, that I have done anything wrong. On that basis, and given that the motion that was passed by the Assembly stated, "Either do this or something else will occur," something else has occurred and the matter is now closed.

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

## **Papers**

**Mr Speaker** presented the following papers:

Auditor-General Act—Auditor-General's Report No 6/2009—Government Office Accommodation, dated 28 August 2009.

Standing order 191—Amendments to:

Justice and Community Safety Legislation Amendment Bill 2009 (No 2), dated 28 and 31 August 2009.

Law Officer Amendment Bill 2008, dated 28 and 31 August 2009.

Long Service Leave (Portable Schemes) Bill 2009, dated 3 and 4 September 2009.

Road Transport (Mass, Dimensions and Loading) Bill 2009, dated 1 September 2009.

Minister for Education and Training—Misrepresentation of Statement by Member—Copies of letters from:

The Speaker to Ms Narelle Hargreaves, Chairperson, Non-Government Schools Education Council, dated 31 August 2009, in accordance with the resolution of the Assembly of 26 August 2009.

Ms Narelle Hargreaves OAM, Chair, Non-Government Schools Education Council, to the Speaker, dated 11 September 2009.

## **Executive contracts**

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

**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): For the information of members, I present the following papers:

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

Long-term contracts:

Ian Drayton, dated 5 February 2009.

Nick Kalogeropoulos.

Short-term contracts:

Anne Thomas, dated 25 July 2009.

Carol Logan, dated 30 July 2009.

David Metcalf, dated 21 August 2009.

David Read, dated 17 August 2009.

Glenn Bain, dated 31 July 2009.

Gordon Elliott, dated 29 July and 3 August 2009.

James Corrigan, dated 14 August 2009.

Leanne Cover, dated 28 July and 14 August 2009.

Lyn Campbell, dated 21 August 2009.

Mark Whybrow, dated 21 August 2009.

Mary Durkin, dated 21 August 2009.

Michael Trushell, dated 29 July 2009.

Sushila Sharma, dated 28 August 2009.

Contract variations:

Hamish McNulty, dated 25 August 2009.

John Bissell, dated 25 August 2009.

Ross Burton, dated 30 July 2009.

Stephen Ryan, dated 25 August 2009.

Sue Dever, dated 25 August 2009—

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

Leave granted.

**MR STANHOPE:** Mr Speaker, I present another set of executive contracts. These documents are tabled in accordance with sections 31A and 79 of the Public Sector Management Act, which require the tabling of all chief executive and executive contracts and contract variations. Contracts were previously tabled on 18 August 2009. Today I present two long-term contracts, 13 short-term contracts and five contract variations. The details of the contracts will be circulated to members.

## **Intergovernmental agreement Paper and statement by minister**

**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): For the information of members, I present the following paper:

Intergovernmental agreement—National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes.

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

Leave granted.

**MR STANHOPE:** I am pleased to table in the Assembly today the national partnership agreement on closing the gap in Indigenous health outcomes. On 2 October 2008 COAG agreed to several ambitious targets for closing the gap between Indigenous and non-Indigenous Australians across urban, rural and remote areas.

Indigenous Australians experience the worst health of any one identifiable cultural group in Australia, including low birth weight, mortality rates, diseases from alcohol and smoking, and lower access rates to acute care investigations and procedures. As a component to addressing these issues, this agreement is centred on five priority areas: tackling smoking; providing a healthy transition to adulthood; making Indigenous health everyone's business; delivering effective primary healthcare services; and better coordinating patient journey through the health system.

The agreement's effectiveness will be influenced and supported by the successful implementation of other Indigenous initiatives, including early childhood reforms, broader health system changes and measures to address the underlying social determinants of poor health.

The ACT government acknowledges that through the signing of this agreement all governments need to make a concerted effort to work together, acknowledging the contribution that effective health care can make towards closing the gap.

## **General practice and sustainable primary health care Paper and statement by minister**

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

General Practice and Sustainable Primary Health Care: The Way Forward—Final report—September 2009, prepared by the ACT GP Taskforce, dated September 2009.

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

Leave granted.

**MS GALLAGHER:** It gives me great pleasure today to table the *General practice and sustainable primary health care—the way forward* report, prepared by the ACT GP Taskforce.

In March of this year, following a series of practice closures in Canberra, the ACT government decided to do something about the GP shortage. As a result, I established—

**Mr Hanson:** Really? It wasn't the day after the motion in the Assembly then, was it?

**MS GALLAGHER:** It was not. In fact it was not; it was the day—

**Mr Hanson:** Oh, in fact it was—25 March followed by 26 March. Read the motion.

**MS GALLAGHER:** If you go back to the debate, Mr Hanson, you will see that I indicated in debate on that motion exactly what we were going to do. It is just that you were not paying attention.

As a result, I established the ACT GP Taskforce to investigate the general practice and primary healthcare workforce shortage issue and other related matters. I emphasised very early on to the ACT GP Taskforce that Canberra needs innovative solutions.

The final report of the task force, containing 30 recommendations, comes after close to six months of intense consultation and investigation by the GP Taskforce and provides some interesting and innovative recommendations. The final report confirms that our existing general practice and primary healthcare workforce shortages and the associated challenges are likely to be maintained, and possibly intensify, in the immediate and near future.

At the time of the release of the GP Taskforce discussion paper in June of this year, I said that the general practice workforce challenges facing Canberra were significant and would not be addressed overnight. The reality is that we need to look forward. We need to put in place short, medium and long-term strategies for sustainability. While the report contains positive opportunities and vision, it also notes that the journey to get all the building blocks in place is likely to take some time.

Of the 30 recommendations, the final report contains notable proposals to focus efforts on international recruitment in the next four years; to consider ways to incentivise general practice in the ACT with a low interest or interest-free loan scheme—

**Mr Hanson:** Wasn't that our policy at the last election?

**MS GALLAGHER:** focus efforts on promoting the ACT as a unique location—

**Mr Hanson:** You scoffed at it then.

**MS GALLAGHER:** to engage in flexible, multi-faceted work in government, education and innovative models of service provision—

**Mr Hanson:** Good idea now.

**MS GALLAGHER:** Mr Speaker, we do not usually have interjections when tabling papers, but I can see Mr Hanson is going to continue. These are not the government's recommendations, Mr Hanson; these are the recommendations of the GP Taskforce, and the government has not responded to them formally.

The other proposals in the recommendations of the report are to support GPs taking parental leave to return to the workforce through help with childcare and re-entry programs; to create and publicise opportunities for GPs over 55 years of age to remain in the workforce; to expand and better support the role of nurse practitioners, practice nurses and other assistant positions in general practice and primary health care; develop a new model of care, inclusive of team-based models, that supports existing practices and networks; focus on reducing red tape through consultation and collaboration with ACT and commonwealth agencies and organisations; develop an e-health platform to underpin the health home scheme, as well as support a "virtual" primary health service; the rollout of an in-hours locum service to support GPs and residents of aged-care facilities; explore options to enhance overall access to transportation; and explore a mandatory requirement for practices to notify of practice locations, to assist in the maintenance of an up-to-date practice directory and geospatial map to assist with disaster and emergency management policy and planning.

As the next step, in the upcoming months I will be considering the recommendations made in the final report, along with monitoring the progress of the \$12 million GP workforce program this government has already committed to over the next four years and indeed was approved by the Assembly through the passage of the budget. The government will be responding by the end of this year. In fact, I will respond formally in the December sittings of the Assembly.

I would like to thank the members of the ACT GP Taskforce for their dedication and the work that they put in. They held a number of public forums and a number of private forums. I was able to attend a number of those forums. The co-chairs were Mr Ross O'Donoghue and Dr Clare Willington and the members were Dr Rashmi Sharma, representing the Division of General Practice; Dr Paul Jones, President of the AMA; Professor Nick Glasgow, Dean of the ANU Medical School; Professor Kljakovic, Director of the Academic Unit of General Practice and Community Health; Ms Veronica Croome, the ACT Chief Nurse; and Ms Ann Wentworth AM, healthcare consumer representative. I appreciate the long hours they have had to put in and I think they have delivered a very accessible document of a high standard that paves the way forward.

## **Disability ACT**

### **Paper and statement by minister**

**MR HARGREAVES** (Brindabella—Minister for Disability and Housing, Minister for Ageing, Minister for Multicultural Affairs, Minister for Industrial Relations and



Minister for Corrections): For the information of members, I present the following paper:

*Future directions: towards challenge 2014*, prepared by the Department of Disability Housing and Community Services, dated September 2009.

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

Leave granted.

**MR HARGREAVES:** I am very pleased to table today for the information of members the government's next policy framework for people with disability in the ACT called *Future directions: towards challenge 2014*. This government is committed to improving outcomes and opportunities for all of the 45,000 Canberrans with disability and achieving this vision established in 2002:

All people with disabilities achieve what they want to achieve, live how they choose to live and are valued as full and equal members of the ACT community.

The 10-year vision for the future of disability in the ACT articulated in challenge 2014 calls on the whole community, including government, to take responsibility for effective change. In September 2004, this government launched *Future directions: a framework for the ACT 2004-2008*. This was a first step in a collaborative, coordinated, holistic approach to achieving the vision and rights of people with disability for self-determination, respect, dignity and participation at all levels in the community. The framework has delivered considerable gains for people with disability.

Policy and culture have been influenced through the promotion of an inclusive society and the commencement, for example, of the Human Rights Commission Act and the appointment of the Disability and Community Services Commissioner. Considerable connections have also been built between community and business groups, resulting in increased positive recognition of people with disability. For example, the "business leaders: innovation, thoughts and solutions blitz" initiative is achieving positive gains in promoting initiatives that value people with disability as customers, suppliers, employees and employers in business, arts and sport.

Access to government services has also improved considerably. We have strengthened the capacity of people with disability and their families and carers to maximise control over their lives. There is now a greater community involvement in the development and delivery of policy, programs and services, and people are better informed about the services and supports that are available.

The sustainability and responsiveness of the service delivery sector have been strengthened through partnerships. As an example, the disability workforce strategy, a joint initiative with the community sector, has achieved much success in recruiting and retaining staff and promoting innovative practices at the coalface. Planning and funding have improved to meet the needs of people requiring ongoing support.

In the six years since 2002-03, this government has increased recurrent funding for disability supports from \$41.521 million to \$68.589 million in 2009-10. This

represents a 60.5 per cent increase in recurrent funding. I will say that again: it is a 60.5 per cent increase. Combined with additional funding from the Australian government, we have seen an increase of 31 per cent in accommodation places for people with disability, a 55 per cent increase in community support, a 70 per cent increase in community access hours, an 11 per cent increase in centre-based respite nights and an increase in flexible respite hours of 96 per cent.

New service types that are more flexible and responsive to the needs of people with disability have been established. These include the local area coordination service in the Woden and Belconnen regions, CANaccess services and supports such as the popular quality-of-life grants to help people with disability and their families plan for a better quality of life.

Particular mention can be made of the significant steps we have taken in achieving better outcomes for young people with disability who are leaving school. This is especially the case for those young people who are not yet able to undertake paid work or further study or access the Australian government's disability employment network.

For these young people and their families, the ACT government now provides an array of practical options to assist them to achieve their life goals. This involves a planned and equitable access to the available formal supports, but also builds on the natural and informal networks around each young person and their family. Importantly, the government is also working with employers and community support agencies around the responses that they can make to improve the transitional outcomes for students as they move from the education system into their adult life.

Young school leavers who are not quite work ready still have access to transitional pre-vocational support for up to three years. This support assists a young person to plan for their future and to build skills, experiences and confidence as they move towards their adult life. Support is generally provided for a few hours each week or for a fortnight.

The ACT now provides a guaranteed ongoing minimum two days, or equivalent hours, worth of support for those young people who may never have the opportunity to join a workforce because of the debilitating effects of their disability. These two days will be in addition to any other support they may be receiving, such as respite or additional support at home.

Alongside this, families choose how they get their funding in the way that best suits them. This could include block funding or direct funding, and may complement other one-off grants such as quality of life. Disability ACT and the Department of Education and Training are working in partnership with families to ensure that early discussion and planning are undertaken to determine the direction a young person wants to take after they leave school. Each young person and their family will know what supports will be provided to them and will be working towards establishing these well before the end of the school year.

However, there is still much more to be done, and I turn now to the direction to be taken over the next five years. *Future directions: towards challenge 2014* will build

on the very positive steps of the last five years and guide priority areas for disability policy and service delivery across the ACT government and community through to 2014. The framework has been developed within the context of the ACT Human Rights Act and is consistent with the United Nations Convention on the Rights of Persons with Disabilities.

The development of the new framework has been led by the ACT disability strategic governance group, a unique model of shared governance comprising family, community and government members. I thank the group for its considerable foresight and commitment in delivering this framework. In particular, I would like to single out a few people: Brett Phillips, Lois Ford and Andrew Whale. Of course, they have quite a number of people working for them, all of whom are dedicated officers.

In developing the six strategic priorities that embody the framework, the strategic governance group undertook extensive community consultation. Thirty-three consultation sessions were held across the ACT and attended by 260 people. These were a mix of people with diverse disabilities, their family members and community and government agencies. Twelve written submissions were received. I would like to thank those community members and agencies who shared their experience and knowledge in having their say. A report on the consultations has been released by the strategic governance group.

The key messages from the consultations confirm that we are on the right path to achieving the vision. We heard about the life aspirations of people with disability and the need for concerted action on whole-of-community and whole-of-government integrated responses. Similar to previous consultations, people with disability and their families still want access to safe, stable and continuous support that is going to meet their individual needs. They also want the community to recognise and respect their contributions and welcome them as valued family members, friends, employers, employees and volunteers.

The consultations have given us a new set of challenges over the next five years. We need, for example, better systems planning to ensure that people with disability can access the right support they need in the right time and at the right place. We need to form partnerships with education providers and potential employers to create stronger pathways to employment for all people with disability.

The ACT government needs to continue to show leadership as an employer of choice by people with disability. We need to continue creating partnerships with community, sport, recreation, cultural and environment groups to create more inclusive community activities that welcome people with disability. We need to work hard in changing community attitudes. This continues to be a long and complex challenge and the policy framework will help us tackle this together.

We need to find ways to cut back the number of times people have to fill in forms for basic supports. We also need to keep asking people with disability how our services and supports can be made more responsive to their needs. Our aim is to make life easier, not harder, for people with disability and their families.

There are links, of course, with national reforms. The strategic priorities embodied in *Future directions: towards challenge 2014* put the ACT at the forefront of contemporary disability practice in line with the significant reforms being pursued nationally. All Australian jurisdictions have committed through the national disability agreement to place people with disability and their families and carers at the centre of services across Australia. The objective is that people with disability and their carers have an enhanced quality of life and participate as valued members of the community.

“How will it work?” I hear you ask loudly. I can assure members that the new framework is a plan of action. The six strategic priorities are clear, bold, plain English statements about what people with disability want from their government and their community. The strategic governance group will have a leadership role in ensuring that the outcomes envisaged by the framework are achieved over the next five years.

Each strategic priority has a number of identified measures of success that will assist in telling us if we are making a difference in the lives of people with disability in the ACT. The strategic governance group will provide an annual report on how the framework is being delivered. The ACT Department of Disability, Housing and Community Services has responsibility for implementing the framework. This will be done in collaboration with individuals and their families and carers, stakeholders, service providers, other ACT government agencies and the community.

A 12-month implementation plan has been developed to focus initial action across government. A further implementation plan for 2010-14 will be developed in consultation with individuals, families and community and government stakeholders by September 2010. I am heartened that so many community members expressed an interest through the consultations to be part of the development of this implementation plan. We are aiming high with the policy framework. It sets ambitious but achievable goals. At the end of the day, we want to know whether our efforts have been effective at enhancing outcomes and opportunities for all people with disability in the ACT.

In closing, I again emphasise the significant achievements that *Future directions* has delivered for people with disability. Yet we need to continue to strive to realise the vision expressed so eloquently by people with disability back in 2002. I commend *Future directions: towards challenge 2014* to the Assembly.

## Papers

**Mr Corbell** presented the following papers:

Subordinate legislation (including explanatory statements unless otherwise stated)

Legislation Act, pursuant to section 64—

Betting (ACTTAB Limited) Act—Betting (ACTTAB Limited) Rules of Betting Determination 2009 (No 2)—Disallowable Instrument DI2009-194 (LR, 27 August 2009).

Canberra Institute of Technology Act—Canberra Institute of Technology (Fees) Determination 2009—Disallowable Instrument DI2009-195 (LR, 31 August 2009).

Cultural Facilities Corporation Act and Financial Management Act—Cultural Facilities Corporation (Governing Board) Appointment 2009 (No 1)—Disallowable Instrument DI2009-198 (LR, 3 September 2009).

Gas Safety Act—Gas Safety (Fees) Determination 2009 (No 3)—Disallowable Instrument DI2009-197 (LR, 31 August 2009).

Independent Competition and Regulatory Commission Act—Independent Competition and Regulatory Commission (Price Direction for the Supply of Electricity to Franchise Customers) Terms of Reference Determination 2009—Disallowable Instrument DI2009-196 (LR, 3 September 2009).

Nature Conservation Act—

Nature Conservation (Flora and Fauna Committee) Appointment 2009 (No 1)—Disallowable Instrument DI2009-192 (LR, 20 August 2009).

Nature Conservation (Flora and Fauna Committee) Appointment 2009 (No 2)—Disallowable Instrument DI2009-193 (LR, 20 August 2009).

Public Place Names Act—Public Place Names (Dunlop) Determination 2009 (No 1)—Disallowable Instrument DI2009-199 (LR, 3 September 2009).

Surveyors Act—Surveyors (Chief Surveyor) Practice Directions 2009 (No 1)—Disallowable Instrument DI2009-200 (LR, 3 September 2009).

## **Justice and Community Safety—Standing Committee Report—government response**

**MR CORBELL** (Molonglo—Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services) (3.13): I present the following paper for the information of members:

Justice and Community Safety—Standing Committee—Report 2—*Inquiry into the Crimes (Murder) Amendment Bill 2008*—Government response, dated September 2009.

I move:

That the Assembly takes note of the paper.

Today I have tabled the government's response to recommendation No 5 of the Standing Committee on Justice and Community Safety's report into the Crimes (Murder) Amendment Bill 2008. This government response is being tabled today to allow members to understand the government's position ahead of the proposed debate on that legislation this coming Thursday.

In short, the government's position is that we do not agree with the committee's recommendation to change the definition of murder along the lines of the Western Australian legislation, which the committee has recommended. The reasons for this are outlined in some detail in the government's response, and I will leave it to members to read the detail of that response.

However, I think it is important to make it clear that the government has considered carefully the committee's recommendations but, unfortunately, it believes that the committee's recommendations are fundamentally flawed. They are particularly flawed because the committee has recommended the adoption of a clause from the WA statute which is not based on any jurisprudence here in the ACT.

Indeed, the government has received advice from the Director of Public Prosecutions which indicates that the response adopted by the committee is of significant concern. In his advice to me, the DPP has noted:

Western Australia is a Griffith code state. It shares no historical roots with the ACT criminal law, and is different from the model criminal code of the commonwealth which it is adopting. It does not seem like good policy to pluck one aspect of the ACT law in isolation ... and place it in a foreign context in the ACT.

The committee's recommendations borrow from recommendation 7 of the Western Australian Law Reform Commission report on the review of the law of homicide. The WA report's recommendation is a reconfiguration of the existing words in section 279 of the WA Criminal Code.

The committee's recommendation to adopt these words is fundamentally flawed. First of all, it would require the ACT's legal system to start from scratch with the concept of bodily injury, which has no modern legal history in the ACT. Secondly, transplanting WA words into the ACT statute book would inherently give the words a different meaning from the WA context, while the ACT statute book contains none of the terminology or definitions used in the WA code.

The concept would be applied and interpreted in isolation from WA case law, and the new WA provision was only made in 2008. No cases testing the new law have been decided. Further, the imposition of a new term "bodily injury" in the ACT jurisdiction would likely mean that the courts would have to establish new jurisprudence on the term. It is also likely that defence and prosecution practitioners would need to develop significant submissions on the term for each new case before the ACT courts.

The term "bodily injury" has no statutory definition in Western Australia. The term is informed only by WA case law. There is no statutory method to apply Western Australian jurisprudence to ACT law, nor is there a way of articulating the Western Australian law in a manner consistent with ACT law without using the language already contemplated in the government's bill.

The term "bodily injury" has jurisprudence in Western Australia and in other states and the Northern Territory that use the Griffith criminal code but not in the ACT, as we do not use the Griffith criminal code. The WA Criminal Code has particular provisions dealing with issues such as the meaning of intent and motive, the notion of acts and omissions, insanity, intoxication et cetera. While these provisions are similar to the concepts in the ACT Criminal Code, they are not the same and transplanting the words from the Western Australian code into the ACT statute book would inherently give the words a different meaning from the Western Australian context.

I think it is also worth noting the fact that, in the government's view, the committee has taken too selective an approach. For example, the committee has set aside the UK law commission's murder, manslaughter and infanticide report, where it supported the intention to cause grievous bodily harm as within the ambit in murder. In short, the government believes the committee has been very narrow and selective in how it presents the deliberations and findings of the WA report.

The committee's selection gives the impression that intent to cause grievous bodily harm as a threshold for murder is regarded as inherently wrong. But this is a flawed view. The Western Australian Law Reform Commission's report itself noted that an intention to kill and an intention to cause an injury likely to endanger life are morally equivalent. What the commission advocated against was an intention to cause a permanent injury to health as a mental element of murder.

So the government believes that the existing provisions as proposed in its bill are the right way forward. They make it clear that where someone intends to cause serious harm to a person and that person dies as a result of those injuries, the person could be charged with murder.

What the committee has recommended instead is a provision which, firstly, has no historic links with the ACT statutes; secondly, it is inconsistent with the way our law has developed, recognising that we are not a Griffith code state; and, thirdly, there is no ability to transfer Western Australian jurisprudence to the ACT. There is no jurisprudence here in the ACT in relation to the definition proposed by the committee and in particular in relation to the term "bodily injury". Therefore, the government believes that members will need to reconsider this matter.

I commend the government's response to members. It is a detailed explanation of these issues. I would also be happy to provide further briefings to members on these matters and to provide the advice I have received from the Director of Public Prosecutions. But I want to make it clear that the government does not support this proposed change. It is an ad hoc adoption of one element of the Western Australian law in isolation from the fact that Western Australia is a different jurisdiction when it comes to how its murder law is formulated. Further, it fails to acknowledge the fact that there is no jurisprudence here in the ACT for the interpretation of these definitions.

To adopt this in isolation would be poor policy; it would create confusion in relation to the application of the murder law in the ACT. That is why the government will continue to propose its mechanisms as set out in the bill. I commend the response to the Assembly.

Question resolved in the affirmative.

## **Statutory authorities and territory-owned corporations**

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

**MADAM ASSISTANT SPEAKER** (Ms Le Couteur): Mr Speaker has received letters from Ms Bresnan, Ms Burch, Mr Coe, Mr Doszpot, Mr Hanson, Ms Hunter, Ms Le Couteur, Mr Seselja and Mr Smyth proposing that matters of public

importance be submitted to the Assembly. In accordance with standing order 79, Mr Speaker has determined that the matter proposed by Mr Doszpot be submitted to the Assembly, namely:

Management of statutory authorities and territory-owned corporations.

**MR DOSZPOT** (Brindabella) (3.22): The management of statutory authorities and territory-owned corporations is a subject that warrants some attention by this place, and I am very pleased to bring this subject here today in the form of this matter of public importance.

Section 7 of the Territory-owned Corporations Act states that the main objectives of a territory-owned corporation are:

- (a) to operate at least as efficiently as any comparable business; and
- (b) to maximise the sustainable return to the Territory on its investment in the corporation or subsidiary in accordance with the performance targets in the latest statement of corporate intent of the corporation; and
- (c) to show a sense of social responsibility by having regard to the interests of the community in which it operates, and by trying to accommodate or encourage those interests; and
- (d) if its activities affect the environment—to operate in accordance with the object of ecologically sustainable development.

We have seen numerous examples of well-run statutory authorities and territory-owned corporations throughout the history of self-government, but recent times have seen some incredible management failures. It seems that the current government has seen fit to interfere, as shareholder, only when it suits it. The bottom line is that the government can claim responsibility for failures and successes equally, as the major shareholders. There is a litany of cost blow-outs and debacles associated with territory-owned corporations for which the government must take responsibility.

One such case is Rhodium. In 2006 the ACT Auditor-General's report into Rhodium Asset Solutions stated that the shareholders, being the Chief Minister and Deputy Chief Minister, failed to provide clear direction, which in turn made it difficult for the board to provide and commit to appropriate long-term business strategies.

In 2008 the Legislative Assembly's public accounts committee's report on the ACT Auditor-General's inquiry into Rhodium Asset Solutions presented a unanimous report that drove the final nail into the coffin and laid the blame with all involved, including the shareholders. I quote from the conclusion of the report:

Management, led by the former CEO, engaged in ill-advised spending, treated company assets and business as personal benefits and failed to establish policies and practices of even a basic acceptable standard. The Board failed in its duty to supervise management and did not place any priority on addressing key areas where they were aware of weaknesses. The shareholders, while not directly responsible for the day to day failures and questionable behaviour at Rhodium, failed to establish and communicate its expectations to the company.



But, as usual, when the Chief Minister is taken to task on his decisions or lack of decisions, the finger pointing starts in earnest. This time the fickle finger of Stanhope pointed to a bipartisan committee, the Standing Committee on Public Accounts. He described this Legislative Assembly report on the government's fleet management business as grubby nonsense. An ABC news report on 21 August 2008 was headlined "Assembly Rhodium report 'grubby nonsense'". I quote from this article:

The Standing Committee on Public Accounts has reviewed the Auditor-General's damning report on Rhodium Asset Solutions which found there had been excessive and inappropriate spending by the company and poor management practices.

The bi-partisan committee has made a series of recommendations on transparency and governance of Government-owned corporations.

Mr Stanhope has slammed the committee for suggesting that the company's shareholders (Mr Stanhope and his deputy Katy Gallagher) failed to uphold their responsibilities.

"This is a very sloppy report, it's a grubby report and I don't think it brings credit on anybody," he said.

The article continues:

Mr Stanhope says he cannot explain why committee member Labor backbencher Karin MacDonald signed off on it.

"I would imagine that none of the members, except those that had some political motivation, understood the implications or effect. That's all I can assume," he said.

The article also quoted opposition leader Zed Seselja as saying:

Mr Stanhope is having a go at Ms MacDonald by calling the report grubby nonsense.

His own member signed off on a report which said that he and Katy Gallagher may not have completed with the Territory-owned Corporations Act and also makes a number of other findings in relation to the failure of the shareholders, being Jon Stanhope and Katy Gallagher ...

As if all this finger pointing was not enough, Mr Stanhope then took on the media. Mr Stanhope's chief of staff, Jeremy Lasek, who is a former WIN news director, confirmed to the *Canberra Times* that he had met with WIN management but he denied that he had placed pressure on WIN to temper its political coverage. He indicated that he spoke regularly with news directors and executives as part of his job. But, and perhaps this was coincidental, on this occasion the chief of staff at WIN news, Mr John Roe, was sacked and a political reporter was stood down after this particular discussion by the Chief Minister's chief of staff.

The Canberra public also reacted strongly to the Rhodium fiasco, perhaps best typified by this letter to the editor in the *Canberra Times* by a Mr J Lonergan from Isaacs. I quote:

Anyone who reads the report by the Assembly's public accounts committee about the Rhodium farce will be in turn flabbergasted, incredulous and then angry.

The leading entrepreneur in this saga is Jon Stanhope, who has a quality track record of involvement in disaster.

Why Rhodium ever had to be created is a mystery, given that its main task was managing a fleet of vehicles.

Naturally, in the absence of firm direction from Stanhope, and under a board that seems to have been on leave, the Rhodium chief executive officer set about aiming for additional tasks and creating a working environment not seen since the Garden of Eden. Given the commercially competitive nature of the expanded plans for the organisation, red tape was understandably cut to the limit, so much so that almost no documentation could be found to determine the origins of various practices subsequently deemed by investigators to be somewhat unsavoury. Among the latter were such benefits as provision of a luxury vehicle (Lexus) for the CEO, a \$10,000 cash amount sent to her while on a visit to Paris, a credit card allowance seemingly unconstrained by any rules, employment practices not divorced from family loyalties, and no rules and little accounting for entertainment expenses.

Sponsorship deals were judged to be necessary one for the ACT Brumbies cost \$460,000. Such ventures, it was explained, offered "opportunities for corporate hospitality", which presumably meant that the CEO and a chosen elite could take selected guests to enjoy top class rugby union from corporate boxes. They also managed to get to national rugby league grand finals and to the Melbourne Cup. Unfortunately, a praiseworthy initiative to introduce IT to control activities was somewhat lacking in professionalism and collapsed with a loss of "between \$400,000 and \$700,000".

And now we can watch everyone duck for cover, led by the redoubtable Jon Stanhope.

We saw the other end of the spectrum this year when the Chief Minister chose to micromanage the business of the LDA. The Chief Minister objected strongly to some media commentary on his pet project, OwnPlace. Just to remind everyone here, the Chief Minister, after choking on his weeties while reading a negative story on OwnPlace, responded by furiously emailing a directive to his chief of staff demanding a number of actions, including taking out a half-page advertisement in the *Canberra Times* to refute these claims. When asked during estimates this year if this was an appropriate thing to do, the Chief Minister replied, "Yes, absolutely."

On the one hand we have shareholders who cannot give strategic directions to one territory-owned corporation, resulting in the loss of millions of dollars; on the other hand, we have shareholders who can micromanage down to the point of placing advertising. Where is the management and where is the consistency?

This brings us to recent times and recent examples of mismanagement. In these last few weeks our attention has been drawn to the massive cost blow-out of the Cotter Dam project. The massive \$243 million cost blow-out of the Cotter Dam project, I might add, would have paid for the duplication of the GDE three times over and is the equivalent cost of five new high schools. In 2005 Actew estimated that the cost of the dam would be about \$120 million. In 2007, the Chief Minister announced the major water security projects and the figure magically turned into \$145 million. This year the managing director of Actew Corporation told the 2009-10 budget estimates committee on 18 May:

We are working on an estimate of costs that we warned in that report could be 30 per cent higher than that again. I do think it is going to be something that the Actew board, which I am very interested in—is just trying to understand where the movement in costs occur across these major projects and taking it forward to understand and to work through where the answers are and, if there are deficiencies, where the deficiencies were in terms of the planning process.

A week after this, on 30 May, the costs had gone up yet again. By now the costs had risen to an incredible \$246 million. And barely three months later, on 3 September 2009, the announcement was made that the cost had risen by another \$117 million. In three months the blow-out had pushed the cost up to an astounding \$363 million. That is more than three times the first costing, in just four years.

The question that must be asked now is this: how on earth could the government get this so wrong and, furthermore, allow this to get so out of hand? Again we have shareholders that pick and choose what they will take an interest in and which of the territory-owned corporations will be managed and how tightly they will be managed.

This government has made up the rules as it goes. Now it is time that the Chief Minister and his fellow shareholders ensured that the government, its agencies and territory-owned corporations put far more energy into getting the costings and the strategic directions right in the first place, in a fashion consistent with their responsibility to the taxpayers in the ACT.

This government has failed to take its responsibilities as a shareholder seriously enough to ensure that a maximum return on its investment in the corporation is made. This must change from now on.

**MS GALLAGHER** (Molonglo—Treasurer, Minister for Health, Minister for Community Services and Minister for Women) (3.34): I am pleased to have this opportunity to comment on the management of statutory authorities and territory-owned corporations. I would first like to comment briefly on the distinction between a statutory authority and a territory-owned corporation. A statutory authority is established under its own enabling legislation. There is a legal obligation to act in the interests of achieving the purpose or objectives for which the particular authority has been created. They can be a commercial, regulatory, quasi-judicial or advisory body.

The enabling legislation is used to define the structure and responsibilities for each authority. For instance, an authority can have a governing board or an advisory board.

The powers and functions of each authority are defined by statute. This means they can be subject to varying degrees of ministerial direction and control as prescribed by legislation.

Territory authorities are also subject to the Financial Management Act, which contains many of the common governance provisions that apply to each authority. Territory-owned corporations, on the other hand, are formed under the commonwealth Corporations Act. They are commercial businesses managed by a board appointed by the government shareholders. The board members are subject to the duties and liabilities of directors under Corporations Law.

It is important to realise that territory-owned corporations are real companies. Their directors and management are subject to the strict disciplines of Corporations Law. Their accounting systems and operations must comply with Corporations Law. They are subject to real sanctions if they do not comply. An interesting feature of territory-owned corporations is the inter-relationship between the government and the company. The ministers are shareholders of the company. They are not pretend shareholders; they are real shareholders with the right to replace the board or to intervene by way of calling a general meeting to pass resolutions or to use their residual powers of direction under the Territory-owned Corporations Act. However, as with shareholders of privately owned companies, they do not normally exert control over the day-to-day operations of the company.

Under the Westminster system of ministerial accountability, ministers are seen as responsible and answerable for all that occurs under their administration. However, it is evident that ministers have limited ability to exert direct control over territory-owned corporations. Of course, the opposition and the media will always try to beat up particular incidents for political point scoring as the case may be. However, it is impractical to expect ministers to run large commercial organisations as managing directors. It would simply be unrealistic for ministers to be expected to have the relevant background and the experience to run multimillion dollar businesses. That is more properly the role of an expert and experienced board.

The government for its part should ensure that it has in place the right systems to monitor the performance of each of its territory-owned corporations. This government does have in place well-established and comprehensive monitoring arrangements to oversee the activities of each of its TOCs. These are reflected in legislation through the TOC act, and they are consistent with the regimes in all other jurisdictions. In fact, it was this government that updated the governance arrangements for statutory authorities and TOCs through legislated amendments to the Financial Management Act in 2005 and the Territory-owned Corporations Act in 2004.

Obviously not all government business activities are suited to being established as territory-owned corporations, and I will demonstrate a classic example of this point later on. The challenge for any government is to get the role and incentive structures right in terms of sensible administration. There are also a select few government-owned companies that are not subject to the Territory-owned Corporations Act. One that springs readily to mind is Totalcare. Perhaps at this point I can briefly reflect on what transpired with Totalcare.

During the first term of office of this government, we spent a considerable amount of time and resources on resolving the many problems that wracked Totalcare. It was very clear to all that were involved—there were a number of us who were directly involved—that Totalcare was dysfunctional with many entrenched deficiencies. The troubled state of Totalcare stemmed back to the then Carnell government's decision to transfer the works and commercial services functions of the former Department of Urban Services. These functions included engineering services, survey, landscape, architectural services, housing and property maintenance, accommodation services, fleet, and maintenance services. Until then, Totalcare had operated profitably and provided modest dividends. Much to this government's dismay, we found this odd assortment of businesses with very different operational requirements, which created a dysfunctional company with an abysmal performance record.

During the intervening period from the date of transfer of the works and commercial services functions—and Mr Smyth might know this better than anyone as the minister responsible at the time—from 1 January 1997 until 30 June 2003 no dividends at all were paid. Accumulated losses were in excess of \$21 million and net assets fell by \$16 million from \$35.8 million in 1998-99 to \$19.8 million by 30 June 2003. That was despite a government equity injection of \$5 million in 2001-02. The Williamsdale quarry joint venture was wound up in 2001-02 with an accumulated loss of \$5.3 million. So that is Mr Smyth's record on managing Totalcare. That is a prime example of how badly things go wrong if the government of the day decides to directly intervene in the operations of a territory-owned corporation.

**Mr Seselja:** How did you go with Rhodium?

**MS GALLAGHER:** Did you just hear that? I have got nine minutes and 26 seconds to go so—

**Mr Seselja:** What did the Auditor-General say about you and Rhodium?

**MS GALLAGHER:** Let us just hear this again, because it is a gem. This is Mr Smyth's record: from 1 January 1997 to 30 June 2003, no dividends were paid, there were accumulated losses in excess of \$21 million—

**Mr Seselja:** How did you go with Rhodium?

**MS GALLAGHER:** And where did Rhodium come from? That great little chestnut of Totalcare, was it not?

**Mr Smyth:** No, Rhodium was yours. You set Rhodium up. Ted set it up.

**MS GALLAGHER:** I think it was included—yes, there it is, ACT Fleet, there is the little link to Totalcare. This is Mr Smyth's grand stewardship: no dividends. What do you say to that, Mr Smyth? Accumulated losses in excess of \$21 million, assets fell by \$16 million, from \$35.8 million to \$19.8 million in June 2003, despite an equity injection from the government of \$5 million, and the Williamsdale quarry joint venture was wound up with an accumulated loss of \$5.3 million.

**Mr Corbell:** It was a Brendan Smyth special.

**MS GALLAGHER:** Yes, a Brendan Smyth special. There we are. We do not hear that; that is never incorporated in the standard Brendan Smyth TOC speech that he gets up and dusts off every now and again. Maybe we should get that injected into the speech, Mr Smyth. If you could get your advisers to put the history of Totalcare into your speech as a comparison between—

**Mr Smyth:** But when did Rhodium start?

**MS GALLAGHER:** We are not talking about Rhodium; we are talking about Totalcare. I am not talking about Rhodium in this example; I am talking about Totalcare. This is about Totalcare. We have not reflected on your role in anything, Mr Smyth, for quite some time. You sit here and reflect on my role all the time. I am just giving a little bit of perspective here, and there we see—

**Mr Seselja:** Did you want to talk about it? You've got 7½ minutes.

**MS GALLAGHER:** Well, I am more than happy to talk about Rhodium at length, as it has been, and I have fronted up to talk about Rhodium in this place a number of times. But I have not seen any keenness or enthusiasm from Mr Smyth to come in here and talk about his role in Totalcare. In fact, I do not think I have ever heard him talk about his role in Totalcare. Here we go. On 14 July we set about winding down that abysmal company, Totalcare. In fact, we are still trying to tie up Totalcare now because of the disarray the superannuation records were in at that point in time. We are still trying to find people who worked for Totalcare and pay them the additional superannuation they were owed.

We transferred the various businesses back into the government agencies. However, it was not possible to transfer the fleet business back because of the tripartite nature of the reverse novated leases administered by Totalcare. The Totalcare board advised that leaving the existing business in Totalcare would hinder the fleet business because of several complex residual issues that needed to be resolved, including the longstanding superannuation liabilities and insurance claims, which are still being worked through. This left us with little choice than to create a separate territory-owned corporation—namely, Rhodium—to conduct the fleet business.

**Mr Smyth:** You set up Rhodium?

**MS GALLAGHER:** Yes, Mr Smyth. What? You have just uncovered that, have you? Of course we set up Rhodium. We had to set up Rhodium because we were trying to wind up Totalcare, and we could not wind up—

**Mr Smyth:** So Rhodium's not your fault. You had to set up Rhodium.

**MS GALLAGHER:** What? You were there; you participated in the debates, Mr Smyth. You participated in the debate, and Rhodium has had a troubled history, I will accept that. I do not think anyone in this place would not accept that.

The government structures to support the management of statutory authorities and TOCs are robust, contemporary and consistent with best practice in other jurisdictions. To argue any other way is to ignore the facts and the reforms that have been implemented by this government over the last seven years.

I look forward to listening to Mr Smyth respond to all of the concerns that have been raised about his role in Totalcare and why, when he was in charge of Totalcare, there were no dividends paid, accumulated losses were in excess of \$21 million, net assets fell and the quarry joint venture was wound up with multimillion dollar losses. Congratulations, Mr Smyth. Good on you!

**MR SESELJA** (Molonglo—Leader of the Opposition) (3.44): I suppose it is not surprising that the Treasurer does not want to talk about Rhodium. She did actually have five minutes left in her speech. I think Mr Doszpot covered all the issues, whereas Ms Gallagher said she would love to talk about Rhodium, if only she had the time. She did not talk much about the blow-out in the cost of the Cotter Dam. She did not talk much about this quarter of a billion dollar—

**Mr Hanson:** Is it an estimate or a final cost?

**Ms Gallagher:** What don't you understand about an estimate and a final cost, Jeremy? I don't get it.

**MADAM ASSISTANT SPEAKER** (Ms Le Couteur): Ms Gallagher, could you please let Mr Seselja speak?

**Ms Gallagher:** I am responding to Mr Hanson's constant interjections.

**MADAM ASSISTANT SPEAKER:** Mr Seselja.

**MR SESELJA:** Thank you, Madam Assistant Speaker. I appreciate it is sometimes a challenge to hear yourself in this place, let me tell you. She did not want to talk about the Cotter Dam and we know why she did not want to talk about the Cotter Dam. We are seeing a quarter of a billion dollar blow-out in the cost of this project to date. A quarter of a billion dollar blow-out in the cost of this project to date is what we have from this government.

It is worth looking at their attitude to territory-owned corporations. It seems that they, on the one hand, are very happy to claim what they do that is good for themselves and, indeed, when there are failures, it is someone else's fault. That has been the modus operandi of this government for a long time, and nowhere more so than in the area of Actew and in the area of water. I will get to the Cotter Dam.

But we have also seen a culture of secrecy under this minister where she will not disclose basic details. She will not disclose to the Assembly basic details about the cost of remuneration of executives in Actew. And that is a snapshot of the attitude of this government; it is secret about that; and it seems that there is a lot of secrecy that tends to surround the goings on and the cost blow-outs which we have seen and which have, indeed, been revealed. There is a culture of complacency and secrecy from this minister.

The Chief Minister's eye for detail is interesting, given his comments in recent days about snooping through the bins of the agencies. The Chief Minister, in today's *Canberra Times*, is quoted as saying:

You'd be surprised the extent to which I do stick my nose in. I ride my bike all around town. I observe all the works for which I am responsible across the town. I often go out and inspect road works, tree plantings, the arboretum, Mulligans Flat, Tidbinbilla. I'm forever sticking my nose in, and I do that at the arboretum. I keep an eye on what's going on.

It is interesting, is it not, that he sticks his nose into all these little issues that he has a particular interest in but, when it comes to, say, a dam that is now going to cost the taxpayer at least \$363 million—we do not know what the final cost will be; that is the current estimate, \$363 million, for an enlargement of Cotter Dam—

**Ms Gallagher:** Not things like \$100 million for Tennant? You do not like that, do you?

**MR SESELJA:** I will address that in a moment. It is interesting that the Treasurer throws across a number on Tennant and she seems to have some certainty about that number. Apparently that number is spot-on; we can accept that number absolutely, with absolute confidence. But when it comes to the Cotter, the initial estimate was \$120 million or \$145 million; then it was \$250 million; now it is out to \$363 million and counting.

We have a government that actually takes no responsibility. We have ministers that take no responsibility. We have ministers that it would appear do not stick their noses in when it comes to these issues. It seems that they barely even ask any questions on this.

It is interesting to look at the Chief Minister's comments on this. We have not had some of the same comments from the Treasurer. But the Chief Minister said, in relation to the blow-out, that he is disappointed but retains confidence in Actew, "though there are aspects perhaps in communication in relation to this and perhaps in their cost estimates that on reflection need a deep review".

So we need to drill down a little on that. What was it about the communications with Actew that was lacking? The Treasurer said, in answers to questions today, that she was receiving the minutes of the board meetings, as a shareholder. Presumably the Chief Minister was receiving the minutes of the board meetings, as a shareholder. The question is: what was in those minutes? Was there anything in those minutes that suggested a cost blow-out? Was there anything in those minutes that suggested that this continual cost blow-out was actually going to get bigger and bigger?

Was there anything prior to the date—I forget the date that the minister told us in question time today but it was some time late in August when she found out—in the minutes for either the Chief Minister or the Treasurer that raised concerns? Was there anything that they should have been sharing with the community? Was there anything that they should have been asking hard questions about to the board? Was there anything that they sought clarification on? Did they say to Actew, "But we have



concerns here. How is this project being managed? Why is it blowing out? Why is it blowing out so much?"

**Ms Gallagher:** I answered all that. Yes, we did.

**MR SESELJA:** Sorry?

**Ms Gallagher:** We did. We raised all those questions.

**MR SESELJA:** It is a good question because the Chief Minister claimed to be in the dark. As reported in the *Canberra Times* on 4 September:

The ACT Government was kept in the dark about the ballooning price of the Cotter Dam expansion, much to its surprise and disappointment, Chief Minister Jon Stanhope said yesterday.

I am not sure whether that was a misquote or a paraphrase that was incorrect. Have we seen the clarification? Have we seen the clarification from the Chief Minister, him coming out and saying no, actually he was not kept in the dark. Actually he was not kept in the dark; he knew exactly what was going on. There are only two ways this can go: either they were asking the questions and they were informed or they were kept in the dark. If they were kept in the dark, the question is: why? Was it not reflected in the minutes? These are serious questions that the Chief Minister needs to answer in relation to his oversight and his role as a shareholder on behalf of the people of the ACT.

We need to ask the question: why do we have ministers as shareholders? What is the purpose of having ministers as shareholders? I would put it to the Assembly that we have ministers as shareholders to protect the public interest, to represent the territory, to protect the public purse, to make sure that the actions of Actew and other agencies, other territory-owned corporations, are in the public interest, that they are being conducted in an efficient and effective manner to ensure the people of the ACT get value for money. Where were those questions?

There are serious questions now and, it would appear, some contradictions, even from that report versus Ms Gallagher's answers in question time today, that they were getting regular updates; they were getting updates in the minutes. Was this included in the minutes? I would be happy to give Ms Gallagher leave to speak again to tell us, when the minutes actually raised concerns, what was in the minutes. Or was she as surprised and shocked as Mr Stanhope, who claims in this report to have been kept in the dark about the ballooning price of the Cotter Dam? This is the question that this government needs to answer.

Of course, in relation to Actew, last year we had a massive advertising campaign to tell us just how good things were going in relation to water. We were told that things were going swimmingly in relation to water, that things were fantastic. In fact, hundreds of thousands of dollars were spent to give us this message. Then we get to a situation where, firstly, it blows out to \$246 million, just after estimates I think, and then, a couple of months later, we hear that it blows out to \$363 million.

We are told it was wonderful. The government, through Mr Stanhope, tell us they were kept in the dark about the cost blow-out. Ms Gallagher says no, she was receiving regular updates; she was getting briefings on this issue. All of those things do not stack up.

We will be very happy for Ms Gallagher to speak again to give us information as to what those meeting minutes showed, when they showed concerns about blow-outs, whether the Chief Minister was informed of that as well or whether she was indeed kept in the dark in the way the Chief Minister claims to have been. This comes down to responsibility; this comes down to oversight. We expect that our representatives, those ministers who are shareholders of Actew, will protect the public interest. So far they are not doing a very good job. The record speaks for itself, with a massive blow-out in the cost of the Cotter Dam.

**MS BURCH** (Brindabella) (3.55): I too appreciate the opportunity to speak on this issue. As the Treasurer has said in her contribution to the debate, the very subject matter—management of statutory authorities and territory-owned corporations—is in fact a reflection of the lack of understanding demonstrated by those opposite of the roles and responsibilities reflected in the governance and legislative arrangements for these entities.

Both previous and current territory governments have adopted particular structures for ACT government entities, reflecting the nature of the objectives to be achieved. In doing so, we have been mindful of where appropriate levels of independence from the executive are useful. We have also been mindful of what appropriate levels of transparency and accountability surround such structures.

*Opposition members interjecting—*

**MADAM ASSISTANT SPEAKER** (Ms Le Couteur): Members of the opposition, please be quiet.

**MS BURCH**: It is important to note that all governments in Australian jurisdictions have made decisions to facilitate significant government commercial functions being established as companies such as territory-owned corporations or statutory authorities. This is in recognition that, for some functions, it may be desirable to have commercial expertise and independence separate from government.

*Opposition members interjecting—*

**MADAM ASSISTANT SPEAKER**: Members of the opposition, please be quiet.

**MS BURCH**: Thus the starting point for determining organisational structure should be the identification of the functional objectives. The nature of decisions that must be made in achieving those objections can then be understood. It is then possible to put in place the appropriate organisational form to facilitate the appropriate decision-making hierarchy.

I will repeat for the benefit of those opposite what my colleague has already explained as far as the factors that shape the decision as to the appropriate form of that entity are concerned. They are the degree of profit motive or commercial activity, the level of dependency on the territory's budget for funding, the level of day-to-day control exercised by the government over the activity of the entity, the potential for the entity to undertake the regulatory or social policy functions, and the extent to which principles of competitive neutrality would apply to those activities.

As should be clear to members, the practice of establishing entities in the form of territory-owned corporations or territory authorities is not something introduced to the ACT by this government, nor is it unique to the territory. Indeed, it is a widely accepted and utilised framework employed across all jurisdictions and reflects the highest principles of good governance, while allowing government services to be provided in the most cost-effective manner for the community. All governments in Australian jurisdictions have established companies or statutory authorities to facilitate significant government commercial functions.

The governance framework provides for a robust level of accountability and transparency. This is evident by the policies, procedures and reporting process adopted by our statutory authorities or TOCs. They are required to put in place policies and to report against these regularly through their board meetings. They cover, to name a few, legal risk and compliance, conflict of interest, audit committees, financial performance and delegations, staffing, marketing, and health and safety. The boards, or their chief executives, then regularly provide advice to the government, usually at least monthly.

Statutory authorities and TOCs are also required to undertake regular business planning. This takes the form of statements of intent or corporate intent and they are provided through their responsible minister or the Treasurer to the Assembly annually. In the case of TOCs, they are also required to notify their voting shareholders of significant events.

While members opposite are keen to talk about some of the negative experiences, I would like to remind the Assembly of the success we have also enjoyed. Notwithstanding the recent discussions on the cost escalations of some of the water security projects, it must be said that Actew is an example of why these structures are employed and how well they can work. Actew provides a range of essential services to the people of the ACT and the surrounding region, either directly or through its ventures with ActewAGL and TransACT.

We in the territory enjoy quality services, certainly in our supply of quality drinking water and ready access to electricity, natural gas and telecommunication services. Actew has successfully delivered the significant capital projects necessary to ensure the continuation of that security of supply and continues to plan and build for the future in a prudent and commercially sensitive manner.

Another strong example of delivery of important services through the statutory authority structure can be found in the Land Development Agency. The LDA has successfully delivered record numbers of blocks of land to the community across the

residential, commercial and industrial sectors. In fact, in the 2008-09 year, land to accommodate 4,339 dwelling sites was released. This bettered the target of 4,208 and was a significant increase over the previous record of 3,470 sites delivered in 2007-08.

The releases and developments undertaken by the LDA also reflect a dedication to achieving new standards of innovation, excellence and value in urban design and sustainable development in Canberra. The LDA contributes positively to the building of thriving and vibrant communities by facilitating high-quality design and built-form outcomes in its urban renewal projects and the development of greenfield commercial and industrial land. That achievement, despite the uncertainty of the prevailing economic conditions, comes from having the right structures in place.

The management of territory-owned corporations and territory authorities is not a simple set-and-forget exercise for government. We take our responsibilities and accountabilities seriously. We do not take the decision to vest the decision-making powers and the day-to-day management of commercial activities lightly. We do appoint experienced, well-credentialed and professional boards, who then in turn recruit similarly qualified chief executives. We look to these people for leadership, accountability, judgement and the highest standards of performance.

As I mentioned earlier, I think this subject matter, the management of statutory authorities, indeed reflects the misunderstanding demonstrated by those opposite. And I remind the Assembly that all governments across all jurisdictions have made decisions to facilitate significant government commercial functions being established as companies such as territory-owned corporations. I think what we have said and have seen is that the model has worked well during the past 20 years and I thank you, Madam Assistant Speaker, for the opportunity to talk on this issue.

**MR RATTENBURY** (Molonglo) (4.03): I would like to thank Mr Doszpot for bringing on this matter of public importance today, because it is an issue of debate at the moment. It is certainly one I have been giving some thought to in recent times. From my perspective, there are two key issues of prominence that concern me at the moment with regard to territory authorities and territory-owned corporations. Although I am unclear whether today's debate is revealing any consistent themes, I certainly think a bunch of issues are attached to this.

I would like to start with EPIC, or Exhibition Park, which falls into the category of being a territory authority. There has been some significant politic discussion around the issue of whether Exhibition Park should continue as a territory authority or whether it should be moved back into government. I think there are positives about EPIC existing as a territory authority

EPIC was established many, many years ago now—in fact, before ACT self-government was established. There is no question that EPIC is a valuable community facility. If you look back through the history of it, the board has brought a range of skills, energy, expertise and commitment to their work in ensuring EPIC is a successful venue. When a venue such as EPIC has a board and is managed somewhat independently of government, it can lead to a difference in strategic direction from what the government and its departments would implement. I do not know that that is always such a bad thing. I think it leads to greater diversity of outcomes for us as a

community, it provides a level of flexibility, and it provides a level of potential innovation at having that sort of corporate structure.

A board can also inspire a sense of purpose that is shared by the board and its stakeholders where people who are on the board and who come from various walks of life in the community really take on board that responsibility and get out there and promote the organisation that they are working for in the course of their ongoing lives.

I am concerned about the struggles of EPIC to progress over recent years. This is demonstrated particularly by the failure to develop a site for low cost accommodation on the land on or around EPIC. The proposals have been on the table for a number of years now, and we have not seen progress. It is still unclear to me why that has not progressed. That is something that I have been trying to research, but in the context of talking about the government and management of these organisations, the question is: has this been a problem of governance or has this been a problem of oversight by the government or a failure by the government to get behind EPIC at times when they have requested either land or capital? These are questions which remain without answers at this point in time.

I know that when we debated this issue in the Assembly the government took the view that some of these negatives could be overcome by the extra coordination and resources support that a government department can offer and that the government has the ability to guide EPIC in a strategic way that perhaps an independent board does not. I wondered at the time of the debate in April why the government cannot offer that support anyway, because it is still a government authority or a territory authority. We are in a situation where it is still a government asset, and yet we are told that the only way the government can provide the real support for this asset that the territory and, therefore, all of us own is if it is within government management. That raises questions about what the government thinks the role of territory authorities is and how this all fits together.

I think Ms Gallagher spoke to this to some extent when she talked about the need for balance. To my mind, there must be some midpoint where EPIC is not set up to fail—I fear that may be a path that we are looking at at the moment—whereby the department—in this case it is TAMS—can still have input into a strategic plan and assist with the implementation of that plan as best as possible. The bottom line is that we want EPIC to succeed. It is a terrific venue, and we do not want to create a situation where it is destined to fail.

Earlier this year, the Greens did form the view that there was value in retaining a board with a range of community input and experience. Our primary concern was to retain a level of community input into the future of EPIC in a diverse, vibrant facility. To that end, we decided not to agree to the abolition of the board and suggested an alternative way forward, the first step of which was to postpone the abolishment of the board for 12 months to assess how it performed under a new portfolio. This came in the context of the minister saying, “Actually, it sat out the back in Treasury for a number of years and has been somewhat neglected. But I’ve got it now in the tourism portfolio, and I’m really passionate about this and I’m going to make it happen.” What we did not expect to see was that the government would then take over the board with senior public servants being appointed to the positions of chair and deputy

chair and the effective dismissal of the previous chair. It is somewhat notorious in its own right that an ABC radio journalist was able to draw that out of the minister.

I think the whole situation has been a little disappointing. It has created an unnecessary political storm, and I think the core of the issue here is that the government seemed unwilling to acknowledge that the Assembly actually wanted EPIC to stay as a territory authority and instead took a number of steps to stack the board with its own officials. I will not elaborate on this issue much further, as I am aware there is a matter before the Assembly in regard to the EPIC board. But, more broadly, what this situation has demonstrated is that the government did not appear to value the territory authority structure or the things that a board can offer. It also did not value the diversity that Canberra business leaders and community members could bring to a board such as this.

I would also like to pick up the issue of the Cotter Dam in the remaining time that I have. Clearly, this is an issue that requires much further exploration over the coming days and weeks. There are a few things that I would like to set out at the front of this. Firstly, the Greens believe that water and water infrastructure must stay in public hands. Secondly, we do not think that access to water and water services should be privatised. From that basis, we believe it is in our interest that Actew does remain wholly owned and controlled by the territory. There is no doubt that this arrangement throws up a number of challenges, and at this time in particular, with the set of price increases that we have seen over a number of years for the cost of the Cotter Dam project, we have ended up with a situation where we have got a somewhat more expensive price tag than the Canberra community and, I imagine, the government were expecting. We now see some of those challenges coming to the fore in terms of accountability.

There are a number of questions that need to be answered in regard to this issue. I would suggest that, while the Treasurer tried today to reassure us that previous price tags for the Cotter Dam were only estimates and almost tried to reassure us that we should have seen it coming, our own Chief Minister was reported in the media as being shocked and surprised about the cost blow-out, so it is unclear which it was. We should have expected it, but we were shocked and surprised. That underlines the ambiguity of the situation with the territory-owned corporations. We seem to have a situation that, when it suits, Actew is part of the government, but, when it does not suit, it is not part of the government. Mr Seselja touched on this point earlier, and we see this coming up in a number of different contexts.

In terms of what we need to look at with regard to the cost blow-out of the Cotter Dam, there are a number of questions that need to be answered. What was the process of reaching those final costs? Is that process acceptable to the territory? Is the process of determining costs a good process to achieve the best value for money for the ACT? Is Actew, which is charged with a responsibility of managing this large infrastructure project, managing it effectively?

Certainly in estimates—and I have commented on this in this press already—we saw the chief executive of Actew, Mr Mark Sullivan, talk about the different cost processes. He basically said, “We always start with a low number. The final cost is always going to be higher than that.” I have paraphrased slightly, as I do not have the

exact quote in front of me. But we were basically given an indication that the original price at which the Canberra community was sold this infrastructure investment was never, in fact, a true price. I think that is a really dishonest way to have a discussion about what infrastructure we want in this territory.

There is always debate about what is the best infrastructure, what is the right one, is this the choice, should we be thinking about a range of other possible options. If we are going to have such inaccurate pricing in the first instance, real questions arise about how we talk about infrastructure development in this city and what role our territory-owned corporations in particular play in that process. On the one hand, they are owned by the government, but, on the other hand, they are at arm's length from the government with seemingly limited accountability mechanisms.

As I said earlier, we will come back to this discussion on Actew tomorrow. I note Mrs Dunne has put up a motion and we will be discussing this in greater detail. I do hope that the government facilitates the delivery to the Assembly of as much information about this project and the cost blow-out as they are able to, because this is an important matter for this Assembly to be discussing.

**MR SMYTH** (Brindabella) (4.13): I think we all need to have a bit of a reality check here. Ms Gallagher, the Treasurer, spent most of her time talking about Totalcare. This government, the Stanhope-Gallagher government as part of the whole regime of Stanhope governments, has been in place now for eight years. Eight years is long enough for a government to put its mark on the administration of the territory and, indeed, any territory-owned corporation. Eight years. If you have to seek recourse to events of more than eight years ago to somehow cover what you have been doing for the last eight years, then, of course, you are just talking about your own signs of failure.

What we need to do is perhaps consider more properly the role of Rhodium. Rhodium was created out of Totalcare. It was created by Ted Quinlan. Ted Quinlan, the Labor Treasurer, brought the Rhodium bill into this place. Rhodium is the creature of the Stanhope government. All issues relating to Rhodium are at the feet of the government. You have to ask: what was Ms Gallagher's role in this? Well, Ms Gallagher's role in this was simply to run away. When she was asked in question time about what was her role in Rhodium, what did she have to say? This is from 26 September 2006, for those members that were not here:

Deputy Chief Minister, have you been derelict in your duty?

**MS GALLAGHER:** Thank you, Mr Speaker. For the information of members, I have been a shareholder of Rhodium Asset Solutions Ltd since March this year.

“Don't blame me. I've only been here for six months. I haven't done anything to fix it, but don't blame me. Blame Ted. Blame Jon. Blame everybody else, but let's not take responsibility.” As to the question as to whether or not she was derelict in her duty:

No, I have not been derelict in my duties. I take my duties as a shareholder of ACTEW, Rhodium and ACTTAB very seriously. But I think you will find that the large part of the investigation predated my term as a shareholder of that company.

“I’m not guilty. Mr Stanhope might be, but not me, I’m not going to take any responsibility for this.” But let us face it: Rhodium was a creation of the Stanhope government. All the issues relating to Rhodium are at the feet of this government—that is, all of the issues about poor senior management, poor management practices, poor credit control, poor IT systems. Let us put it quite simply: Rhodium was not a success, but it was certainly a creature of this government. It has been the subject of a very critical report from the Auditor-General. It is a report that the government sought to walk away from, even though it was the unanimous report of the public accounts committee, with Dr Foskey representing the Greens, Ms MacDonald representing the Labor Party and me. It was a unanimous report. There was no dissent. In fact, there was no way you could dissent from it. We only have to go to what the auditor said in that report to see that. I quote from page 3 of the report:

In Rhodium’s case, it seems evident that the lack of clear strategic direction from the Shareholders created uncertainty and made it difficult for Rhodium to provide and commit to appropriate long-term strategic planning to achieve its business objectives.

The shareholders had a role, as they do in each of these corporations. They have powers under the act to give directions, yet we find that nothing was done by the Chief Minister and the treasurers of the time to make it work.

On page 25 of the report under “Key findings”, we hear:

Rhodium has been facing uncertainty since its establishment due to a lack of clear strategic direction from the Shareholders.

Right from the outset, the Auditor found:

Rhodium has been facing uncertainty since its establishment due to a lack of clear strategic direction from the Shareholders.

This is Rhodium as a consequence of Mr Stanhope’s lack of action as a shareholder. The report goes on:

Consequently, it was difficult for Rhodium to provide and commit to appropriate long-term strategic planning to achieve its business objectives and maximise the returns to the Shareholders.

Why? Because the shareholders did not do their job. The problem in this case is that the shareholders were the Chief Minister and Treasurer from the Labor government. The report goes on to say that that the uncertainty of Rhodium’s future and a lack of clear direction from the shareholders made it difficult for the board to commit. So the problem is we have a government that did not take seriously the things that Mr Doszpot has pointed out in this motion when we talk about the management of statutory authorities and territory-owned corporations. The management responsibilities by the shareholders are clear. There is a key finding on page 32 of the Rhodium report. Paragraph 3.42 concludes:



However, the effectiveness of the application of these governance principles was constrained by absence of formalised policies and procedures, and deficiencies in financial reporting. Further, the absence of clear directions by the ACT Government as Shareholders has created uncertainty and made it difficult for the Board to develop and implement any long-term strategic directions to drive Rhodium in achieving its business objectives.

That is the Rhodium legacy of our Chief Minister. That is the indictment of what he understands to be good management of territory-owned corporations and statutory authorities.

What did he say about statutory authorities? What do we know of what the Chief Minister understands about statutory authorities? Well, that is quite easy. He said on the Alex Sloan program on 3 September just after 9 o'clock:

This is why it is an independent statutory authority. We have created it to make these sorts of decisions on behalf of the government because it requires a range of skills and expertise that aren't necessarily vested in government. That is why we do it this way.

Well, apparently that is not the way you do it at EPIC, because EPIC, like Rhodium, languished for five years because they had submitted a business plan to the government and the government did not do their bit, which was simply to reject or endorse the plan or to tell the EPIC board exactly what they wanted. So we have seen it in Rhodium; we have seen it in Epic. Now we have the debacle that is the costing of the new dam, where the final bill is at least \$360 million to the ACT taxpayer, but the reality is that we do not know what the final cost will be. The reality is that the shareholders do not know because they have not asked the appropriate questions.

We know from today's answers in question time that the Treasurer certainly knew that the cost had blown out before the time the Chief Minister has admitted that he first knew. He was kept in the dark. They are his words: "I was kept in the dark by the board." Well, that is outrageous. He is a shareholder, and remember that these are special shareholders. These are not your ordinary citizens who own shares in a company. They are acting on behalf of the owners—the taxpayers of the ACT—they are acting in their interests. These are very, very special shareholders. There are only two of them, and to have the senior shareholder, the Chief Minister, say that he was kept in the dark is outrageous. But we know from the Treasurer that they were not kept in the dark, because there were minutes. We now know that the Treasurer knew in late August that the costs had blown out and what they might be, but apparently the Chief Minister did not know it.

Either the Chief Minister is not doing his job or he actually was not kept in the dark. Only the Chief Minister can tell us that. He can come down and either admit that he was inept, or he can come down and admit that he was not kept in the dark. That is a problem for all of us. This is a significant piece of infrastructure. The whole saga of the dam is quite interesting. We said in 2004 that we needed a new dam. The Chief Minister said, "No, we don't need a new dam. We won't need a new dam for 20 years, and we might not need a dam ever, because I'm doing such a good job of managing the water resources that belong to the ACT." Two years later, "We need a dam," so

that is 2006. In 2006, “We need a dam,” and the government has been working on it since.

My understanding is that some of these figures went to the board of Actew probably three months ago. My sources are telling me that the government knew at least three months ago of an indicative cost. I think it behoves the Chief Minister to come down and tell us exactly when the dark descended on his memory. Why was he kept in the dark? What has he done as the senior shareholder to ensure that he is not kept in the dark in future? How is he, as a shareholder, protecting the value and the expenditure and the liability that will accrue to the people of the ACT so that they get a good outcome? First we did not want a dam, then we were dragged kicking and screaming to have a dam. We would not need a dam for 20 years; two years later we needed a dam. The dam was going to cost significantly less than the \$363 million that it is now. You know, it started—

**MADAM ASSISTANT SPEAKER** (Ms Burch): The time for discussion has now expired.

### **Financial Management Act—instrument Paper and statement by minister**

Debate resumed from 5 May 2009, on motion by **Ms Gallagher**:

That the Assembly takes note of the paper.

Question resolved in the affirmative.

### **Adjournment**

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

That the Assembly do now adjourn.

### **Labor Party**

**MR HANSON** (Molonglo) (4.23): Yesterday we got an insight into the state of the Labor Party in Australia, particularly in New South Wales, with the extraordinary speech of Julia Irwin MP in the federal parliament. I wish to comment on her speech and refer to some relevant examples of what is occurring here in the ACT. Basically, she said that she would not be seeking Labor Party endorsement for the next federal election. She said:

Having joined the ALP 43 years ago, I find it hard to describe the great differences between the Labor Party today and the one of 1966 ... Labor ... can no longer claim to be a party with strong grass-roots organisation. For the whole of my four terms in this place, the ... electorate has been a factional battleground. Branch stacking in the late 1990s saw membership surge to over 3,500 members—more than the total membership of the West Australian branch.

She went on:

the ... ethnic branch stacking has been the decline of dedicated branch members and the destruction of effective local branches. In this climate, the new Labor candidate in Fowler will face many challenges.

She continued:

While some retiring members have hoped to anoint a successor, I can say that I have no wish to do so. But if I could influence the selection, it would be to favour a candidate who shares my passion for the electorate of Fowler and for the Western Sydney region in general. It would be to favour a candidate who, guided by Labor principles, would place the interests of their community above the wishes of a state or federal Labor government. And it would be to favour a candidate who would be dedicated to mending the factional rift in Fowler branches and rebuilding the party with genuine Labor Party members.

She goes on and on about factional divisions and branch stacking in the Labor Party. It is a rare insight from a tightly controlled machine about what is happening in the Labor Party, in particular in New South Wales.

Can we draw parallels with what has occurred in the ACT of recent times? Is there any difference? The mother of all branch stacks, the affiliation with the CPSU planned by the left faction, would have brought 7,500 members if it had gone ahead. What of the factions? Now that the Treasurer is here she may be able to shed some light on the fights between the left and the right factions in the Labor Party. I must confess that she and Mr Barr would have far greater knowledge of that than I.

We do know that things have got so bad in the ACT that the national executive has felt it necessary to take over the party. Rather than a simple branch stack, which we know goes on all the time in the Labor Party, we had a situation that was described as so hopeless by members of the national executive that we have seen a takeover by the national executive. I think most members of this Assembly would agree with that.

Did Mr Stanhope block this? Did he demand the rights of the grassroots members of the Labor Party? No. So far as I am aware, he voted for it. He did not speak up for democracy and grassroots membership at all. The national executive postponed the ACT Labor Party's annual conference and put in a new administration team. Is it a local boy done good? No. It is a New South Wales Labor ex-union official who has been working in the national secretariat. Someone from the national executive has been imposed on the local Labor membership. I can only imagine what the local membership, the grassroots membership of the ACT Labor Party, are thinking right now about what is happening to their party. They must be disgusted.

But the implications are not just for the members of the Labor Party. They go far broader than that to the entire community. Backroom hacks running a party rather than local members, grassroots members, is hardly the way to do business. It is not what we expect of a political party here in the ACT. It is not what we want to see.

We see evidence of this every day. Rather than a unified team of passionate politicians, what we see is a group of factional hacks who are controlled by the left or the right. The way that decisions are made in the Labor caucus is becoming abundantly apparent. The right is controlling the numbers. The decisions are made behind closed doors by factions and then imposed on the Labor Party. If the people of the ACT fully understood the way the ACT Labor Party is working here, they would be extremely disappointed.

## Girl Guides

**MR COE** (Ginninderra) (4.28): I rise this afternoon to commend the Girl Guides in the lead-up to their centenary year in 2010. I will pay particular credit to the fine work done in and around Canberra throughout the ACT and south-east region. As the shadow minister for youth and as a member for Ginninderra in this place, I would like to recognise the great contribution guiding has had in the lives of so many people in Canberra, Australia and throughout the world.

When a person joins the guides, they join an international movement of 10 million girls and young women in 145 countries around the globe as part of the World Association of Girl Guides and Girl Scouts. The mission statement of the guides is:

Enabling girls and young women to grow into confident, self-respecting, responsible community members.

Guides have regular meetings, undertake work and challenges, play games, earn badges and run their own activities. I join the federal shadow youth minister, Mrs Sophie Mirabella MP, in welcoming 2010 as the Year of the Girl Guide. This is appropriate recognition for a movement that has been integral in the lives of so many Australians since soon after Federation.

Next year, 2010, marks 100 years of the guides, and there are many events in store next year that will rightly celebrate all that is great about the guiding movement. The highlight will be the Australian centenary event, the ACE 2010 Jamboree from 3 to 9 January 2010 in Victoria. Other significant events that will take place include world thinking day, international women's day, clean up Australia day, harmony day, Anzac Day, centenary guide biscuit campaign, world environment day, campfires around Australia, national tree day and flying the world flag. The year will be commemorated with a limited edition postage stamp and a specially minted \$1 coin from the Royal Australian Mint.

Last Sunday, 13 September, I had the privilege of attending the presentation day of the ACT and south-east region. Perhaps not surprisingly, my knowledge of the organisation is somewhat limited so I enjoyed hearing more about the great work of Girl Guides Australia. It was definitely the first time I have ever sung *Sisters in Guiding*. Thirty guides from the region were recognised as winning a Junior B-P—Baden-Powell—or Queen's Guide award.

I would like to make special mention of Ayla Caddey from the 3rd Goulburn Rangers and Tegan McAnulty from the Ginninderra Senior Guides for being awarded the Queen's Guide award on Sunday.

As with all community groups, it is the outstanding effort of volunteers that makes the organisation functional. I would like to pay tribute to Mrs Pru Carpenter, New South Wales and ACT state commissioner; Mrs Belinda Allen, New South Wales and ACT state commissioner elect, who will take over as commissioner this coming weekend; Shareen Gleeson, regional leader for ACT and south-east New South Wales; and Claire McGurk, who is a leader in the Murrungundie unit and was the master of ceremonies at the awards day on Sunday.

I wish all involved in the Girl Guides in the region and elsewhere a wonderful celebration for their centenary and congratulate all involved on making the organisation the success it continues to be today.

**Mr Ante Sardelic—*Cultural Parallels*  
Battle of Britain commemoration**

**MR SESELJA** (Molonglo—Leader of the Opposition) (4.31): Last night I had the opportunity to assist in opening an art exhibition called *Cultural Parallels: Recent Drawings and Paintings* by Mr Ante Sardelic. I was joined by some 150 guests, including members of the diplomatic corps and interested members of the ACT community.

It was a great honour to have the opportunity to jointly host this exhibition in the ACT Legislative Assembly with Mrs Vicki Dunne. It is quite an extraordinary exhibition. I encourage members to go up and see it. It is a sensational and unique exhibition. The colour, vibrancy and insight that this special artist brings are really something to behold.

Ante Sardelic has been an active and vibrant artist since his formal training in Croatia in the late 60s and early 70s before moving to Canada, where he made his living as a professional and profound artist. He has been exhibited in what appears to be almost every country in the world, from Canada to Australia, extensively through South America and Europe and in centres such as New York and Washington.

He has created a body of work amounting to 76 one-man exhibitions and more than 150 group exhibitions. That is quite an extraordinary achievement. Now his work has come to Canberra and, as I said, I was very pleased to help this exhibition come to Canberra and to be able to co-host it.

The title of the exhibition is *Cultural Parallels*. At its core is the exploration of cross-cultural understanding and exchange. I think it is very fitting that the exhibition hangs in the Legislative Assembly. The Assembly is a place where ideas and inputs from a variety of cultures are brought together and given a genuine forum in which to flourish.

Last night, in speaking about the exhibition, I spoke about our shared cultural heritage. My parents came from Croatia in the late 1960s and early 1970s. Of course, that cultural background is a big part of who we are. I also pointed out that, indeed, in the Canberra Liberals we have quite a diversity of cultural backgrounds, with Steve Doszpot of Hungarian extraction, Mrs Dunne from Italy, Mr Smyth from

Ireland, Mr Hanson who came from England and Mr Coe who, whilst born here, is mainly of English extraction,

It was really quite an honour for me, when I was asked by Ante Sardelic to support the exhibition, to agree. Like Ante, I believe that, regardless of our cultural backgrounds, we all share goals for a positive future for our communities and our families. I believe that we can all be inspired by, and offer inspiration to, people from all countries and cultures.

I would like to thank all of those involved in setting up the exhibition, particularly Mr Sardelic; the Croatian ambassador and staff from the Croatian embassy and Sylvia and other members of the community who helped set up the work.

I would also like to briefly mention that today Mr Hanson and I had the opportunity to attend the Battle of Britain commemoration at the War Memorial. Mr Stanhope was there and gave, I have to say, a very well received speech at the War Memorial. He spoke about the contribution that was made during the Battle of Britain, not just by the British but, indeed, by many Australians and by many people who later settled in Australia. It was quite a moving ceremony.

I would like to pay tribute once again to the War Memorial, to all of the veterans groups that put in so much work, indeed, to all those people who at one stage or another have put their hands up to defend our nation and to defend liberty. It is a debt that can never be repaid. Those of us who have not served can never understand the sacrifice that is made by those in war. Many thousands of Australians perished throughout the world wars and in other conflicts. Once again, I would like to pay tribute to our veteran community and to the War Memorial for hosting what was a very moving ceremony today.

## **Sri Lanka**

**MS BRESNAN** (Brindabella) (4.36): On 9 September I attended a forum at Parliament House on human rights in Sri Lanka. It dealt with what is occurring with the treatment of Tamils held in camps and also the role of Australia, including governments and the community, in protecting human rights in Sri Lanka.

The event was attended by both federal and ACT parliamentarians. Speakers at the event included the President of the International Commission of Jurists, the President of the Australian Council of Trade Unions, a former Deputy High Commissioner to Sri Lanka and a paediatrician and associate professor who has conducted medical work and also aid work in Sri Lanka.

This forum discussed the situation of over 300,000 Tamils being held in camps in Sri Lanka and the calls which have been made by the United Nations and Amnesty International to allow these people to leave if they choose, for the camps not to be under Sri Lankan military guard and for aid agencies and the media to be allowed into the camps.

I have previously spoken about this situation in the Assembly. The forum reported recent actions by the Sri Lankan government to restrict anyone reporting on or

speaking out against what is occurring in the camps. Most recently, a key representative and worker for UNICEF was expelled from Sri Lanka for speaking out against the conditions in the camps and a journalist was sentenced to a 20-year jail term for supposedly unbalanced reporting on the situation.

The forum addressed what actions governments, and the Australian government in particular, can take to challenge the Sri Lankan government for their treatment of the Tamils and human rights in general. The Tamil community in Australia are asking that the Sri Lankan government be treated as other countries such as Fiji are being treated by the Australian government—that is, to recognise where human rights violations are occurring and apply appropriate sanctions. They are also asking for the Australian government to assist Australian citizens who have family in or are themselves held in the camps as currently people are unable to get access to or communicate with their families.

It was also noted that the International Monetary Fund is set to provide approximately \$2.6 billion in reconstruction funding to the Sri Lankan government without any conditions being applied. The United Kingdom and the United States abstained from voting on this funding. However, Australia has not disclosed how it voted on this. The forum speakers advised that, at a minimum, the Australian government should immediately disclose and explain its vote on the IMF funding, call for the release of the journalist who has been sentenced to a term of 20 years and call for aid agencies and the media to be given unrestricted access to the camps and that citizens of other countries be released immediately from the camps.

These are fairly basic actions that the Australian government should pursue. I would hope that it listens to the calls from the Tamil community in Australia, the international community and members of a number of organisations and undertakes these actions as a matter of urgency and also starts to pay greater attention to the human rights situation of Sri Lanka.

### **Homelessness—fundraising**

**MS HUNTER** (Ginninderra—Parliamentary Convenor, ACT Greens) (4.39): I would like to talk about an event I went to on Friday night at which I was very privileged to be the speaker. It was organised by a group called Spring, a group of young professionals, a couple of whom decided, in a kitchen six weeks ago, that they wanted to raise money for homelessness services. In that six weeks they managed to pull together an event that was held at the Albert Hall.

About 100 young people slept out in the Albert Hall on Friday night. There were some rules around this. They were not allowed to bring air mattresses or anything comfortable to sleep on. They could bring a sleeping bag and had to sleep on cardboard boxes.

I would like to also acknowledge that the ACT government waived the fee for the Albert Hall for this fundraising event.

As I said, in six weeks they pulled together the event. They promoted it, they got many people involved and they got hundreds and hundreds more to sponsor them to

sleep out for the night. The amazing thing about this event was that they raised approximately \$24,000. That is an amazing feat, given the time that was put into organising it.

A lot of entertainment was put on and provided for free by a number of musical groups and there were also some improvisation acting groups on the night. One young guy, who is a bit of a chess champion, managed to play about six or seven people at chess at the same time. The students over at Merici cooked and provided the food and the soup for the participants on the night. As you can see, this was very much an amazing community effort that was driven by Spring.

The money that was raised will go to Barnados. Barnados is an incredibly important community organisation that provides so many vital services in our community, particularly to children, to young people and also to families. The idea of this fundraising was to ensure that many of those really important programs can continue into the next year. I have had an association with Barnados over many years, having worked in the community sector. I do see it as one of our incredibly important organisations that make up that wonderful sector which is called the community sector.

I was so pleased to have spoken at this event, to be a part of this event and to see what great things small groups of people are able to do when they get together and work together, and how many others in the community are willing to come on board and to support events such as these.

So, again, congratulations to Spring, to the young professionals involved and to all those involved. I look forward to this event being an annual event.

### **Wheelchair for Scarlett Youth poverty**

**MR DOSZPOT** (Brindabella) (4.42): Last Friday night, 11 September, a group of friends, which included Mike Desmond and Kate Davis, organised a special quiz night fundraising function which we called “a wheelchair for Scarlett”. The aim was to raise much-needed funds for a little girl called Scarlett.

Scarlett is 10 years old and she suffers from a rare condition known as Rett syndrome. Rett children are predominantly female and known for their sweet, gentle natures and their ethereally beautiful eyes, which speak from the depth of their souls. Because of this, they are known as “Rett angels”, and those who pass on are referred to as angels with wings.

This was a unique fundraising venture at the Hellenic Club and we thank the Hellenic Club for their generosity and the Canberra community, which turned out in great numbers, for their generosity. Four hundred people attended this function. It raised over \$13,000 and achieved our aim of getting a wheelchair for Scarlett.

This was also a unique fundraiser in that it saw some bipartisan support from members of this Assembly. I thank my colleagues from the Liberal team, Brendan Smyth, Alistair Coe and Jeremy Hanson, as well as Amanda Bresnan from



the Greens and John Hargreaves from the Labor Party. I would also like to thank some of the following people who attended and who assisted in this: Megan Barons; Mike and Deborah Desmond; Sarah, Robert and Kate Davis; Maureen, Amy, Adam and Annette Doszpot; Tio Faulkner; John Hillier; Chris Inglis; George Lemon; Colleen McNerny; Albert Orszaczky; Haylee Snowdon; Janica Spiteri; Lorenzo Van Der Kley; and Jacinta Van Meurs.

Last night I also attended a fundraising function organised by Pierre Johannessen, the CEO of the Big Bang Ballers, and his committee. They are members of an international NGO using the game of basketball to fight youth poverty and social disadvantage world wide. This particular fundraiser was to raise \$11,000 for the Big Bangs school and orphanage camps in Bangladesh, the Philippines, Afghanistan, Nepal and Pakistan.

As shadow minister for sport and recreation, multicultural affairs, education, and disability, I am fortunate to constantly meet people with energy, vision, enthusiasm, motivation and a mission to help those in need. One of the people who best typify all these qualities is Pierre Johannessen, with his dedicated committee and friends of Big Bang Ballers.

Last night's function at the Tongue and Groove was emceed by local media personality Mr Lachlan Kennedy and it attracted a large, enthusiastic crowd of young people—enthusiastic about their sport, basketball, and enthusiastic and generous in their support of this initiative that utilises the power of the game of basketball to fight youth poverty and social disadvantage worldwide.

One of the great inspirational figures that I admire is Nelson Mandela, who made some very interesting and accurate observations about the power of sport in general. He said:

Sport has the power to unite people in a way that little else can. Sport can create hope, sport breaks down racial barriers ... Sport laughs in the face of discrimination and, perhaps, most importantly, it speaks to people in a language they can understand.

Sport, whatever the code—but in particular sports like basketball, and football for that matter, which have crossed most of the national boundaries—provides an opportunity for everyone to be on an equal footing. Basketball, in this instance, provides the vehicle for Big Bangs to do their work, fighting youth poverty and social injustice. The skills are universal and the same skill set is needed wherever you happen to live. Whether you are a young person that hails from the slums of Bangladesh or a young person from the higher socioeconomic suburbs of Dhaka, both are equal on a basketball court.

I commend the Big Bangs for their generosity.

### **Facebook website**

**MS GALLAGHER** (Molonglo—Treasurer, Minister for Health, Minister for Community Services and Minister for Women) (4.47): I have spoken several times in

the adjournment debate about the fraudulent Facebook site that was established, purporting to be me. I have tabled a picture of an individual who I think might be behind the site and asked for the Liberal Party to investigate whether he is a member of the Liberal Party and to respond in this place, as they refuse to participate in this in any other forum; in fact, they refuse to participate in this in here.

In some of the interjections we have had in this place through question time it became clear that perhaps a name was not being given to me for threat that I would sue that individual for setting up the fraudulent Facebook site. I would like to address that. I am happy for the individual's name not to be provided to me but I am very keen to find out whether the Liberal Party, or a Liberal Party member, was behind that fraudulent site. We have had the Leader of the Opposition, and indeed other members of the opposition, deny that the Liberal Party were behind it.

I guess I am changing my question. If you do not want to expose the individual's name, I accept that. But I am very interested to have it confirmed that that individual is not known to the Leader of the Opposition or any MLA in this place and is not a member of the Liberal Party. That is a pretty simple request and if that could be answered during this sitting week I would greatly appreciate it. I will let the matter rest at that point, but until then I will come in every sitting period and raise this in the adjournment debate until my questions are answered.

### **Switch to Green conference**

**MR RATTENBURY** (Molonglo) (4.48): Late last week I signed myself up for and attended the Switch to Green conference, hosted by the United Nations Association of Australia, held just down the road at the National Convention Centre. This was a two-day conference, with an attached expo with a range of exhibitors. It was a very useful day and a half that we spent there, with a range of interesting presentations and discussions as part of the conference.

I guess it canvassed a number of themes, and one was answers. The expo, with the number of exhibitors there, demonstrated a large range of technologies and practical things that are available right now, ready to go, to help us to address the issues of climate change, and in the presentations in the seminars some of those technologies were talked about.

There were a lot of practical ideas on display and being talked about. My favourite probably was the simple notion that showering for two minutes is the equivalent of having a 60-watt light bulb running for 12-hours just switched on and left there. We were being implored to think about doing practical things like showering for two minutes less, and the simplicity of it was very appealing.

My favourite quote of the entire two days was from an official from the federal department of the environment, who simply observed that the cheapest and cleanest power station is the one that is never built. He made this observation—I know you, Madam Assistant Speaker Burch, were there at the time—in the context of simply saying that energy efficiency is such a key answer to climate change. Again, the simplicity of that idea was one that demonstrated that if we want to act seriously on climate change there are a lot of great ideas out there.

The conference also canvassed the latest science. We were very lucky to have Professor Will Steffen from the ANU Climate Change Institute. The theme of his presentation was climate change 2009—faster change and more serious risks. Professor Steffen went on to demonstrate the latest science in which he observed that the Intergovernmental Panel on Climate Change, the IPCC, reported just a couple of years ago, and what the latest science is showing is that the observed measurements, the observed changes that we have already seen by 2009, are in fact at the top end, the worst-case scenarios, of what the IPCC were predicting for the future in just 2006. So his point simply was that the IPCC were probably—many of us know this already—being conservative. It is a consensus document, but what we are seeing is that their worst-case scenarios are the changes we are already seeing. He went on to provide a series of other quite detailed graphs which illustrated that.

The other very interesting presentation was from Dr Helen Berry from the ANU centre for epidemiology, in which she talked about the health risks associated with climate change. I worked on climate change for a number of years and understand the issues of vector-borne diseases, the spread of tropical diseases, the direct impact on loss of life from health stress and a range of other matters. But what Dr Berry particularly talked about was the impact on mental health resulting from climate change, the way that people and communities will react to significant and ongoing disasters—the mental health impacts of the various stressors that will arise from climate change.

This was one of those light bulb moments for me. In a way it is quite an obvious observation, but I had not really thought about it before, so that was a very interesting new element, to think about the potential impacts.

The last comment I will make is about the atmosphere of the last half-hour or so of the conference, which was one of palpable frustration. After two days nearly of hearing the latest science, hearing all these very practical and positive ideas of how we can act, there was this palpable frustration that we are just not progressing as quickly as we can or as quickly as we must. That remains the challenge for all of us in this place, and Mr Corbell touched on this matter this morning. We have a responsibility to act—and a responsibility to act quickly—to try to avoid at least some of the worst-case scenarios that the scientists are telling us may arise from climate change.

Question resolved in the affirmative.

**The Assembly adjourned at 4.53 pm.**