



Debates

WEEKLY HANSARD

Legislative Assembly for the ACT

EIGHTH ASSEMBLY

4 DECEMBER 2014

www.hansard.act.gov.au

Thursday, 4 December 2014

Petition:

Roads—footpaths—petition No 17-14 (Ministerial response).....	4293
Paper	4294
Justice and Community Safety—Standing Committee.....	4294
Public Accounts—Standing Committee	4294
Executive business—precedence	4303
Public Accounts—Standing Committee	4303
Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-2015	4304
Adjournment:	
Legislative Assembly—parking	4344
Schedule of amendments:	
Schedule 1: Appropriation (Loose-Fill Asbestos Insulation Eradication)	
Bill 2014-2015	4345

Thursday, 4 December 2014

MADAM SPEAKER (Mrs Dunne) took the chair at 9 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.

Petition

Ministerial response

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

By **Mr Rattenbury**, Minister for Territory and Municipal Services, dated 2 December 2014, in response to a petition lodged by Mrs Jones on 30 October 2014 concerning the provision of a footpath on Tarraleah Crescent, Lyons.

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

Roads—footpaths—petition No 17-14

The response read as follows:

Walking and Cycling play an important role in the Government's initiatives of Transport for Canberra and the Zero Growth—Healthy Weight Strategy to reduce obesity.

Roads ACT receives many requests each year for the construction of community paths to provide improved connectivity within the community path network. To provide consistency and transparency to the assessments of path construction priority, all walking and cycling requests are assessed utilising a community path warrant system developed in conjunction with cycling advocacy groups, namely Pedal Power and the Heart Foundation through the Bicycle Advisory Group.

The warrant system utilises a five criteria assessment methodology:

1. Is the requested path safe? If it is not, then if possible are there alternative routes identified.
2. The request is then assessed against routes identified in the ACT Strategic Cycling Network plan which outlines the priority improvement corridors, connections to the proposed surrounding network and its value within the network.
3. The community value of the potential path. Assesses its ability to improve connectivity to surrounding community facilities for example, schools, community centres and shops.
4. Connectivity of the potential path with the surrounding public transport network, specifically improved access to bus stops.
5. Is there a recognised desire line, 'goat track' or reported usage.

The proposal to construct an extension of the community path from the southern end of Tarraleah Crescent to connect into the existing path along Tarraleah Crescent servicing the early learning centre has been assessed and is currently ranked at 113 out of 235 when compared to other community path requests as of September 2014.

The community path has been added to the Roads ACT Community Path Database and will be considered in future capital works programs, subject to available funding and other competing priorities.

There is currently a safer alternative route than the roadway which is the community path that serves all the street Places connecting to Tarraleah Crescent through the open space spine to Tooms Place servicing the early learning centre as shown in Attachment B.

(A copy of the attachment is available at the Chamber Support Office).

Paper

Ms Gallagher, pursuant to order, presented the following paper:

The Canberra Hospital—Obstetrics and Gynaecology Unit—Maternity services at Canberra Hospital.

Justice and Community Safety—Standing Committee Statement by chair

MR DOSZPOT (Molonglo): Pursuant to standing order 246A, I wish to make a statement on behalf of the Standing Committee on Justice and Community Safety—legislative scrutiny role.

Leave granted.

This is a bill for an act to appropriate money for the loose-fill asbestos insulation eradication scheme and related purposes for the financial year that began on 1 July 2014. The committee has examined the Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-2015 and offers no comment on it.

Public Accounts—Standing Committee Report 6

MR SMYTH (Brindabella) (9.03): I present the following report:

Public Accounts—Standing Committee—Report 6—*Inquiry into the proposed Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-15* (2 volumes), dated 3 December 2014, together with a copy of the extracts of the relevant minutes of proceedings.

MR SMYTH: I move:

That the report be noted.

Madam Speaker, I will start with some thanks. I want to acknowledge the way the committee worked. We all know there are interesting times in the committees, given the two-two balance we have, but I think all four members—I congratulate my three

colleagues—put aside that and worked towards delivering a report that looked after the Mr Fluffy home owners, entirely aware of the impact that what we said may have on the budget. It is that balance I think we have achieved in a report of some 150 pages and 62 recommendations that gives us a way to finally eradicate the scourge of loose-fill asbestos in the ACT. In that I congratulate the Chief Minister on the decision she took.

I will say, on a lighter note, I do not think the committee appreciated the short time lines. We finished hearings at 6 o'clock on Monday evening. At about 5.35 yesterday we were still putting recommendations into the report. There was Ms Berry with ideas—she wanted more recs in; she wanted words out—but we did it. In large part that is due to the efforts of my colleagues, but particularly I acknowledge the work of Dr Cullen and Dr Lloyd, who assisted the committee in a way that no-one can imagine. I was sending recs from home to Dr Cullen at 11.30 on Tuesday night and there they were in the report on Wednesday morning. I do not know what time she got home any night this week. But if women of the ACT want a model of how to go about being a professional public servant, Dr Cullen is the person for you.

There are 62 recommendations in this report. I think we have covered the gamut, the range of suggestions that were made in the submissions and that we heard in the inquiry. I have to say, Monday was a fairly harrowing day for all of us, particularly when we had an 80-year-old couple come in to say they had lived in their house for 62 years and they simply wanted to stay. They were so overcome in the waiting room that we held the hearing in camera so that they were not afraid. They are afraid of the future. Many families are afraid of the future.

We need to establish a way that is fair and is affordable as a jurisdiction, but we have to get the balance right. So many of the submissions talked about fairness. There seem to be a number of groups now within the Mr Fluffy family, as it were. Some took the decision before the task force reported and knocked down their homes. They have the government assistance to knock down, they have the remediation, but they are getting their full lease back. And time and time and time again we heard from affected residents, “We just want to go home.” This report says they should be allowed to go home without any disadvantage.

While there was some argy-bargy and discussion inside the committee—and members can say which recs they supported fully—this report has been issued without dissent. It is a unanimous report from two Labor and two Liberal members, saying, “Let’s get this right.” There are some big issues in this still.

The first issue I want to address—and there is a recommendation about it—is removing contaminated material from these homes. Many people have been locked out of their homes and can take nothing because the contamination is so bad. Others have had assessments and been told they must leave and will choose what they take. If we are ultimately going to spend a billion dollars to eradicate this problem, why would we allow people to take with them goods contaminated with loose-fill asbestos when we know how deadly it can be and the 30- or 40-year time frame that it can be deadly for? Why would we allow those families to take material, soft furnishings, indeed hard furnishings, to a rental and then perhaps to a new home and carry

asbestos with them? We need to reconsider the issue of contamination. It is clear from the information the committee was provided with that the worst sources of cross-contamination are your washing machine, your dryer and your vacuum cleaner. You can wipe down the exterior, but you cannot wipe down the interior.

Yes, it comes at an added cost, but to have gone through what this community and what this Assembly will go through to make this happen and to leave remnant asbestos in the community being shuffled around the city is a mistake, and we need to work out whether we can afford to pay adequate compensation for those who, in some cases, may lose almost everything and those who will lose a little. But to have this haunt us for another 30 or 40 years is unacceptable.

The fairness test: a lot of people felt they took the advice of the task force to wait for the government's response on 28 October and, quite frankly, they feel duded. They thought they would have the option to get their block back in its entirety. We know under the current scheme the government will need the uplift from the development rights to help ameliorate the debt. Some will get full compensation for their house; their block will be remediated and they will get their full lease back. Others who wavered will not.

You have to apply the fairness test there, and fairness is not being applied in this case. That is unfortunate. I understand the timings and I understand the dilemmas. But there was a moment in the committee that I call *The Castle* moment where a young couple from Kambah came in. He was in his polo shirt and his work shorts; he had a couple of days' growth and he just talked it straight. He said, "I just want to go home." We as a community should attempt to allow them to go home, and that is why there are a number of recommendations about people not surrendering their leases and that the government simply, as they have done for others, allow the knock down, the remediation, they get their leases back and they have a rebuild.

Some asked to be able to handle the process themselves. There are some recommendations about time lines, and fairness will be affected by the time this takes, and that is beyond the control of all of us. This is a problem we have inherited, but if you surrender your block and it is knocked down and you need to go into the rental market, you may be there for up to five years, given the staggered time frame that the government has foreshadowed. It may be quicker; it may blow out; I do not know. But if you leave your block and you go somewhere else, you are not coming back after five years. If you attempt to come back after five years and repurchase part of your block with the uplift, the compensation you will receive when you leave some time in the coming year will not be adequate to cover that loss.

Some felt they would be better off if they could handle the process themselves, and the committee says that needs to be an option, with the appropriate safeguards. WorkSafe must do the validation that the block has been remediated properly and that it is safe to return to. That is what we believe should happen. There are a couple of options on the knock down, rebuild option that people have sought from us.

There are some issues about advice. Mr Kefford is with us today, and I acknowledge he has had dropped on his plate an enormous job. The Chief Minister has been good in ramping up the assistance to the task force, but there were a huge number of

complaints about the flow of information. We have to get this right. People have to know exactly what is happening and what it means for them. They are making decisions that will affect the finances for their lives—for many of them their retirement, and for many the future of their children. They do not feel they are getting adequate information.

To crystallise that for members, there is a recommendation from the Law Society. The Law Society said to us, “We must provide a certificate that people understand the implications of this,” and they said, “We don’t know. We do not have the full picture. We cannot advise these people, but we will be forced to so that they can then make a decision.” People do not know the time lines. People do not know the implications of staying and what the burden might be on them. People do not understand how it will work.

We know the short time frames; the committee have suffered through the short time frames ourselves. But it was worthwhile for the committee taking the extra time. We are sorry to foist a half-day sitting on people—I am sure it has ruined diaries—but this is too big an issue to be concerned about that. I do not resile from my decision—I thank the committee for their support—to take the extra time to get this right.

The report could have been much better. I take full responsibility for any errors, omissions, typos or corrections that are required. It is my responsibility and I take full responsibility. But we must make sure we get it right. I urge members to read the Law Society’s submission. If they do not know, if they do not understand, if they do not know the implications of the government acquiring land against the will of the home owners, how can they give these people the advice they not only need but deserve so that they make the right decisions for them? I urge the government to make that clear. We need that out in the public arena as quickly as we can.

There are a number of recommendations about what we call exceptional circumstance cases. Whether you are a person with a disability, whether you are a family that runs a small business from an affected block, where potentially you will lose your home and your business, we need to make sure you are looked after. We heard from one incredible young lady about how it affected her, her disability and her family and the decisions she made in the belief she had a clean house. There is a recommendation about not using the word “clean” anymore to describe these houses. These houses are not clean. Ms Erskine gave a tremendous presentation for somebody under a lot of duress about the money she had spent—some \$60,000—getting her house ready as her condition deteriorated so that she could raise her family there as a single mum. Most of the value of the work she has done, I suspect, will not be recognised in the valuation of the home. That is what she feels; that is her fear. We are saying in exceptional circumstances the government might consider allowing people to stay or providing further assistance.

We heard from a number of pensioners who have no options. They are not going to be able to get another loan from a bank and they are concerned about their future. They would prefer to stay, in the full knowledge that their house is contaminated. There are recommendations about that.

We heard from a number of couples who had houses that returned no positive tests for asbestos and they are scratching their heads as to why they have to leave. In one report there is an assumption that it is in the wall cavity. There are a couple of specific cases, indeed one lady claims her house was never a Fluffy house. There are recommendations where we ask the government to do additional testing, and if these houses are safe and there is no asbestos, leave these people there. That is their desire. But we put on that the caveat that they have to be informed in writing of the implications of staying and what it means to people as you get older—the Meals on Wheels people, the community nurse, the task force person, the social worker or emergency service personnel who might have to go to that property. This has to cut both ways. We have to look after the Mr Fluffy people, but we have to take into account the greater community.

There is a rec about whether those who run their home business from the property can have their properties remediated as a priority, because a family without a home and without a source of income is in dire straits. They need to be looked after.

There is also a recommendation about where we go from here. I think we all agree that the money has to flow and the recommendation in the report today says, notwithstanding the previous 61 recommendations, let the money flow so the government can start acquiring these properties and those who want to move on can move on immediately. But we have to make sure we get the information right for the remediation, and we have suggested the government might adopt a model of a statutory authority, a TOC, or form some sort of business entity where the properties would be transferred so that on strictly commercial lines getting the cheapest price, the best outcome and the best return on budget could be achieved outside the strictures of the public service. That provides some separation of activity—you have a body doing the work that will be regulated by authorities like WorkSafe et cetera to make sure we get this right.

I will say a few more words when I close the debate. I commend the report to the Assembly. It has a lot of recommendations in it and I hope the government takes the time to read it and not simply say no.

MS PORTER (Ginninderra) (9.18): Madam Speaker, thank you for this opportunity to talk briefly. Mainly, I want to, like the chair, thank the other members of the committee—including the chair, of course—for the way we worked together. I also reiterate his thanks to Dr Cullen and Dr Lloyd—particularly Dr Cullen. I do not know how she did it, but she did. I would like to thank her very much for the report and for her work. I hope that she can take some time out to regroup because she surely will need that.

It was a very tight time frame, as the chair has already said, and the two days of hearings were very intense. However, I would like to thank those who were able to put their feelings and their thoughts down on paper, and those who were invited to come to present at the hearings and indeed did so. That was a very difficult decision by the committee at the time, in deciding who we were going to invite to come and talk with us and who we were not. For me it felt very uncomfortable, almost like

playing God, but we did go through a very thorough process. I hope that the people who did not have the opportunity to appear before us realised that we had limited time and that we went through quite an intense process to ensure that we got a good picture and a cross-section of people who had submitted to us, who could appear before us and represent other people who had submitted.

It is no easy task to set down one's thoughts and feelings in a submission to an inquiry, and it is even more nerve racking to come and give evidence in person and take questions from the committee. As members of this place, we are all used to those processes. Sometimes even members of this place find them daunting. But for the ordinary person in the street it is another thing altogether. I appeared before a committee; I think Mr Smyth will remember me appearing before a committee years ago, when I was in the community sector. I am not quite sure that I handled that process very well at the time because I was totally overawed by the whole process.

The chair has outlined the various circumstances that we both read about and heard about in the evidence that was before us. I will not go over those again. I just want to say that I know there are many out there who did not come before us and did not submit, because it was a very small number of people that appeared before us. I think the report says nearly 60 people submitted. Some of those were interested individuals and not Mr Fluffy home owners. So the number of actual Mr Fluffy home owners who submitted was less than that number, and we do know there is a much larger number of people who did not submit, who did not feel that they wanted to or needed to, and who did not want to come before us and give evidence. I understand that those people did not come to the hearings and did not give evidence.

There is a recommendation that we need to reach out and talk individually with families, especially around the information sharing, and find out the situation that some people are in that maybe we do not know about at the moment. There are a lot of unknowns at the moment; I think we would all agree. I thank everyone for participating in this process up to this point.

MS BERRY (Ginninderra) (9.22): I want to speak briefly on the inquiry into the Mr Fluffy home matters and the appropriation bill that is before us today. A couple of weeks ago I visited a friend of mine. The day I knocked on his door he had received his oncology results that showed he had mesothelioma. He is a Mr Fluffy home owner. I think we need to understand how terrible and how deadly loose-fill asbestos is for affected home owners and people in the community as well. I thank all those individuals that submitted for their bravery in telling their stories.

I know that out of this not everybody will be happy. I think people will still continue to be angry and sad for a very long time. I hope people do not take advantage of the vulnerability of those people in our community. I sincerely hope that out of this report some people's anxieties can be eased. I hope that people who have not engaged with the task force do so, and get answers to some of the questions that we could not answer during the inquiry. Because of the short time we had, we could not hear everybody's stories but I think we got a bit of a taste for how a few people feel. I think it was important, and I absolutely commend them for their bravery.

I would also like to acknowledge the work of Dr Cullen, Dr Lloyd and the senior research officer, Mr Hall. I do not necessarily agree with Mr Smyth that that workload is the workload that should be a shining example to people wanting to enter the public service. I think it is a completely unacceptable workload. But in these circumstances I think Dr Cullen did an amazing job, and I absolutely thank her and acknowledge all the hard work that she did.

I acknowledge my colleagues on the committee. It was incredibly moving for us. Again I am very hopeful that through this process there has been some amount of healing, even if it is a small bit, and that families do get some answers to some of their questions. I will leave it at that and look forward to hearing the government's response to our recommendations.

MS LAWDER (Brindabella) (9.25): I too would like to thank my fellow committee members, Ms Porter and Ms Berry, for their absolute commitment to this inquiry, and Mr Smyth as chair, who has put in an enormous amount of work. Dr Andrea Cullen has done an outstanding job under tight time frames. I think the committee, the Legislative Assembly and, by extension, the people of the ACT are fortunate to have her working for them. To many others in the Legislative Assembly, including Dr Brian Lloyd, I say thank you for your assistance. But mostly to those Mr Fluffy home owners and residents who have poured out their hearts to the committee, thank you for your courage and your willingness to share your story and make suggestions for the way forward.

The committee heard from a range of people and families—people with mortgages to pay and jobs to hold down, with babies, with children and homework to be done, with grandparents to visit and laugh with, with grandchildren to have sleepovers and play with, with gardens to maintain and lawns to mow, with pets to love and hobbies to spend time on, with barbecues and birthday parties to hold, with particular requirements that they may have made modifications to their homes to accommodate, with memories of special family events held in their home, and with hopes and dreams for the future.

Home may be where the heart is, but it is difficult to move, let alone move on, when your heart is not in it. And the committee report that we have prepared is definitely not, as some people have suggested, a rubberstamp of this bill. We as committee members have taken our responsibilities seriously and with determination. This is a human tragedy of great proportions. As we know, Canberrans respond well to these tragedies, as evidenced by the 2003 bushfires. This is another opportunity for us to demonstrate our compassion on behalf of all Canberrans. It is absolutely time to eradicate Mr Fluffy loose-fill asbestos from our community.

But fairness, flexibility and choice are key elements that need to be included in the scheme, and many of the recommendations reflect that. I commend the report to the Assembly.

MR SMYTH (Brindabella) (9.28), in reply: In closing the debate, Ms Lawder raised the notion that the committee would somehow rubberstamp. A number of the people

who came to the committee said they had been told by a senior government appointment that the committee process was just a rubber stamp. I reject that. It never was, from the committee's point of view, to be a rubber stamp, and I think the recommendations prove that it is not. But it is unfortunate if people felt that the Assembly committee had been reduced to a rubber stamp for the government.

With respect to the process of selection, there was a short time frame. The committee asked the government to send an email to all affected residents. I understand it was put in the weekly newsletter. It would appear some people did not see it until it was too late. For that I apologise. It was never the intention to exclude anyone. Basically in a week we got 60 submissions, and more are still coming in, and the committee will resolve to publish them at an appropriate time. But at a six per cent return, that is a great effort by these people in that week, and some of them were quite amazing.

If you have not read them, Mrs Pilkington appeared. In her submission, she has done an analysis, she has done tables—she has done all the work. If she does not want to continue in her current role she probably could be a land economist, having regard to the way she was going—self-taught, mind you. She brought, I think, a bit of laughter to the committee in the work that she had done.

It was not all sombre, Madam Speaker. There were a few lighter moments, particularly as we were reading the report yesterday afternoon and trying to correct the proof. We invented a new word, “demolishment”, which is not in the report but we all had a good laugh at that. This will please Mr Barr: in one reference the Treasurer lost his final “r”, so he was the “Treasure”. Images of Mr Barr's nanna calling him “the little treasure” permeated the committee room. It was a light moment in a pretty heavy week. Therefore, from this time forth, the Treasurer can be acknowledged here in this place.

For a lot of those who appeared there was a bit of humour there; they had not given up. No matter how dour it got, they kept their hopes up and they brought some humour and laughter into the room, which was great.

With respect to the process of selection of those who got to speak, before we saw any submissions the committee determined that we would—and in this case it was done by Dr Lloyd—divide the submissions up into different groups—young families, recent purchasers, long-term purchasers, retired, singles, couples, special circumstance type folks, people who had particular issues.

Indeed there is one rec, which will forever now be known as “the Challenger rec”, where a couple, through no fault of their own, was forced to sell at a great discount on their block. It cost them about \$80,000. There is a rec that the government look at that case in particular. Nobody should be left out as we try to fix this up.

We put all of the groups into different categories and the committee selected from those groups. So I take full responsibility, on behalf of the committee, for those who attended. And if you did not get to attend, I do apologise. We just did not have the time to do it.

The finances are a very important issue in all of this. There is a paragraph which I will read—it is bolded—in the “Committee comment” chapter:

The Committee notes that it has been asked to comment on a bill where the final impact on the bottom line is unknown. Furthermore, given the size of the appropriation in terms of the Territory’s annual budget—approximately about one fifth—the Committee has undertaken its consideration very cautiously.

I thank the Treasurer for being up-front—and his officials, particularly the Under Treasurer. I thought they were very frank in what they presented to us. They had, in the short time frame, made what they thought were reasonable assumptions. Until they get the response from the affected owners, it will be very hard for them to tell us accurately what will happen.

The reasonable cost of the buyback and demolition is there, but from thereon it is unclear. The Treasurer has committed, and we thank him for it, in the midyear update—due, as he well knows, no later than 15 February next year—to make all clear as best he can at that time. There will be an ongoing element and a changing element in all of this for some time until we really find out what people want to do.

That is why the final rec in the report says “notwithstanding the previous 61 recommendations”. We want this money to flow so that those people who want to move on can do so as quickly as they can. I think that, until the midyear review, the details and the impacts will remain unclear. One would hope the Treasurer’s assumptions have worked out reasonably well, but we will not know until at least February what this means.

I would like to finish by thanking you, Madam Speaker, for the efforts of your staff. They have done extraordinarily well. I say to the Clerk, again, thank you; and to Mr Snedden, the director of the committee secretariat, thank you for the support that was given to the committee. It only worked and we are only tabling this report today because of the efforts of your officers. So with that, thank you.

Members, the final point I will make is this. For those of you who have been here for some time, when we had the bushfires in 2003 and the government’s response, the response was ongoing for some time, particularly the support for the individuals who were affected. I think it finished in about 2006 and there were a number of debates in this place about shutting that support down.

I have had reports—and it is unconfirmed—that people have said that much of the trauma for those bushfire families came out years and years afterwards and that a significant number of relationships have ended, and there are still a significant number of individuals out there who suffer as a consequence of something they had no control over.

These people had no control over what they either purchased or inherited in their homes, because we told them it was clean—and they have a certificate that says it is clean. I would urge you, Chief Minister, to make sure there are adequate resources.

Again there are a number of recs and the committee was very strong on this: we need to make sure that we look after these folks long term, well beyond the financial, well beyond the rebuild, well beyond the roof over your head.

It is about them. It is about who they are. It is about the role they play in our community. One of the great parts of the process was that we actually had an individual who does not have a Mr Fluffy home and who put in a submission. He said, "These are my neighbours and I want them looked after." If members want to find the submission I will point it out to them. There is an individual out there who is to be commended, who took the time and made the effort to stand up for his neighbours. I think we all need to take that into account. With that, Madam Speaker, I commend the report to the Assembly.

Question resolved in the affirmative.

Executive business—precedence

Ordered that executive business be called on.

Public Accounts—Standing Committee Report 6—government response

MR BARR (Molonglo—Deputy Chief Minister, Treasurer, Minister for Economic Development, Minister for Sport and Recreation, Minister for Tourism and Events and Minister for Community Services) (9.36): Madam Speaker, for the information of members, I present the following paper:

Public Accounts—Standing Committee—Report 6—Inquiry into the proposed Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-15—Government response.

I move:

That the Assembly takes note of the paper.

I am pleased to present the government's response to the public accounts committee report. I would like to take this opportunity to thank the public accounts committee for their work in compiling this report.

The report contains 62 recommendations and has been prepared, as we have heard, in a very short time frame. The government certainly appreciates the effort that has been made by all members of the committee and, indeed, the Assembly secretariat.

The government respects and values the role played by the public accounts committee in scrutinising the proposed expenditure. Madam Speaker, the public accounts committee has made 62 recommendations. The government has agreed in full, in principle or in part to 21 of those recommendations. It has noted 29 recommendations and not agreed with 12.

The government has outlined the reasoning for its response to each recommendation in the document I have tabled. The government in particular notes recommendation 62, the final recommendation of the committee, that:

Notwithstanding the preceding recommendations, the Committee recommends that the Assembly pass the Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-15, so that monies can start being paid to homeowners who have joined the Scheme.

Given this recommendation, Madam Speaker, I do not consider the report of the public accounts committee and its recommendations raise any issues that would prevent the passage of this appropriation bill today. I commend the government's response to the Assembly.

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

Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-2015

Debate resumed from 25 November 2014, on motion by **Mr Barr**:

That this bill be agreed to in principle.

MR HANSON (Molonglo—Leader of the Opposition) (9.39): Madam Speaker, today the government is asking this Assembly to approve the allocation of about three-quarters of a billion dollars for a program to resolve the Mr Fluffy issue in Canberra. I will start by saying that the Canberra Liberals will be supporting this bill.

It is, however, important to separate our support for the funding of this work and the government's detailed scheme which, in my view and that of my colleagues—and it appears of the public accounts committee—has taken an inflexible one-size-fits-all approach.

We will be calling on the government to honour the guiding principles of their plan, which say that it needs to be fair and that it needs to be flexible. But, as we have heard from so many home owners who are affected, it is clear that the government's plan is neither fair nor flexible.

Madam Speaker, there is a long and tragic history to the Mr Fluffy saga in Canberra. It is not my intention today to repeat that history, which has been well litigated in this place and in the community before. But I do believe—I will speak further to this—that this issue will require a detailed examination of what went so wrong over such a protracted period of time so that we may learn those lessons.

The opposition has to date offered a largely bipartisan approach to this issue. I hope that this continues. I hope that the recommendations raised by the bipartisan committee and the changes that have been called on by the opposition are considered in good faith by the government, because the changes that we are calling on today are those that the Mr Fluffy home owners have called for.

We have heard this loud and clear. We have heard it loud and clear from constituents individually. All of my members have had long dealings and communication with affected Mr Fluffy home owners. I know that those opposite have as well. Of course, we have heard from many people, both in the inquiry hearings but also in the submissions made to the public accounts committee.

I would like to take this opportunity to praise the public accounts committee for their work. I think that the genuine, cooperative nature of the inquiry, the excellent hearings and the report that you have collectively produced have brought credit to you and the secretariat. But it also has shown, I hope, that the members of this Assembly do have the interests of the community at heart.

Madam Speaker, it is often the view that we are in here playing politics. I do hope that the actions of your committee have demonstrated that, at the first point, the most important thing is to represent our constituents and their interests. The recommendations of the committee are bipartisan and, in the main, I agree with them. As I said, I do urge the government to consider those recommendations in good faith.

In response to the dozens, if not hundreds, of representations that the opposition has received to the committee inquiry, we have formed a view that although we support the appropriation today and we support the need for the houses to be demolished eventually, we do need to see changes to the government's program to make it fairer and more flexible.

With regard to demolition, we have looked at this in some detail. The first international conference on asbestos awareness and management in Melbourne in November this year recognised that the ACT government's decision to demolish all Mr Fluffy homes is the only viable option, and we accept this decision. We accept that demolishing all of the houses eventually is based on best advice and we accept that decision.

The government's plan, though, contains a number of elements, and if you go to the government's plan—it is available on the web and it is referred to in the committee's report—it has guiding principles. The objectives of the plan are to eliminate the ongoing risk, and I certainly support that; to provide a fair outcome for owners and affected houses, and of course we support that; to provide so far as is possible and reasonable flexibility and options for informed choices to be made by owners of affected homes, and I support that; and to minimise the overall net cost to the Canberra community.

The problem is, Madam Speaker, as I alluded to and as Mr Smyth and others have said in their response to the committee report, the plan does not actually adhere to those principles, and Mr Fluffy home owners have made that clear. It is not fair and it is not flexible.

At the outset, the point is that this is meant to be a voluntary scheme. The problem is, though, that if you are a Mr Fluffy home owner, essentially, as many people told us in their words, they feel like they have a gun to their heads because the government is

saying to them, “Join the scheme. We will come and buy your property.” If you do not, there is this looming threat of compulsory acquisition. The government will come in and take that property. They will only get compensation based on the value of the property, noting that it has Mr Fluffy insulation.

Home owners feel that they are being compelled to join the scheme. They know that if they do join the scheme, what happens is that the government will give them a fair price, and that is a good thing. But what will happen is that the government will then get their block and they will subdivide it or they will unit title it so that there is an uplift. The value of that block goes up on average 25 per cent. This is for 88 per cent of the blocks involved.

Those home owners who have already faced massive financial hardship then come back to try and rebuy their block and it has gone up by 25 per cent. For the vast majority of Mr Fluffy home owners, that is not affordable. So the consequence of joining the government’s scheme is they are driven from their homes, they are driven from their blocks and they are driven from their communities. That, Madam Speaker, is not fair.

Many home owners have long associations with their communities. We heard many stories. They have been in their homes in some cases for decades. There is one couple that we have spoken to who have been in their home for 64 years. The inability to return to those homes is a tragedy for those people. Ultimately, it comes down to whether you view your home, your land, as simply a financial asset or whether it is a home. For all of these people, it is their home. We know the stories. We have seen them in the media. Anyone listening to the inquiry would know this and many of us—I am sure all of us—have had conversations with people in these circumstances.

I certainly refer the members of the Assembly to the committee’s recommendations—recommendation 19, recommendation 20 and recommendation 21—that make this point and say that Mr Fluffy home owners should be allowed to retain the ownership of their block, that they should have assistance from the government in demolishing, but it should be on fair terms and they should not be driven from their land, which is what they will be compelled to do under the government’s current scheme.

We know that not everyone will take this option up. The experience from the Canberra bushfires was that about a third of people did want to stay on their land. Many people moved on. Although there will be people at the moment who are Mr Fluffy home owners who are thinking they want to stay, many of those will move on. But we accept that there is a cost to this, Madam Speaker. We accept that there is a cost.

That cost will be in the order of \$30 million to \$50 million, depending on how many home owners and on which blocks they are on. But it is affordable. It is affordable, because we have been told that the entire cost of this project, the net cost, is somewhere between \$300 million and \$400 million. The government is not sure. It depends on how many people take up the offer and so on. So the government’s appropriation bill is only accurate to a factor of \$100 million. That is the margin of error. What we are calling on today is well within the margin of error. It is well within that margin of error and it is affordable. It is fair and it is flexible.

In respect of those Mr Fluffy home owners who do engage in the scheme and then come back to their properties to buy, I say to the government that, for those individuals, if they owned that property then they should not have to pay the price that includes the uplift. They should be allowed to buy that land, assuming there was no subdivision or unit titling, so they can buy it back at a fair price. They should not then have a home that is able to be subdivided or unit titled. These people are not looking to make a profit. These are not profiteers. They are just people that want to stay on their property. And that would be fair.

There are many other issues that I will go to as well. One that is of significant concern is the fixed point for the valuation—28 October. People have been told that their land is valued as at 28 October. We have spoken to many individuals who have been to auctions and who have been trying to buy houses. We heard from Mr Ron Bell of the Real Estate Institute at the inquiry. He said that what is happening is that we now have several hundred Mr Fluffy home owners who are desperate, who will have money in their pockets and who are looking to buy a home. What we know is that the market is escalating, that the home that was going for \$550,000 a couple of months ago is now up to \$650,000 and so on.

So these people have been given a price, and it is a fair valuation for 28 October. But it is not a fair valuation if you are trying to buy in a market that is now affected by hundreds of home owners trying to buy a house in desperation. On a basic reading of economics, supply and demand, we understand that equation. So I call on the government to review that inflexibility in this scheme.

We have also heard from many elderly people who want to stay on in their home. They have been there for years and years and years. They want to stay there. If they have not contracted a disease from asbestos by now, they are probably not going to. Even if they do, Madam Speaker, as tragic as that is, moving out of their home that they have been in, they have raised their families in, will be just as bad. They are saying, "Let us stay." I say to the government, "Have the flexibility in this scheme to let those people stay."

There are also other people whose houses are not greatly affected. The living areas have been checked and there is no sign of loose-fill asbestos. They accept that eventually their houses will need to be demolished. But for those people, allow flexibility and let them stay. Do not make it a one size fits all, that they have got to go through a whole program that is not appropriate for their house and leave their house immediately. Let us say to those people, "We have an individually tailored asbestos management plan so you can stay on in the medium term," because we do not want everybody in the market straight away.

As raised in the report, there is also the issue of stamp duty. Although it says in the government's plan that there is a waiver, what we have been told is that it is not a waiver. It is a refund. For many of these home owners, in financial crisis as they are, if they are going on to the market and they are being told, "You have got to find the extra \$50,000, \$60,000—however much it is," they are also being told, "You have to find stamp duty." So let us make it a genuine waiver rather than a refund. It is a small thing but it would help. I ask members to have a look at recommendation 9 from the committee's report.

There was also the issue for those people who do want to stay on their land or do want to purchase their block back. At this stage the government's plan is essentially to scrape the whole block. What we heard in the committee report is that is not necessary. That is essentially a commercial decision so that the government can maximise the profit from the block. But we have seen in the media and we have heard many stories where home owners have got a big block. They have done amazing things with those gardens. It is their home and for many people their garden is as important as their house.

Let us not scrape that entire block. Let us scrape what needs to be scraped to get rid of the Mr Fluffy loose-fill asbestos but not destroy gardens so that these home owners who buy back their land, or hopefully can retain their properties, do not have a situation where they have to start from scratch. It is unnecessary, it is punitive and it is not fair.

There are also, as Mr Smyth said, home owners who are caught in a date trap. There is the example where someone bought a home in Wright in January not knowing anything about Mr Fluffy, never having heard of Mr Fluffy. They signed a deed; they had to buy that home. Then, all of a sudden, they found out about Mr Fluffy, and the house that they are due to sell plummeted in value because it is a Mr Fluffy home. But they had to sell. There are not many of them, but let us make sure that we give them fair compensation. I call on the government to do that.

There was also an issue, and Mr Coe will speak to this, about variation 306. This was canvassed in the *Canberra Times*, I think yesterday. Because of variation 306, the uplift that the government is looking to make—I certainly support that intent where people are happy to release their properties; it makes sense—will not work. But it is not going to work if variation 306 is applied. I say to the government: waive 306 for those properties where the government is trying to recoup that loss for the community.

As Mr Smyth said—again I note the very difficult job the task force has been doing; it is a very hard body of work and I recognise Mr Kefford and his staff here today—let us make sure that the task force is adequately resourced so that it can do its job, so that in this surge period it can make sure that the community of Mr Fluffy home owners are communicated with and that it is proactive, not necessarily reactive.

I turn to the issue of the crown lease. Under the government scheme, new crown leases will be issued. That is a great thing. But I would also say that those home owners, hopefully, will be given the option of staying, of retaining ownership. If we have eradicated Mr Fluffy, let us give them a new crown lease as well so that they do not have that stigma attached to that property, we can start the building file from scratch and they can move on with their lives.

For these home owners who feel that they have a gun to their head because they have got this threat of compulsory acquisition, the problem is that it is a threat. It is a veiled threat. They do not know what is going to happen. I call on the government as well to say: "If you do not engage in this scheme, this is what we will do. These will be the consequences." This is the problem that many home owners have: they do not know. It is the fear of the unknown. At least if the government says, "If you don't come

under the scheme, this is what we are going to do,” they can make an informed decision. At the moment, they are being asked to make a decision that they simply do not have all the information for.

As Mr Smyth raised in his report and the commission raised in their report, many people have got contaminated goods. Some home owners are walking away with almost nothing. There are teddy bears, linen, clothes. Let us make sure that is understood, and let us make sure that those people who are losing so much are properly and adequately compensated for their loss.

I also say this for those families in crisis, and there are many. Maybe it is an elderly couple who have been in their home for years and have not been financially affected by this yet. There are others, young families who have had to leave their home because it is infected by Mr Fluffy. They are homeless. They have gone out; they are renting; they are still paying the mortgage. They have been literally left without their clothes, without their kids’ teddy bears. These people are in crisis. I say to the government: show compassion and make sure that with those families who are in crisis we give them the necessary financial support. Let us help them; let us help these people in crisis. We would do it if it was a bushfire; we would do it if it was a flood. Let us help these people who are so badly affected by Mr Fluffy.

Madam Speaker, I call on the government to do all of that today. I know there is a bill for that; I know there is a cost. But this is where the rubber hits the road and these are the priorities of a government. Looking after people, the community of Canberra, who have been affected by a tragedy like Mr Fluffy has to be a number one priority. I do not want to bring politics into this, but I say this: it should come across as a higher priority than many of those that the government are currently putting into their budget. I leave it to the government to make those decisions.

As the committee has said, there is a need for a board of inquiry. This is not a witch-hunt; this is not about just trying to dredge up dirt. But what we have heard loud and clear from the community and from the report is that the people that are watching the 1,000 homes be destroyed, who have lost their livelihood, need to know what went so badly wrong.

MS GALLAGHER (Molonglo—Chief Minister, Minister for Health, Minister for Higher Education and Minister for Regional Development) (9.59): This extraordinary sitting of the Assembly mirrors the importance of the bill that we are debating here this morning.

The loose-fill asbestos insulation eradication scheme is unprecedented in the ACT and in the world. Its cost and complexity will test our government, our budget and our community. This government has taken responsibility for bringing a permanent end to an asbestos legacy which has plagued our city for almost half its history. We wish it were not necessary, we know there are some very difficult days ahead and we know we cannot offer everyone everything they want. But with the evidence before us, the government have taken the only responsible course of action.

We are extremely conscious of the distress and the upset that this issue—and some elements of this policy and indeed this very debate—continue to cause for some in our community. Every public meeting, every media report, every rumour and accusation have occurred in, and sometimes fed, an environment of anxiety and worry.

In passing the bill today, the Assembly can bring a good deal of this to an end. We can do justice to the extraordinary strength and resilience shown by Mr Fluffy owners and residents this year by offering them a safe, fair and certain future. With the passage of the bill, from next week the Asbestos Response Taskforce will be able to begin progressing buyback offers for the 1,021 Mr Fluffy homes. These are beloved family homes, and this process will bring great sadness. But the fact remains that they are not safe, nor can they be made so. In around 10 per cent of houses contamination is so bad that they are uninhabitable. Fibres have been detected in the living areas of between 50 and 60 per cent of houses, sometimes in visible quantities; in the rest we know that fibres populate the walls, the roof and the subfloor.

There have been no easy choices in seeking to correct the tragic failures of the past. Forty-six years ago, well before self-government for the ACT was even contemplated, the commonwealth had the opportunity to prevent pure asbestos being pumped into the ceilings of Canberra homes. The risks were known; clear advice was provided. That opportunity was missed. In the late 1980s the commonwealth recognised the danger and designed a remediation program that aimed to remove visible and accessible asbestos insulation from affected homes. Consideration was given at the time to demolishing the affected houses, and that opportunity, too, was missed.

In September this year the ACT government asked the commonwealth to honour the memorandum of understanding which dictated that future costs in relation to these homes be shared as they were during the remediation program. We kept their confidence, made every effort to assist their deliberations, and sought to reassure many desperate families that a cooperative solution was imminent. The response to our request came in the form of a cabinet leak.

Notwithstanding this, the response of the ACT government has now been internationally recognised as “the only enduring solution to the ongoing risk posed by loose fill asbestos insulation”. This same response is now sought by owners of affected houses in New South Wales, who are yet to receive assistance beyond a testing program.

We have acted quickly and decisively as evidence has mounted in the course of this year. While the timing of the scheme’s announcement was forced upon us, its development has been thorough and consultative. We have taken into account the views expressed by individual families in their meetings with the task force and in correspondence and meetings with me. We have sought the views of the Community and Expert Reference Group. We have heard the suggestions advanced by the Fluffy Owners and Residents Action Group and many other individuals affected who are not represented by that group. We have consulted national asbestos experts, industry groups and unions; we have engaged community groups. And we will continue to do these things as the scheme moves further into the implementation phase.

Throughout our deliberations and in the scheme's design, the government has adhered to the core principles of safety, certainty and fairness.

On safety and certainty, there is a clear and unavoidable need for each of these houses to be demolished and for a buyback mechanism which provides each Mr Fluffy owner and resident with the opportunity to leave their home now. On fairness, there is an offer which, in the here and now, is fair to the families concerned through a buyback price which ignores the asbestos and gives them a way forward to buy a comparable Mr Fluffy free home, and an economic strategy which, in the longer term, is fair to the ACT community through the recouping of some of the scheme's costs. On these two principles, the scheme is uniform and the government's resolve is firm.

The scheme is flexible. Older residents or others who are not ready to leave are being offered flexibility in the timing of settlements out to a period of five years in order to coordinate payments with their future plans. Families do not need to leave their home by 30 June 2015, as some may believe. The only requirement by that date is that they have opted in for a valuation to occur, as some 650 owners have done already.

The government have been deliberately open in indicating the necessity to require future preventative measures for these homes. We are not hiding our intention. And it is impossible to give generic advice on these requirements. It is likely that individual homes will be required to have their own asbestos management plans in place.

Members should bear in mind that the community response is already making life difficult for those still living in Mr Fluffy homes. Some families and friends no longer visit; personal services are refusing to enter; access to trades for even minor maintenance is becoming prohibitively expensive. For a great number of these people, time remains of the essence.

Over the last three months, the task force has met individually with affected families, often more than once, to discuss their circumstances. Phone and email contact by the task force with families numbers into the thousands. These conversations have canvassed the same issues which have emerged through the PAC inquiry. The Treasurer tabled the government's response to that this morning. In the design of the scheme, we have sought to provide a fair means for owners to return to their block at an updated market price which reflects the major investment the government is making to clean the block and the future value that properties with the newly built homes will attract.

We have considered various options to demolish homes without acquiring the land, including those canvassed in the report and speculated on by the media in recent days. While it is impossible to predict with certainty the behavioural responses to these options, the Treasury modelling suggested this would add more than \$50 million to the net cost of the scheme. I do not believe that when we are asking the community to shoulder costs of between \$300 and \$400 million we can simply waive away an additional \$50 million burden, and therefore we can only progress options which will not hit the budget in this way.

We will retain a demolition strategy which sequences demolition in the most efficient and cost-effective way possible. We will seek to preclude any opportunities for predatory developer behaviour or individual profiteering down the track. We will work to limit the additional administration created by modifications to the scheme.

In relation to the impact on the property market, the advice to government remains that the issue will not have a large or long-lasting effect on Canberra house prices. Mr Fluffy houses represent less than 10 per cent of the annual housing turnover in Canberra; the entry of former owners into the housing and rental markets will be staged; and the government's Land Development Agency is in a position to respond to these changes in demand. We particularly take into consideration the fact that some people may wish to stay on in their homes for the next five years.

The government will not raze blocks indiscriminately. We will seek to preserve the trees and yards of those committed to returning or where they add to the amenity and value of the blocks, as we have said—particularly, and only, if it is safe and cleared through the asbestos assessment report. Each of these aspects is secondary to the need for a test-driven approach to clearing, which does not stop until the asbestos stops being found.

On a similar note, where owners maintain that there is a complete absence of Mr Fluffy in their home and do not have a definite assessment, the government will facilitate an invasive test to provide clarity. We have deliberately not taken an approach of rating levels of contamination, as there is simply no way to guarantee that any of these homes are safe. Where issues have been identified around communication and support for home owners, these are taken on board, and we will, of course, look for improvements to be made where they can be.

I accept that some people have had difficult interactions with the government in recent months. Since the first assistance package was announced in July, we have been able to consider and assist in individual cases of extreme hardship and individual circumstances, and there is scope for this to continue. I have personally signed off a number of assistance packages for people whose individual circumstances were not being accommodated in the financial arrangements. The task force is soon to begin community outreach in town centres to make it easier for affected families to meet with the personal support team. We will continue to engage through social media and offer face-to-face meetings.

In relation to corporate and community support, the support base is continuing to grow. Thirteen banks have responded to the government's invitation and are now offering special concessions for Mr Fluffy home owners. Major utilities are helping in the transfer of services. Local businesses are offering discounts and vouchers. And through the Community and Expert Reference Group we expect to see this support base swell further still.

For all the hard work that has occurred, it is in many ways still very early days.

I note the comparison between natural disasters like flood and fire. On any measure, when you look at what is being offered by the government's assistance package, it

exceeds what assistance has been provided to individuals who have found themselves in that unfortunate circumstance. The government's assistance package is us stepping in to address insurance failure. There is no insurance provided for these families. Without the government stepping in and providing the financial support and certainty that we are doing through the buyback program, these families would face financial disaster. That is the purpose of the buyback scheme at its heart—to make sure that people can realise the financial investment when all other supports to them have failed.

We will continue to engage with Mr Fluffy owners and residents, and across the community, as we seek their support and cooperation in implementing this ambitious program. To those that are unhappy with the scheme as it is offered, I urge you to engage with the task force; I urge you to explain your circumstances so that we are able to assist. There are opportunities—for example, the use of land rent—that may address some of the concerns people have about the affordability of getting back onto their block. There is flexibility in the scheme already, but I just do not accept, and cannot accept, that we do not use the only mechanism we have available to us to recoup some of the costs associated with this scheme—and it is just some of them, a very small amount of the cost associated with this scheme—through the resale of the land and the uplift that we can provide through that. It is the only way that we will get any money returned to the ACT budget, which is being asked to shoulder a \$300 million to \$400 million expenditure without any assistance from the commonwealth government.

That is the problem. Whilst we would love a scheme that met everybody's needs, that tailored a solution to everybody's circumstance, that is simply not how these programs have ever operated anywhere else. It is impossible to create a scheme that addresses everybody's individual needs, as much as we would like to. Perhaps we could do it if we were dealing with 20 homes or 30 homes, but we are not. We are dealing with a thousand homes and a thousand individual circumstances—a thousand different financial circumstances, a thousand different home and family circumstances.

The buyback scheme is the fairest way we can provide a system which realises people's financial investment; which treats everyone equally, regardless of their financial position in life; and which seeks to offer an enduring and eternal solution to a problem that has hit this city—a very expensive problem, not only in financial terms but in the emotional distress that it has caused to this city for the last 50 years.

I hope the Assembly can maintain its unity through this process. Our guiding principle should be that this solution is in the long-term interests of all Canberrans. The principles that underpin the scheme, of fairness, equity and affordability, will remain. It is these principles that continue to guide us as we work individually—I repeat, individually—with all affected home owners. I commend the bill to the Assembly.

MR RATTENBURY (Molonglo—Minister for Territory and Municipal Services, Minister for Corrective Services, Minister for Aboriginal and Torres Strait Islander Affairs and Minister for Sport and Recreation) (10.12): On behalf of the ACT Greens I give my support to this bill, which will appropriate additional funds needed to administer a program to eradicate loose-fill asbestos insulation in the ACT. Loose-fill asbestos insulation, commonly known as Mr Fluffy, has been a scourge on Canberra

and on thousands of Canberra families. Indeed, it is also present in homes outside the ACT, extending the suffering to families in New South Wales and potentially elsewhere.

This suffering has been acute, and I want to acknowledge the pain, the stress and the heartache that people in Mr Fluffy homes have endured and the flow-on effects to their families and friends and communities. It has displaced people from their homes. It has affected people's psychological and physical health. It has ruined people's belongings. It has made people fearful and uncertain about the future, it has made people sick and it has endangered lives.

We have all heard the familiar, terrible story: a family are one day living in their home, going about their everyday lives; the next day they suddenly learn that their home is dangerously contaminated, uninhabitable in the long term, and on top of that they have the added stress that they could have been exposed to a toxic substance.

The tragedy is comparable to a natural disaster: over a thousand homes are irreparably damaged and need to be demolished. Over a thousand families are displaced and need, to some degree, to rebuild their lives.

Taking action to address the Mr Fluffy legacy is vital to offer a solution to those who are affected so that they can repair and rebuild and get on with their lives, as well as to remove the toxic legacy from Canberra so that no-one else will have to endure the hardship of living in a Mr Fluffy contaminated house.

Twenty-five years ago the commonwealth designed a program to remove Mr Fluffy asbestos from homes, in an effort that we now know was unsuccessful. Today a generation of Canberra residents is having to deal with that legacy again. That is not something that we can let happen to people again in the future.

The government's loose-fill asbestos task force, taking advice from licensed asbestos assessors, Safe Work Australia and other experts, has concluded that demolishing the affected Mr Fluffy houses is the only enduring solution to the risk posed by the presence of loose-fill asbestos. Hundreds of asbestos assessments examined by the task force have shown that the remaining asbestos in Mr Fluffy homes is consistently penetrating living areas and that the houses are always susceptible to living area contamination as they age and are affected by climatic variations.

The task force ruled out alternative options such as further cleaning or sealing of the asbestos, as they are considered unlikely to be successful and in any case would be extremely intrusive. As sad as it is, demolition of all the affected houses is the only way to deal with the issue once and for all. The government buyback scheme is designed to ensure this occurs and at the same time to compensate the people who are displaced from their homes.

On this note, I see that the committee report raises the idea of people being allowed to stay in their homes in special circumstances if that is what they choose to do. This recommendation is very difficult to reconcile with the firm scientific advice about the ongoing danger of those contaminated houses, not just to the people living there but to the people who may visit or people who may own the house in the future.

The need to deal with this danger to residents and the broader community has been one of the factors motivating me to support a scheme that will eliminate Mr Fluffy from Canberra permanently. So it is vital that we appropriate this money, over \$760 million in this initial appropriation, and let it flow to the scheme so that the process can begin. In my eyes, supporting this bill is a vote for the ACT government taking the lead on Mr Fluffy asbestos, effectively dealing with the issue so that it does not return to plague the community in the future and ensuring that assistance can be provided to residents who are unfortunate enough to have a Mr Fluffy home.

I would like to briefly discuss and provide my perspective on the details of the proposed eradication and buyback scheme. I am informed that the latest government figures show that over 600 households have now signed up to participate in the scheme. Despite this, it is clear that some people are not satisfied with the details of the scheme. In the last months I have met with Mr Fluffy home owners and discussed their circumstances with them and discussed the issue at public fora. I have also had several meetings with the Chief Minister and with the head of the task force, Mr Kefford, to discuss the details of the scheme and to put forward the issues raised by affected owners of Mr Fluffy houses.

My view, broadly, is that the Chief Minister and the asbestos task force have tried very hard to find an equitable and achievable solution, especially given the limited support the federal government will provide. Also, broadly, I think the approach taken by the scheme is the right one. I have come to this position as a Greens MLA who is concerned about fairness for the Canberra community but also as a Greens member of the government who is aware of the practical limitations on government and the impossibility of meeting the precise needs of every person affected.

Just as one example, there is currently a group of displaced people who are very eager to receive the payment from the government. Every delay in the payment increases their hardship. At the same time, there are people who would like to delay the scheme and change certain parts of it, which would also delay the flow of money to those who are eager for it. Similarly, there are some home owners who, like the task force, strongly agree that the affected homes need to be demolished to be made safe. They want to leave their houses and be compensated. There are others who do not agree with the demolition and who want to see a second attempt at cleaning and remediation.

There clearly is not a solution that can please all of these people. However, I do acknowledge that there remain various issues where it may be possible for the government to deliver a more flexible and individualised approach. As I have said, I have raised several of these matters with the Chief Minister. The committee report that was delivered last night has obviously raised some of the same concerns, touching on issues such as additional options for people wishing to return to their land or stay on their land; issues facing families who sold prior to the announcement of the scheme with full disclosure and at a low price; and equity questions regarding people who demolished their houses prior to the scheme announcement. I acknowledge that in the Chief Minister's reply to the committee report and in the speech she has just delivered she has already supported many of the recommendations and has emphasised that the task force is committed to working through problematic issues with individual home owners.

I have also raised issues that do not appear in the committee report. For example, there is currently some uncertainty regarding the removal of all trees and vegetation when the government remediates blocks for resale to the market. I would like to see flexibility in the scheme to maintain trees and vegetation where possible, in particular where trees would usually be protected under the Tree Protection Act. I note the comments of the Chief Minister this morning that the maximum flexibility will be applied and that blocks will only be cleaned as is necessary. I welcome that and I think that underlines the fact that, as these issues are being highlighted and brought forward, the task force is seeking to respond to them as individually as possible. I know that that has already happened on a range of other issues, and I welcome the fact that the task force will continue to seek to provide that level of flexibility as much as possible. That will assist home owners, householders and families to maximise the opportunities in this scheme, to do it in a way that assists people as much as possible, and I think that there is room for that to continue.

I am very aware that this response from the government is by far the most fair and comprehensive scheme for dealing with the issue that any jurisdiction has implemented. The commonwealth, as we now know, conducted a failed removal program 25 years ago, but today when the danger has returned it has virtually left the issue alone.

Residents of New South Wales who own contaminated homes are not so far being provided with any enduring solution. That remains a key issue for us here in the ACT. Why did the federal government not engage more on the issue and provide more support, given its central role in the Mr Fluffy legacy? I do not believe that it was through lack of trying by the ACT government. I think considerable effort was made.

The issue is simply that the federal government made a choice to offer limited support and no more, and that is an explicit choice. That has not so much operated to limit the ACT's response; I still think the ACT is doing what is required. Rather, it has operated to leave the burden of dealing with the problem disproportionately on the ACT—as we all know, a small jurisdiction.

I will turn briefly to the committee report. The committee report was presented late last night, and I would like to thank the members of the committee, as well as the committee secretariat, for the obvious amount of hard work they have put in to holding the inquiry and producing the report.

As I said, there are detailed issues in the report that need to be considered and responded to by the government. I note that the final recommendation of the committee is to pass the bill today, and I agree with that. Clearly, there is still work that needs to be done, and the government response today has either agreed to or noted many of the points raised by the committee. In particular, there is a range of individual circumstances that need to be addressed as sensitively as possible, that clearly cannot be resolved on the floor of the Assembly but require ongoing individual discussion.

I note also that there are a number of recommendations specifically directed to TAMS, in the area that TAMS has responsibility for: the disposal of the waste and the safe containment of the waste. As the TAMS minister, I have particularly noted those areas and the government's response that TAMS will take those issues on board. I think we in the committee have already largely indicated our willingness to address those and will continue to do so.

The committee does note the issue of a board of inquiry, and I think it is quite appropriate that there be an inquiry at some point in time. It is important to inquire into the history of this issue, to learn how it occurred, what needs to be improved and to put the history on the record. What is important is that it is the right inquiry, an inquiry that will get the information and answers that we need as a community, not an inquiry that works to a particular political timetable.

As the founder of and spokesperson for the Fluffy Owners and Residents Action Group, Ms Heseltine, pointed out to the committee last week, the group would like to see an inquiry that spans the full scope of the Mr Fluffy issue, including all relevant levels of government. As well as looking at the ACT, this would include the commonwealth, given its role in the issue before self-government, as well as New South Wales, acknowledging that it also has a number of Mr Fluffy properties.

It is also worth considering whether holding an immediate inquiry is the right approach, given the government is just starting its program of remediation. I note the comments in the government's response to the committee report, which of course underline the fact that, should a board of inquiry be started immediately, task force resources would necessarily be committed to that board of inquiry process. Given the significant volume of work already in place for the task force, I do have a real question about whether that is where we want to be putting resources at this moment in time, given the many other questions that remain to be resolved by the task force as we seek to move this program forward.

So I will flag now that I do support an inquiry. I think this Assembly needs to do further work to work out what the timing should be of that inquiry, what form it should take and how that should relate to a commonwealth inquiry. I note that the committee report said that the ACT should do it and then hand it over to the commonwealth. I am not convinced that is the best approach and I think we need to continue to look at a suitable mechanism to find the right way to look into this issue and also at how we assess the task force's work and the government response as we continue.

I would simply like to conclude today by offering my support to those households that are affected. These are incredibly difficult days, and there are, no doubt, difficult days ahead. Through the passage of this bill today we do have a way forward. This Assembly will have appropriated the funds to enable the government to provide support and compensation to those people who have found themselves in circumstances that are no fault of their own. At the end of the day, that is the worst part of this entire story. People who currently own the homes have no blame. The government of today does not carry blame. This is not a blaming exercise. But we find ourselves in a situation in which, really, there are no winners.

This is a terrible circumstance, but it is a circumstance that we, this generation, must tackle once and for all. We cannot pass it on to some future generation to have to pick up the pieces. Now is the time to tackle this. I am supportive of the government going forward and taking an approach that deals with it once and for all, and therefore I am pleased to support this bill today that releases the funds to enable that work to begin.

MR COE (Ginninderra) (10.27): I too rise to speak on the Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-2015. In particular, I will speak to areas of concern related to my shadow portfolios of urban services and planning. My colleague Mr Hanson has already spoken to the bill generally, and my colleague Mr Smyth will talk about the financial implications of what the government is proposing. However, my remarks will address some of the specifics regarding the transportation of demolished houses and soil, the storage of this contaminated and associated material, and the planning implications of the government's proposal regarding the reconstruction and changes to title. I know some of these issues are secondary to the key issues of health and wellbeing of those directly impacted by Mr Fluffy, but these issues all need to be considered.

The demolition of houses containing loose-fill asbestos will be complex, traumatic and risky. The government has outlined plans to move through Canberra, suburb by suburb, perhaps simultaneously, to demolish houses containing asbestos. I have some doubts about whether this suburb-by-suburb approach is needed and also whether it is realistic. The government claims to want economies of scale, but such economies are going to be marginal unless the trucks can carry waste for numerous homes in each load. If not, I fail to see significant savings through economies of location, and therefore the arbitrary approach might be more trouble than it is worth. As such, the demolition of homes on demand as they come available and to suit the owners and government's requirements would be a more reasonable approach. However, we are willing to hear the government and objectively consider the government's proposal for a suburb-by-suburb approach.

I am also concerned about the government's stated intention to clear blocks, including gardens. In the inquiry, in response to a question I asked on this, the government official responded:

For that element, we will not be digging the block; we will simply be clearing it in preparation for future development.

Whilst many home owners were not involved in the construction of their houses, there is a very high likelihood that they have been involved in the sculpting and maintenance of their front and back yards. I therefore urge the government to not discount the value—the emotional value if not monetary value—of people's gardens. This is especially the case if people are to remain on their blocks, an option the opposition believes should be available. Where it is safe to do so, I ask the government to consider the retention of people's gardens.

I believe the ACT government is going to have to carefully manage public opinion, including anxiety, regarding the demolition of homes, especially in the clearance of

soil, which will generate considerable dust. The actual or perceived risk of airborne asbestos particles will be problematic, and the government will need to be very deliberate in the education campaign and documentation they are able to provide to neighbours of demolished houses. Of course, when using excavators or bobcats to remove dirt, dust will be generated, and managing concerns relating to that dust will be tricky.

Regarding the transportation of the material to landfill, the government is again going to need tight, published guidelines about the safeguards that will be in place. I expect there to be concerns about the routes the trucks are driving, the risks to people living on those routes, damage to the roads, concerns about traffic and issues about noise. All of these can be managed, but it must not be an afterthought. The government will need to have active strategies prepared about how to manage each of these issues and more prior to them being raised for the first time.

Finally, in the urban services space I will turn my comments to the landfill. Some residents in my electorate of Ginninderra, especially those in the westernmost suburbs, are understandably concerned about the asbestos pit at Parkwood. It is for that reason that I commend recommendation 44 of the inquiry, which states:

The Committee recommends that the ACT Government investigate alternative sites for disposal of contaminated waste and report back to the Legislative Assembly by the first sitting day in March 2015.

Rather than simply running with west Belconnen because it appears an obvious choice, there should be careful consideration of all the options, perhaps including a totally new landfill site. Whilst this may have some cost implications, without knowing what those costs are it is impossible to make an informed decision.

We heard in the inquiry about the government's plan to put a nightly cover of 30 centimetres onto the new waste deposited at the landfill. However, I have already heard some concerns about the exposure of this waste during the day for perhaps 10 to 12 hours. Again, the government should have clear and published strategies in place as to acceptable wind levels, rain and other events that might change the risk factors for unloading and storage of this waste and whether screening is required.

Earlier this year it was revealed that the ACT government had made errors in the calculation of available space at the Mugga landfill, and an investigation by PricewaterhouseCoopers is currently underway. Given this error in calculating the demand or capacity, I have some concerns about the government's assessment of the assumptions regarding the volumes required for Mr Fluffy waste.

I was concerned to hear that it seems very little effort has been made into researching the disposal of the loose-fill asbestos 25 years ago. When I asked in the inquiry, with regard to the remediation of 20 or 25 years ago, where the loose-fill asbestos was deposited, the response from the official was:

I literally do not know. I cannot answer that for you.

The minister said:

We will have to take that on notice. I understood it was west Belconnen, but I am reluctant to speculate.

I think it is important that we learn from the past regarding this scheme. A glance at the media and *Hansard* at the time reveals community concerns about the storage of asbestos in Palmerston and west Belconnen. On 6 August 1991 the then Minister for Urban Services said in the Assembly regarding asbestos:

... in the ACT it is packaged in two layers of plastic and boxed, the crates are securely bound with wire, and it is then buried under at least three metres of topsoil.

The minister went on:

It is not correct to say that the asbestos tip at West Belconnen is going to be quarantined by 1,500 metres, whereas that is not happening at Gungahlin. If any development goes ahead in that area—it is a matter that is with my colleague Mr Wood—the proposals indicate a 1,500-metre quarantine zone around the ordinary landfill tip, and that is there principally because of nuisance and convenience. Tips tend to emit noxious odours, and bits of paper and plastic fly around. The 1,500-metre cordon is around the tip, and the hazardous waste site is within the tip. It is not because of the hazard of asbestos.

The minister went on:

At Gungahlin the asbestos area is being planted as a park; nothing will ever be built on it. The Australian Survey Office is very accurately marking where the asbestos is buried. That will be marked on all the survey maps of the ACT well into the future. Nothing will ever be built there; no trenches will ever be dug. The asbestos will be entirely safe. This is a piece of alarmism, extraordinarily directed at the actions of the former Government.

Well, Madam Speaker, the government is planning to construct a road on or near this site in Palmerston; therefore recommendation 52 of the inquiry is particularly worth while, namely:

The Committee recommends that with regard to the Palmerston/Crace asbestos landfill site study that the ACT Government table the report in the ACT Legislative Assembly within three sitting days of receipt by Government.

Much more could be said on the west Belconnen landfill site—transportation, clearing and other issues related to the schemes. However, I will now turn my attention to planning issues.

The government's plans to allow unit titling of dual occupancies in RZI areas is interesting. I understand the government's intention to reap a high yield from the blocks to offset the expenses associated with the scheme. However, the land use planning in the ACT is meant to be a broad framework which details the appropriate

use of land. It makes a mockery of this system if the government can then say, “Well, actually, the best use of our blocks of land is different to the best use of other people’s blocks of land.” If unit titling on an 800 square metre block in the RZ1 area is okay, why is it not okay for the 800 square metre block next door? There is no planning rationale behind the government scheme. I realise these are desperate times; I simply hope the ACT government uses this as an opportunity to have a look at the entire planning system and whether it is working very well.

Further to this, will the government seek to exempt themselves from their own variation 306 rules regarding solar access? Last year the opposition said these rules were unworkable. We said they would bring about bad planning outcomes. We said it would have an impact on infill, redevelopments and extensions, and the government ignored us. I understand by recommendation 22 that the government are perhaps considering rolling back variation 306, as they might now realise that the variation 306 rules are completely unworkable and do not have the desired impact.

On 30 October this year we raised this issue in the Assembly and the government was noncommittal. Just this week we heard Mr Jerry Howard from the MBA, Mr Paul Powderly from the Property Institute and Mr Glen Dowse from the HIA all raise concerns about these planning rules, in particular variation 306. As I said earlier about unit titling, why should one block be subject to variation 306 but a government-owned block next door not be subject to 306?

There was also discussion in the inquiry about subdivisions. This has to be done very carefully and, of course, only when appropriate. I hope the RZ2 rules that were also brought in during variation 306 are rethought for all blocks and not just for government-owned blocks.

As I draw to the end of the speech, it is important to note that the cost of this scheme is significant, but it also puts into perspective the \$1 billion cost of light rail. It puts into perspective the \$80 million we are paying every year in interest repayments on the \$1 billion we are spending on light rail. In addition to the operating costs, light rail is going to cost \$100 million every year for 20 or 30 years. That is like doing this Mr Fluffy scheme every three or four years simply to get 500 more people to use public transport. We have to get our priorities right in this city.

I have raised these concerns and issues on behalf of people who have brought them to my attention. I believe all of them can be managed. They are not insurmountable, but they will require active and careful consideration to ensure this unfortunate situation is managed as well as it can be. My brief reflections are barely scratching the surface, but I hope they detail in part some of the complexities related to downstream issues associated with remediation.

MR SMYTH (Brindabella) (10.40): Going to more of the financial aspects of the bill, it is hard to work out what it truly means. Again I refer back to the words of the Treasurer—that it is probably not until the midyear update in February that we will actually be able to see what the effects are and in what particular years the full effect will be felt. Even then we might not know, simply because it will work from the timetable, the scheduling, which suburbs get done first and how quickly the tenders are in and are operating.

We are taking the government on a great deal of faith here today in passing this appropriation, but everyone in this place wants that money to flow to ameliorate the impact on all of the families who are suffering.

If members go to the documents that were provided by the Treasurer, the committee asked the Treasurer for some more of the financials. He provided a document; there are a couple of charts in it. For instance, the analysis that we already have excludes the impact of the financing costs. So interest has to be included in these numbers and that is when we will get a fuller picture. But then he indicated it is about the timing and the sequencing. It will affect the cash flow and it will affect the operating balance.

In that regard I will take my own advice from the committee report—that, notwithstanding all the previous recommendations and that we pass the bill today, at least we know what is certain. There are 1,021 houses that may be acquired by the government for remediation and the costs are set out by the government. There is an average of about \$620,000 per home, then the cost of the demolition and then the cost of remediation.

The important part, of course, will be what comes back into the coffers from the sale of land. Many recommendations in the report will require extra funding, if the government accepts them. I have had a chance now to read the government response and I will go to some of the responses.

We are taking the government on faith. As the Treasurer knows, we will watch and keep an eye on what is happening. We will certainly be reporting to the community regularly on this. I note that he accepted the recommendation that they report quarterly.

The government have not accepted some of the exceptional circumstances, in that we said they should consider that some people may be able to stay in their home for longer periods. And the reason is that these homes are dangerous. There seems to be a deadly contradiction in what the government have been doing and what the government are saying will happen. If, as of February, the government were aware that these houses were in effect death traps then people should have been moved out immediately. If it was a building, say, following an earthquake, that potentially was going to collapse, everybody would have been evacuated, whether we had somewhere for them to go or not.

But we have left people, since February, in these houses. Indeed some people may not get out of their homes under the current scheme for 12 months; it might be 15, 18 or 20 months. We actually have to come to a point where we say, “Yes, they are deadly and everybody should leave.” But if that is the case then they should be gone now.

We all know that the more time you spend there, the degree of exposure and the amount of dust in the air will affect that. We all know from what we have heard—I am not sure if you would call it an incubation period—that the potential impact period is in 20 or 30 years, so there is going to be a long wait. One of the saddest moments of the public hearing was when one of the submitters said:

My eight-year-old was helping me in the roof of my house. We have now been advised that we have had high levels of exposure and I will now sit for the next 30 years to know whether my eight-year-old will make her 40th birthday.

If it is that deadly then why are these people still in these homes? The committee thought long and hard about this. You can see there are a number of recommendations that say these people need to be aware of the danger. It needs to be given to them in writing; it needs to be abundantly clear what it means for them.

The concern of the committee was that, for some of the older folk in particular, the actual move may be more disruptive to their lives than staying where they are. The older couple in their 80s who came before the committee did not even get into the committee room before they broke down. They were waiting in the little foyer between committee room 1 and the Kiribati room, and the wife was in tears. This is her home; this is their entire world. It was one of those incredibly sad but absolutely delightful moments when the guy said, "Check this out, Brendan. I went to Lowes this morning and I bought this tie. I didn't have a tie." He spent 25 bucks on a tie so that he could come and impress the committee on their need.

You were there, Madam Deputy Speaker; we pondered this long and hard: how do you accommodate that need? They said, "Look, we're old; we're not particularly concerned about the health risk." The committee take into account that in servicing them—if an ambulance had to turn up, if there was a fire or if a health worker turned up—there are dilemmas and difficulties here. Surely, it is not beyond the ken of a city as smart as Canberra to come to some arrangement. The report says "exceptional circumstances". Just because you want to stay, we all agree that that is not on. But where the damage may be greater than the potential risk from contracting an asbestos-related disease then I would hope there is some consideration of that.

I see the government has mainly ruled it out. I think it is hasty. I get the principle; I understand it. Asbestos is deadly. We all now know that the asbestos that was foisted on us in the 30s, 40s and 50s will have an impact for years to come. But for some of these people these are their last years, anyway.

Mr Rattenbury raised the issue of the inquiry. The recommendations about the inquiry are 58, 59 and 60. He said, "We've got to get the right inquiry, the appropriate inquiry." It has to be an inquiry that we can conduct under our legislation. We cannot investigate the federal government. We cannot do that; our legislation does not allow it. What we can do is investigate what happened post self-government. There is a stepped-through arrangement in what the committee recommended with the board of inquiry. It starts with rec 58, which says:

The Committee recommends that an ACT Board of inquiry be constituted, pursuant to the Inquiries Act, to investigate the full history of the Mr Fluffy legacy. The Board ... should report by 1 March 2016.

If it was formed today, that is about 16 months. If it is formed in March, call it a year. If it is formed in July, it is eight months. The government's response is that it will need at least two years and it could easily cost up to \$10 million. I would like to see how they came to those conclusions and those costings.

Part of the healing process for those affected will be to find out what went wrong. Indeed, to make sure that it does not happen again in some other way, this needs to be done expeditiously so that we can learn from any errors that were made. There was clear advice in 2005. A number of submissions brought that to our attention, saying, “Look, they knew that but they did nothing about it.” So those questions need to be answered, just for the personal healing of individuals affected. I would ask that the government reconsider 58.

With respect to recommendation 59, members might not be aware that there is an inquiry being run—I think it is chaired by Fred Nile from the upper house of the New South Wales parliament—into asbestos now. They were to report early next year on asbestos in New South Wales. I understand they now intend to report before Christmas. Recommendation 59 says that, when that inquiry has reported and when our review is done, they be forwarded to the commonwealth “with a view to a suitable and robust inquiry being established to investigate the full history”.

That is really the only way it can happen. We can feed into something that the feds might do, but let us give them the evidence. New South Wales has done its inquiry in quite a short time frame—and it may be a different issue to a full inquiry under our Inquiries Act. But let us get this going. Let us make sure it happens so that (1) we can get healing for those affected and (2) we can find out what went wrong so that we do not make those sorts of mistakes into the future.

On recommendation 58 the government response is “not agreed”. They do not want to start. It is up to the government to tell us where and when they will do it. I am sure those on this side will consider that and think about what they might respond to.

On recommendation 59 the government response is “noted”. The response reads:

The Government’s and the Taskforce’s immediate focus is on implementation of the Scheme.

I reiterate that part of the healing will only come with answers. Recommendation 60 states:

The Committee recommends that given the size and scale of the asbestos legacy transferred to the Territory at the time of self-government, that a suitable inquiry mechanism be established to investigate the full history of various levels of government in the matter—Commonwealth and the ACT.

We can actually have joint committees. The federal parliamentary public accounts committee and the ACT public accounts committee, for instance, could do a combined inquiry. I am not sure what the New South Wales standing orders allow, but perhaps their body could join in and we could have a tri-jurisdictional inquiry, so that we work this out. I have heard rumours that some of this Mr Fluffy material may have got to homes in Queensland. If they need to be involved then so they should be. But we need to work this out and we need to stop dilly-dallying on it.

There is another recommendation, recommendation 11, that I would bring to members' attention. One of the submitters said that some owners had prior knowledge of the scheme before the details were released on 28 October; therefore, with that knowledge, they took the option to knock down. And why wouldn't you? If you knew that you could carry the cost for the time frame, that you could knock down, get the block remediated, keep your block with its full lease intact, get the lease cleared, so that you have a fresh lease with no hint of Mr Fluffy in the paperwork, and you get the government to pay for it, why wouldn't you? This goes back to the fairness test. Some people have gained from this; others will lose part or all of their block. And we should allow everyone to be treated fairly.

The government has not agreed that that be investigated. The government, in its response, says:

There is no evidence before the Government or the Taskforce that supports that assertion or on which a proper investigation might be founded.

I refer you to the submissions. There is a public submission that says that this occurred, and it should be investigated. They use the cop-out "we've got no evidence before us". Well, there is a submission there. Go and talk to the person and find out what was said. If people have benefited and others are excluded from that same benefit, this government fail in their fairness test. And that would be unfortunate.

There is an additional recommendation beyond the specific inquiry. Recommendation 61 talks about what we do in the long term. In the 90s it was brought to the attention of the then ACT government that in some places, particularly in a street in Theodore, people were suffering from an unusually high rate of cancers, miscarriages and other illness problems. On investigation, it was found they were living on an old sheep-dip site. Sheep dip is arsenic. These people were being poisoned. The then government set in place an excellent process to identify every sheep dip in the ACT and, if it was on suburban land, they were remediated. Some blocks were purchased back. I think the compensation given at the time was \$40,000. These people lost no goods but they did lose their homes. What we did was we fixed that problem. I would offer to the government that the government set in place a report—

Ms Gallagher: A different volume—a thousand homes.

MR SMYTH: The Chief Minister says it is a different volume. Absolutely, it is a different volume, but this is a public health issue. And if we do not do that, every time we dig up a block of land—as, potentially, Nudurr Drive is now uncovered; I understand there is asbestos in East Lake, which is slowing down those areas—everywhere we turn over a bit of dirt to start a new block, we seem to find asbestos. We can either continue willy-nilly or we can have an approach. The government response states that it is "noted" but that it is "outside the scope of the measures proposed in the bill".

I would hope the government comes back and says, "Yes, that's a process we need to encounter, because we don't know what happened." Recently we had the incident

during estimates when we found that there was asbestos buried at Birrigai. Every time it rained, more and more was exposed; it was breaking down and it was being cleaned up. That is the problem we face, members, and we will continue to face it until we come up with answers to the problems that this Assembly is now faced with.

There is one more interesting government response that I would bring to the attention of members. Indeed, for those that have not read the committee's report, it is now online, and I assume the government's response, if it is not online, will be online shortly and available to the public. Throughout the inquiry a number of people raised the issue of the FORAG submission to the task force. The committee recommended that the FORAG submission be released. But I was surprised to read—and I quote from the government response:

... but has not received a formal Submission in relation to Scheme design.

I think that is unfortunate because many thought FORAG had done that but had not been able to find it. (*Time expired.*)

MR GENTLEMAN (Brindabella—Minister for Planning, Minister for Community Services, Minister for Workplace Safety and Industrial Relations, Minister for Children and Young People and Minister for Ageing) (10.55): I rise to support the bill today. I would like to outline how the appropriation bill relates to changes to planning controls in the ACT and subsequently I would like to briefly touch on the relationship between this bill and my role as Minister for Workplace Safety and Industrial Relations and note the work being done by the Community Services Directorate in relation to dealing with the impact of the Mr Fluffy crisis.

Firstly, I would like to note that it is necessary to use the planning system to assist the government to defray some of the costs of the loose-fill asbestos insulation eradication scheme and to provide further flexibility for redevelopment options. I propose that a territory plan variation be released for public comment in early 2015 that proposes two main changes: the first change would allow unit titling for dual occupancy development in the RZ1 suburban zone, and the second change would reduce the minimum block size for a dual occupancy in the RZ1 suburban zone from the current 800 square metres to 700 square metres.

It is important to note that this territory plan variation is not proposing to rezone the affected blocks in the RZ1 zone. I would also like to stress that these proposed changes are not being taken lightly, and additional safeguards to control the scale of development will be put in place over and beyond the provisions that currently apply.

But, first, it is worth putting the proposed changes into perspective. Data provided by the asbestos response task force identified 1,021 loose-fill asbestos affected blocks. Under the territory plan there are 1,012 loose-fill asbestos blocks located in the RZ1 suburban zone and the RZ2 suburban core zone. The remaining nine blocks are located in other residential, commercial and community facility zones that are already subject to a broader set of development controls.

An analysis undertaken by the Environment and Planning Directorate revealed the following: 91,895 blocks in the ACT are located in the RZ1 suburban zone and 15,103 blocks in the ACT are located in the RZ2 suburban core zone. Of the asbestos-affected blocks, 863 blocks are in the RZ1 zone and 149 are in the RZ2 zone. In other words, the blocks affected by loose-fill asbestos represent 0.94 per cent of all the RZ1 blocks in the ACT and 0.99 per cent of all RZ2 blocks.

Of the 863 asbestos-affected blocks in the RZ1 zone, 567 blocks, or 65.7 per cent, have a block area greater than 800 square metres, and 771 blocks, or 89.3 per cent, have a block area greater than 700 square metres. So, as you can see, the proposed changes to the planning provisions for affected blocks will apply to less than one per cent of blocks in the suburban parts of Canberra.

Noting this important fact, I would now like to explain the rationale for the proposed changes. The RZ1 suburban zone restricts most multi-unit development, permitting low impact, dual occupancy housing only on blocks of 800 square metres or greater. However, it currently prohibits the dual occupancy from being unit titled. This means that the two dwellings are not able to be sold separately, making it difficult to obtain financing for the project as the value of development is limited.

The RZ1 suburban zone already allows a dual occupancy to be approved and built on a standard residential block. Amending the provisions to allow a dual occupancy on a block of 700 square metres or more would increase the development potential of over three-quarters of the affected blocks. Enabling the dual occupancy to be unit titled assists in increasing the value of these blocks.

I mentioned before that there would be safeguards in place to help control the redevelopment process and I would now like to elaborate on these. Reducing the minimum block size to 700 square metres or greater and allowing unit titling are the only RZ2 provisions that will be applied to the RZ1 affected blocks. Therefore, other provisions that apply to RZ2 blocks to increase the dwelling density further, such as increased plot ratio provisions and the like, will not apply to the RZ1 affected blocks. This means that the sliding scale of plot ratio that current applies to RZ1 will continue to apply, as well as the maximum number of dwellings permissible on the affected block to remain at two.

A new and important safeguard that could be considered is a requirement for unit titling of dual occupancy in RZ1 to be designed by a registered architect. While this may add some cost to the project, it would ensure a qualified design professional works through the range of urban design issues that need to be taken into account. For example, the relationship of dual occupancy development with its neighbours, streetscape character and quality of the design and the dual occupancy itself will be comprehensively considered.

The proposed provision would be applied through changes to the residential development codes and not by rezoning the affected blocks. Rezoning the blocks would lead to a scattering of RZ2 zoned blocks within the RZ1, which would create an inconsistency between the objectives of the zones. It also would mean that, if any additional sites were identified, further territory plan rezoning would be required.

The changes to the residential development codes can only take effect if a variation to the territory plan is approved. The Planning and Development Act 2007 mandates a public consultation process for any territory plan variation as well as an approved variation being tabled in the Legislative Assembly.

A development application for a dual occupancy also requires public notification and cannot be approved if it is inconsistent with the provisions in the territory plan. It is worth noting that a single dwelling that complies with the rules in the single dwelling housing development code is exempt from requiring development approval and therefore exempt from neighbour notification.

On this issue it is also worth mentioning that the gross floor area limit that applies to dual occupancy in the RZ1 zone is much less than the gross floor area limit that applies to a single dwelling. A dual occupancy is required to comply with a sliding scale plot ratio requirement that allows a maximum plot ratio of 32.5 per cent. A single dwelling, however, can have a plot ratio of up to 50 per cent. This means the bulk and scale of a dual occupancy in the suburban zone are already closely managed, and this will not change.

In summary, to enable greater flexibility for redevelopment of loose-fill asbestos affected blocks it is suggested to expand certain planning provisions applicable to these blocks. This provides greater flexibility for redevelopment and assists to increase the value of these blocks. There is no intention to amend the provisions more broadly to apply to all RZ1 suburban zone blocks.

In relation to my role as Minister for Workplace Safety and Industrial Relations, I would like to note that ensuring worker and community safety is a priority for government, and asbestos safety is at the forefront of this commitment. This is demonstrated by the recently passed asbestos safety reform legislation. On 25 November 2014, the Dangerous Substances (Asbestos Safety Reform) Amendment Bill 2014 was passed in the Legislative Assembly, paving the way for the adoption of the national model asbestos laws.

I have agreed to adopt the new WHS regulations via the Work Health and Safety (Asbestos) Amendment Regulation 2014 and I anticipate it will be notified on the legislation register very shortly. The new laws will commence on 1 January 2015. These reforms will result in the territory having the strongest asbestos safety laws in the country and, although they will have a broad application—they will apply to all workplaces, for example—they will also have direct implications on the demolition of loose-fill contaminated houses.

For example, the work health and safety regulations have specific sections relating to identification and removal of asbestos before demolition of residential premises, notifying the regulator prior to asbestos removal, notifying anyone occupying premises in the immediate vicinity of the workplace of asbestos removal, the process that must be followed regarding the removal of friable asbestos, and health monitoring for workers.

We have also made an amendment to the work health and safety regulations to specify that construction work will be classified as a construction project if the work involves the demolition or refurbishment of a structure containing loose-fill asbestos insulation. This amendment means that the demolition of a loose-fill contaminated house will trigger principal contractor obligations under the WHS laws and lead to stricter safety systems being in place during the work.

To further enhance safety, an amendment has been made to the Work Health and Safety Act 2011, allowing the territory to develop and adopt a code of practice for our largely unique situation on the demolition of loose-fill asbestos houses. I am also aware that the work safety regulator, WorkSafe ACT, has a dedicated asbestos safety team put in place and will be proactive in its safety oversight of the demolition program. As this is the case, I am very confident that the demolition of these houses can be done safely in relation to those conducting the demolitions, those who transport the contaminated materials to their final destination and the rest of the community.

Given the stressful and upsetting time that many Canberra residents are experiencing, I would finally like to note the work that is being done by the Community Services Directorate in conjunction with the asbestos task force to provide support and assistance to the affected residents. It is important that we manage and deal with all facets of the crisis, including mental health issues.

I commend the bill to the Assembly.

MS BERRY (Ginninderra) (11.07): I just want to talk briefly about this bill and this legacy of loose-fill asbestos. The recommendations in the report, following the Standing Committee on Public Accounts inquiry, talk about the scheme being necessary to ensure that the legacy of potentially deadly loose-fill asbestos that has plagued Canberra since the early 1960s is extinguished.

It is important to remember the history of this and where this came from. This started in 1968 and 1978, way before self-government in the ACT. It was the responsibility of the commonwealth at the time, and I believe that it was the commonwealth that should have continued to take responsibility for loose-fill asbestos in our homes. If there is anger in the community about loose-fill asbestos in our homes, I believe the blame should lie squarely at the feet of the commonwealth government; they should have done better by the Canberra community.

I acknowledge the work of the Chief Minister in the negotiations to get the \$1 billion loan, but I do not believe it is enough. It is disappointing and I truly believe that the commonwealth government should have done what is morally right and what is morally just. I believe that is the only thing that they should have done. Instead, they turned their backs on the people of Canberra and particularly the people who are affected in homes that have Mr Fluffy asbestos.

I know that there will be people who will try to create fear and division in our community, and that is disappointing. Using words to imply that somehow the government is profiting from this, or that there will be dangerous asbestos dust flying around, is not helpful and it is not necessary.

The recommendations in the report concerning my electorate of Ginninderra, and particularly where I live in west Belconnen, are recommendations 44 to 50. They concern a whole bunch of issues that we need to do some work around and reassure people in the community. When I talk to people who live in west Belconnen—and I do that every day—there is some concern. But I do not think scaring people unnecessarily is the solution to this. These recommendations go to reassuring people about how much we have learned about asbestos, how much we have learned about the safe transportation of asbestos, and how much we have learned about how we can safely demolish homes in the ACT and not put any further homes, families or the broader community at risk.

So I acknowledge the committee's work in bringing these recommendations to the attention of the ACT government. Based on the responses that we got during the hearings, during the inquiry, from the minister for TAMS, Mr Rattenbury, I think TAMS will be working hard on making sure that everybody in our community is kept safe during the demolition of affected homes and the transport of asbestos from affected homes to west Belconnen.

I am particularly interested in seeing if there are other alternatives. One of the things that people perhaps do not know—I think more and more of this information is getting out to members of our community—is that west Belconnen was always the asbestos tip. It is not a new tip that was decided upon; it always existed. It was always the site and a number of Mr Fluffy homes, around four, already have been demolished, disposed of and are at west Belconnen.

We do need to keep in mind that, if we want to make sure that this is the end of Mr Fluffy in Canberra, we should do everything we can to make sure that the community understand that everybody is doing their utmost to make sure that people are kept safe from asbestos. It is a risk, and unfortunately I do not think everybody does understand the risk of asbestos, but I hope through this process that people will understand more clearly that there is a great risk to people's health and to the community.

I look forward again to seeing what the ACT government's responses are to these particular recommendations, so that we can provide as much information as possible to the Canberra community, particularly to the people who live in west Belconnen, about the demolition process, and distribute information to affected suburbs so that they can be clear about what risk there is, if any, and what the ACT government is doing to ensure that people are kept safe in our community.

MR WALL (Brindabella) (11.13): I think it is evident from the speeches on all sides of the chamber today that there is no simple, perfect solution to the Mr Fluffy problem. The scheme that is proposed is far from perfect; any flexibility that can be built into it to give home owners a bit more choice about the way forward and the options that they have available to them will make it slightly better than it is, bearing in mind that perfection is something that will fail to be achieved in this scheme, given that there is just such a diverse range of needs, views and opinions of the 1,021 home owners and residents.

The flexibility that has been spoken about today that the opposition particularly wants to see incorporated into the scheme goes beyond just the flexibility of allowing a resident to stay on the block in their home for the duration of the scheme—be it an extra, six, 12 or 18 months, two years or potentially even up a five-year mark—to the potential for families to retain not the bricks and mortar of the house but the land, the suburb, the community and the connection that they have to their street and the ability to retain the ownership of their property so they can, in a timely fashion, return, rebuild their lives and construct a new life moving forward. Certainly it is not going to be an option that suits all of the 1,021 home owners, but, as I said before, it is important that that choice is given and there is an opportunity for some to take that opportunity.

Over the past months, as this issue has been on the boil in the territory and debated in the Assembly, a number of constituents have contacted me. A number of friends and close acquaintances are also affected by this. Their experiences are very different.

I was talking to one friend this week who has already signed onto the scheme. She recognises that it is not a perfect scheme but feels that it is the best option that they have for themselves—for her family and for her situation. She shared the story of entering the housing market, seeking to buy a new property and already recognising that the property market has shifted substantially from the valuation date of her property of 28 October of this year compared to 20 November 2014—less than a month difference—and what the buying power of that money is. There is the bidding war that is occurring on a number of properties, particularly in the price range that she is looking at, which is a fairly modest price range. There are a number of families, both first home buyers entering the market and Mr Fluffy home owners and investors, all competing for what is a shortage of housing supply currently in the ACT. As the buyback scheme draws on, there is going to need to be some flexibility in the valuation of family homes to account for the fact that like for like should be able to be purchased.

That goes to what the Chief Minister said and the basis of the scheme being around safety, certainty and fairness. In providing certainty for families that choose to perhaps return to their blocks, it should not be a drawn-out process. There should be some fairly tight time frames around when the block is handed over for remediation and when it can be returned to its current owners to start construction of a home. For some, a very short time frame will be appropriate; others may prefer a longer one. But flexibility in that choice should most definitely be included.

This week I had a very interesting time. I met with a friend who invited around a couple of other affected home owners. We sat in the lounge room with five families that are affected by this Mr Fluffy issue. The emergency relief that is being provided has been of great assistance for a lot of families in this emergency time. But a young lady I was talking to said that they were originally a victim of the Brisbane floods and they came to Canberra for a new opportunity. They had to replace their furniture and all their belongings after the floods. They came to Canberra, set up here, bought a new home and thought, “Life is getting better; we’re on recovery; we can move forward with our lives,” only to discover in February of this year that the home they bought with all their dreams and aspirations is a Mr Fluffy property.

So they are again in a situation where they have been forced to leave their home, leave many of their belongings behind. They are in the tough situation, two weeks before Christmas, of trying to decide whether, as the emergency funding runs out, they pay their mortgage or they pay their rent. This is where some more flexibility needs to be built into the process. A family should not be conflicted between whether they pay the rent to keep a roof over their heads now or whether they pay their mortgage so they can once again achieve the great Australian dream of owning their own home without a bad mark against their credit history.

On the topic of families who had no choice but to leave or seal up parts of their home, there is an area where there has been very little debate or discussion at this point—the contents that these families have had: the soft furnishings, the linen, the wardrobes, the clothing, belongings that were stored underneath the home where the amosite asbestos has been discovered again. There has been great discussion and great focus by the task force on the bricks and mortar aspect, on the physical property, but not on the contents, not on the things that have furnished these people's homes and have been great belongings. The government needs to acknowledge the loss of contents if it is to be a fair scheme.

For officers from WorkSafe to walk into these homes after asbestos inspections have discovered remnants of the Mr Fluffy product in cupboards, wardrobes and linen presses, and seal them up with tape and give strict orders that they not be opened again—if the government is going to take that step, there needs to be the acknowledgement that some sort of compensation that is fair is provided to cover the costs so that home owners and families are not unnecessarily out of pocket for the cost of furnishing their homes.

There have been a lot of parallels drawn with the bushfire experience and the number of families that this displaces and the like. The big difference between bushfires or floods, a natural disaster, compared to this Mr Fluffy contamination is that home owners can do the right thing. They can take responsibility, insure their property and insure their contents. If there is an unforeseeable disaster that forces them from their property, they are covered; they are insured against that loss. In this instance there is no insurance. The government has taken some responsibility to purchase the property back, but the issue of the contents is something that is being passed over. The focus has not been on that but I think it is going to become a real issue and an area where, again, there needs to be some more flexibility and some more consideration given by the government and by the task force.

In closing, I will touch very briefly on the experiences that many of these families shared. Some of them come from a similar background to mine, in the construction industry, and are experiencing some of the practicalities and the realities that come with building work. A one-size-fits-all approach is not necessarily always going to work, but sound guidelines and principles are what should guide how building work, remediation or, in this instance, seeking to prevent the spread of contamination are handled.

Many of the families felt that on a case-by-case basis some of the management measures and the way in which the contamination was dealt with in the short term on their properties were being made up on the run on a case-by-case basis that was not necessarily taking best practice into consideration. I understand that this is an unknown area. Government has not, for this size or scale, had to deal with such a contamination, particularly in the ACT. We are a small jurisdiction, and we are a relatively small jurisdiction when it comes to having to deal with major disasters. But it seems that many of the home owners have felt that the inconsistencies from one property to the other, and what they can and cannot do, have caused some unnecessary distress and uncertainty.

Likewise with communication: one home owner shared the experience that he first found out that his home was likely to be bulldozed and bought back by the government by a friend calling him up and saying, "Hi. I just heard it on the news," as opposed to directly from the task force. It has been uncertain. And it has not just been that one issue; there have been many stages through this where the media often have the story out before home owners had a letter posted to them explaining what the decision or the next step in that process might be. I understand the difficulty in communicating the message, but in the first instance a letter from the task force or from a trusted representative on behalf of the government to a home owner goes a lot further than often the misrepresentation that has been occurring on this issue in the media.

To close off, a number of members have spoken about what the long-lasting legacy is going to be. I think it is going to go beyond the buyback scheme in the five or 10 years that the loan from the commonwealth comes. With the health implications, we are going to stretch beyond—to 40, 50, 60 years and beyond. I look forward to seeing what work the task force puts together as far as a management plan is concerned. It is not just for the home owners currently, for the Mr Fluffy properties, but for those that have previously owned or occupied one of these homes and all those, like me and many of the colleagues I have had through the construction industry, who potentially, unknowingly, have worked on these properties.

Since some of the details of properties have come out, I have found that there are a number of homes that I know I have done work on personally that are Fluffy homes. I have been in their roofs; I have been underneath them. Like so many in the industry, the level of exposure which an individual may have experienced is still unknown. It is going to be difficult for subsequent governments here in the territory to come up with an adequate management plan for both the health implications and the ongoing suffering that some people, unfortunately, are going to experience as a consequence of this legacy.

It is going to be a long road ahead. Closure is what many families want—in whichever way, shape or form it comes—and some certainty. There are a lot of questions that remain unanswered. We as the opposition recognise the importance of the funding being available to start the buy-up scheme for those who are willing to enter into it at this point. But we recognise that there is going to need to be some more flexibility, and I think we are all going to need to continue to think outside the square

about ways in which we can accommodate as many people as possible in an appropriate manner that is not just sensible for the budget bottom line but also takes into consideration the human cost and the human and emotional capital that is being spent here. That, into the future, is going to serve us well as a territory if we can identify that.

MR BARR (Molonglo—Deputy Chief Minister, Treasurer, Minister for Economic Development, Minister for Housing and Minister for Tourism and Events) (11.26), in reply: To close the debate, I would like to thank members for their contributions this morning. To reiterate the point I made in introducing the bill in the last sitting of the Assembly, this bill provides for an additional appropriation of funds totalling \$762.031 million in the 2014-15 fiscal year. The government announced the loose-fill asbestos eradication scheme on 28 October 2014. That date is important because that is the date at which we offered to buy back all homes in the ACT affected by loose-fill asbestos insulation. There must be a date when we commence that buyback, and that is the valuation date; there must be one date, and that date is 28 October.

I note that there has been some commentary in the context of an expectation that house prices always rise. It is worth noting from the front page of the *Canberra Times* just this week that our city has seen the biggest fall in house prices in Australia in recent times. Prices, according to RP Data, have dropped another half a per cent just in the calendar month of November. And with what is anticipated from the federal government in their midyear update in the next couple of weeks and in their budget next year, further jobs will be lost in this city and more public service positions will be shipped out of Canberra. That will impact on our housing market. That impact will not be positive; it will be sharply negative. Canberrans who were here in 1996 appreciate just how sharply negative that could be.

So the government have made a determination that it will be 28 October. That is the date, and we will not be budging on that question. But I would offer the commentary, to those who are concerned about that, that house prices can fall as well as rise.

Under the scheme, the ACT government will buy homes at that fair market price. We will demolish and safely dispose of the contaminated properties and remediate the affected blocks. There will be, and there is, flexibility in the scheme to accommodate specific individual circumstances. I note that has been a consistent theme of both the committee inquiry and members' contributions this morning. I put firmly on the public record the government's view and the government's position that the scheme does provide for flexibility in relation to settlement timing, alignment of settlement processes and other personal circumstances. I can only reiterate the words of the Chief Minister: the government encourages all owners to discuss their circumstances and desires with the task force. The government will maintain that approach of flexibility. We have all heard that message loud and clear.

The funds that are appropriated today are required in the 2014 fiscal year by the ACT government Asbestos Response Taskforce to commence purchasing affected homes as soon as possible. The government has listened to the community, and particularly to Mr Fluffy property owners. There is a very clear message from hundreds of people

that there is a critical need to act quickly. This bill is a demonstration of the leadership shown by the government, and particularly by the Chief Minister, to provide a swift and total response to what is an unprecedented and unexpected challenge of a pervasive asbestos contamination across our community.

As the shadow Treasurer has mentioned in his comments and as we have discussed at length in the committee process, the bill predicts a final cost of the scheme in the order of between \$300 million and \$400 million. Our estimation is \$337.777 million, but I am confident in one thing: that number will change over time as more information becomes available. But let us be clear that this is a significant cost that will be shared amongst all members of the ACT community.

The government have shown leadership in making a range of tough calls on this city's infrastructure plans. Yes, we are assessing, and we will continue to assess, our spending priorities in order to address the ongoing risk that is posed by loose-fill asbestos. We have already made a number of announcements in relation to infrastructure projects that, as a result, are not going ahead on the time frame that we had originally envisaged. That has been met with some disappointment by advocates for those particular projects. There is always an opportunity cost, and there will always be a series of decisions that have to be taken. That is the tough job of being in government. We commit to working through those challenges, commencing with the midyear update for 2014-15 and then rolling through to the 2015-16 and 2016-17 budgets that remain in this parliamentary term.

Funds that are appropriated today will be provided to the Chief Minister, Treasury and Economic Development Directorate so that the Asbestos Response Taskforce can get to work on the remediation program as well as provide financial support to people affected by Mr Fluffy.

It is important to note that the bill also includes \$12.031 million in interest payments on the commonwealth's \$750 million loan to the territory in this 2014-15 fiscal year. The installation of Mr Fluffy into so many Canberra homes was something that did not occur on the ACT government's watch. Let us be clear—and I think there is broad acknowledgement—that this happened on the commonwealth's watch. I want to be clear, so that there are no misconceptions about this, that the task has fallen to us—this generation, this ACT government—to fix the mistakes of those in the past.

I also want to make clear, so that there is no misconception, what little support we have received from the commonwealth government for its mess that we are cleaning up. There has been some misconception, reported in the media, that the commonwealth has provided the territory with an interest-free loan. It has not. That is why we are having to appropriate money today from ACT taxpayers to pay the commonwealth's interest bill. The commonwealth has made no net contribution, no contribution to the net cost of this scheme—no contribution, Mr Assistant Speaker. That is very disappointing. Nonetheless, we need to act now, and we will.

The passage of this bill today is an important step in the government's response. I commend it to the Assembly.

Question resolved in the affirmative.

Bill agreed to in principle.

Motion, by **Mr Barr**, agreed to:

That the Government response to Report 6 of the Standing Committee on Public Accounts, entitled *Inquiry into the proposed Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-15*, which was presented to the Assembly earlier today, be authorised for publication.

Detail stage

Bill, by leave, taken as a whole.

MR HANSON (Molonglo—Leader of the Opposition) (11.35): I seek leave to move an amendment to this bill which has not been circulated in accordance with standing order 178A.

Leave granted.

MR HANSON: I move amendment No 1 circulated in my name [*see schedule 1 at page 4345*]. This is a pretty straightforward amendment, and I certainly hope it will be supported by those opposite. We are seeking to entrench in legislation the objectives contained in the government's own plan. The *ACT government's preferred way forward on loose fill asbestos: overview* dated 28 October 2014 lists all guiding principles and objectives of the scheme:

eliminate, by demolishing all known affected houses, the ongoing risk of exposure to loose fill asbestos insulation for homeowners, tenants, tradespeople and the wider community

provide a fair outcome for owners of affected homes

provide, so far as is possible and reasonable, flexibility and options for informed choices to be made by owners of affected homes

minimise overall net costs to the Canberra community and the ACT Government

We think it is important that those objectives be put into the legislation so that it is very clear what the appropriation of over three-quarters of a billion dollars is to achieve. At the moment it is clear that there is a dis-link between those objectives and the details of the plan. That was made very clear in the speech from Mr Smyth with regard to the committee report and, indeed, the speeches by members of the opposition with regard to the appropriation bill.

In addition to those objectives there is a small addition—the sentence about fairness—so that it reads:

... provide a fair outcome for owners of affected homes, including the ability for affected homeowners to retain ownership of their land.

As has been articulated in this place, at the moment home owners are in essence being forced off their land. As I said in the in-principle debate, they are being told, “This is the scheme; sign up or we’re going to come and we’re going to compulsorily acquire your land, and you will be massively out of pocket.” If home owners sign up under that threat, when they come back to try and buy their land, because of the uplift that is being applied—the unit titling and the subdivision—they will not be able to afford to buy back their land.

We have heard speeches today from members in this place about the importance of members’ connections to their community—what a home is and what that means. Certainly this side of the chamber understands what a home is to people. It is not simply a tax haven—which we have heard from those opposite before—it is not just a financial asset. Your home means more than that. I see Mr Rattenbury shaking his head, but ultimately that is the effect of the government’s scheme as it stands.

There is a cost to that and we have accepted that but, as I have said, it is within the margin of error of this entire scheme, and what we are saying is supported by the committee. I refer members to recommendations 19, 20 and 21 that make this clear. I do not intend to relitigate all of those arguments. But I am disappointed to see that the government in their response to the committee report are not accepting those recommendations. That is very disappointing.

Government is about priorities. Leadership is about priorities; it is about choices. As Mr Coe said, what is happening today is that the thousand or more Mr Fluffy home owners are going to be put behind six months of light rail costs. Six months of light rail costs are more important to Mr Rattenbury, Mr Barr and Ms Gallagher than providing fairness for over a thousand Mr Fluffy home owners. That is what is happening in this Assembly today. I say: shame on you. Don’t you ever—through you, Mr Assistant Speaker—come into this place again and talk about fairness and talk about compassion, because what you are doing today is putting your priorities, particularly those of light rail, ahead of fairness and of compassion.

I note there will be an amendment to my amendment moved by the Chief Minister in an attempt to essentially water down what we are saying today. But let me make a couple of things very clear: whichever way the amendment is eventually voted on by this place, it will not change the fact that this government is not changing the scheme to allow fairness. The amendment to my amendment will insert the element “as far as is possible and reasonable”. The problem when you talk about fairness is that you are either fair or you are unfair. There is no middle ground—it is either fair to the home owners or it is unfair to the home owners.

What Katy Gallagher is trying to do is insert some weasel words so that we have a semi-fair or a not quite unfair situation—it is a halfway house. That is not possible. This government needs to be fair or accept that it is being unfair. That is what is happening today. This government is going to vote on an amendment and it has provided a response to the committee report saying it will implement a scheme that is unfair. Shame on you.

Through these weasel words that will affect this amendment, home owners will still have a gun to their heads. The solution they are being offered is unfair. These home owners are to be forced off their land and these home owners are not going to be able to buy back into their communities at an affordable price.

I commend my amendment to this place. I urge members to support it in its current form. Let us not have any weasel words to try and get out of jail. We are voting on fairness today. Are we going to be fair or are we going to be unfair? That is the decision we all must take.

MS GALLAGHER (Molonglo—Chief Minister, Minister for Health, Minister for Higher Education and Minister for Regional Development) (11.43): Up until the speech that has just been given by Mr Hanson, this whole issue had been dealt with in a very unusual way for this Assembly in that it had been worked on collegiately, collaboratively, with lots of discussions, with lots of cooperation and with lots of understanding. It seems that just walked out the door with the speech Mr Hanson just gave. I assure the Assembly that I have been speaking to Mr Hanson over a number of months about the need to get uplift from the land, and absolutely no concerns were raised with me during those discussions until the last week—absolutely none. In fact, in our discussions there had been an acceptance from Mr Hanson that the government must recoup costs to pay off the scheme.

In talking to his amendment, Mr Hanson said, “We’re prepared to accept those costs because they’re within the margin of error.” I do not know how a figure of \$54 million is within the margin of error of a net cost of \$300 million to \$400 million. It seems a pretty large margin of error to me.

Mr Wall: It’s your margin.

MS GALLAGHER: The net cost. We are talking about the net cost for the scheme. And then Mr Hanson brought light rail into it and ran that line. Mr Hanson knows full well this issue is being dealt with over the next five years. There is no compare and contrast with light rail when not a cent will be spent on capital expenditure on that until 2019-20—well beyond the time the funds that are required for this go.

Yes, the government needs to show leadership. To get a lecture on leadership from Mr Hanson like that at this point in time is insulting, and I am insulted. I am the one who stood up and actually said we need to do this. People have called it brave. People have called it crazy. People have said we cannot afford it. There is genuine acceptance that nowhere else in the world has a government stood up and said, “We will buy back these homes at market rate as if there was no asbestos present to allow you out of the situation you find yourself in through no fault of your own.” No-one else has stood up. This government has done it.

Yes, we accept that the solution that is the fairest across the board does not equal people’s own individual concept of what is fair to them. But a government must govern for all. It has to be fair to the taxpayers who are paying for this. It has to be fair to everybody within the scheme, and the fairness comes from being able to get out

of the financial predicament people are in at the moment. That is why the government are proceeding this way. But, yes, we have to recoup some costs. We need to recoup some costs. The only way we can do that is through selling those clean blocks and a component of that having extra development rights.

We will support the amendment Mr Hanson has moved because, with the exception of the insertion of about five words, it is essentially our words. We designed a scheme based on fairness, a scheme based on safety and a scheme based on getting rid of the asbestos legacy now and forever. They are our words, and we will support them.

We will work individually with home owners. I am aware of a number of cases where people have come forward and sat down with the task force, explained their individual circumstance and desire to return to their land and have been provided with the advice on how to do that, and they believe they are able to do that. That flexibility is there, but it requires that conversation. It requires examining whether land rent is an option for them. It requires a decision about whether downsizing on the block is an option for them. All of these are options that can and should be considered. There are people that can and will afford the land at the rate they choose to buy it back at. Without knowing what the housing market is doing, as the Treasurer alluded to, it is very difficult to predict in two and three and four years what the market rate of that land will be. That is why the fairest way to do it is to provide the market rate of the home and land as of 28 October, when the scheme was announced.

I would also say that, in terms of my inbox, I have received more letters from people thanking the government for the approach they have taken and the task force for the work they have done. We know that probably by Christmas 400 valuations will be complete. We know that with the funds the Assembly has just agreed to, probably 28 homes will be sold and transactions complete by Christmas. We know nearly 700 people have opted in to the valuation scheme.

In relation to this myth that Mr Hanson now perpetuates that I am holding a gun to people's heads, I refer members back to the evidence I gave to the committee where I was pressed: "What will you do? What will you do if people do not take up this offer?" I said, "I don't want to go down that path." I have listened to speeches in this place today where everyone on the opposition side has stood up and said, "Yes, demolition of every house should occur." So we all agree every house needs to be demolished, even though there are a number of recommendations in the committee report that would argue that that might not be the case.

Mrs Dunne: No, it doesn't.

MS GALLAGHER: Well, there are recommendations that say people should be able to stay for the length of time that is convenient for them. But that is not the position that we have taken. The scheme allows for the financial payment to flow to families and then for their situation to be negotiated with the task force. I am not holding a gun to anyone's head but, if at the end of the day people refuse to have these homes demolished, there will have to be another response. There has to be. But you have a look at the words I put to the committee about how we will work individually with people to make sure we do not get to that point, the effort that will go in and the fact

that we will concentrate on the people who do want to participate in the scheme in the first instance before we move to those who do not. I went through all of that. I strongly reject the allegation that the government are trying to threaten people. We have absolutely gone out of our way not to do that.

The government have also been accused by the opposition today of having our priorities wrong. The government have made very clear from the minute we accepted financial responsibility for this program that we had four priorities: the asbestos eradication program, health, education and public transport. Just because we have to deal with a difficult situation for a thousand homes does not mean there are any fewer cars on the road; it does not mean we do not have to build new hospitals; it does not mean we do not have to build more roads; it does not mean we do not have to put on extra ACTION buses. We have to do all of those things. And that is the point: you cannot have one priority when you are in government, because there are too many priorities. There are too many demands.

We need to build schools. People will still have babies; we need to make sure hospitals are ready to deal with them. Extra cars will be bought. The population will grow. All of these things have to be managed over the next five years. You cannot just say that if we do not give everybody exactly what is going to work for them then that is not us prioritising this. We have prioritised it. It has been my number one issue all year, and it will remain the government's priority as we move through it. The task force will work with people individually to see what works for them.

The banks are coming on board. The Commonwealth Bank has just announced \$10,000 for every Fluffy home owner as a special assistance payment to get them through difficult times. We are seeing everything we wanted to see happen start to happen. But the government also has to govern for everybody and make sure we are able to do all of the things the government wants to do. To accept the recommendations in full from the public accounts committee would mean we could not afford the scheme at all, and then where would we be, without any help from the commonwealth?

MR RATTENBURY (Molonglo) (11.53): I rise today to speak to the amendment moved by Mr Hanson and to the amendment foreshadowed by Ms Gallagher that I think she will also move at some point in the debate today. I will actually be supporting both amendments. I think the amendment that Mr Hanson has brought forward captures the principles that have certainly been in my mind. They have been in the mind of the ministers when this matter has been discussed in cabinet and they have been on the task force's mind.

That they come from the task force's document underlines that fact. But I think it is useful to articulate them in this place, to be transparent about them and to put them into the legislative record as well as being part of the documents of the task force. On that basis, I think it is quite worth while to bring these words to the Assembly today.

Of course, Mr Hanson has added to the words of the task force and put a particular filter on them today. He has then sought to suggest that those on this side of

the chamber—the Greens and the Labor Party—are not being fair in this matter. The challenge for government is to balance fairness for individuals and fairness for the whole community. That balance has to be struck somewhere. A line does have to be drawn. I have thought long and hard about this as we have gone through the process of trying to come up with the right package. While the Chief Minister has taken the lead on this, all the ministers in cabinet have had to turn our minds to this because it is such a significant issue for the ACT.

The question I have tried to contemplate, that I have thought about, is this: is justice being done? For those people who have found themselves, through no fault of their own in these circumstances, is this a just outcome? At the end of the day, somebody who does find themselves in these circumstances will be given the full market value of their house. They will be given a range of other assistance packages. There is the actual cash assistance for the short term, there are stamp duty waivers and there are other benefits that are being put in place for people.

I do believe that is a just outcome. To be given the full value of your home is a just outcome. It is certainly better than some people did in the Canberra bushfires. It is better than the situation people often find themselves in as the result of natural disasters. That is not to say there is not still hardship. There is still hardship. There is still loss. There is still dislocation. There is still pain. All of those things are still there. But the government cannot fix all of those things. The government can deliver justice in providing financial recompense for people who have found themselves in these very, very difficult circumstances. So, yes, in thinking about this, I do believe that there is justice, even though those other things cannot be taken away.

The bottom line is that this issue will reverberate through our community for a long time to come. Today is not the end of the matter. It is certainly the beginning of the end because the government has taken a decision to finally, once and for all, deal with the Mr Fluffy issue in this town. Mr Wall touched on it today in his remarks when he said that, as a tradesperson in the company that he ran, he has entered Mr Fluffy houses and done work in Mr Fluffy contaminated houses. So for him there remains an outstanding question.

There are many people in our community who face that prospect, not just the families who are living the homes today but families who have lived in those homes over many years. Earlier this year as this issue came to light I got a phone call from my mother saying, “You recall that we lived in a Mr Fluffy house. You recall the fact that we had the kitchen and the bathroom renovated in that house before the remediation program took place. You will recall that we used the subfloor space as a storage area for our bikes, for our lawnmower, for the family tools.” So we have lived in that place as well. That thought will sit in the back of the mind for many years to come.

Many, many Canberrans have these experiences and this issue will reverberate through our community for many years as more people are diagnosed potentially with diseases arising from this. So today is not the end of the matter. There is so much more to go in this journey for the families who must deal with this in the next few years and the families who deal with it for many, many years to come.

What we need to do is to deal with today's Mr Fluffy issue that we inherited. That is what this process does and it does it to the best possible level of fairness that delivers for the individuals who are affected right now and for the whole community that we as a government need to look after as well. We also need to continue to look after all the other aspects of this city.

The Chief Minister has just made similar comments to those that I had jotted down in preparing for this contribution to the debate. We need to keep building this city into the future. We have got to build roads. We have got to repair footpaths. We have got to build new schools and we have got to do a whole lot of other infrastructure—the things that Canberra Liberals write to me about every single day, saying, “We need more money for this, or this, or this.” I get many letters each week from them and other constituents. All these other things have to be afforded as well. The government has to try to find the right balance.

That is what we have sought to do here. We have sought to find fairness for the whole community. These principles that Mr Hanson is inserting into the legislation I think capture that. They capture the fact that, as far as possible and reasonable, we need flexibility, we need fairness and we need safety. They are all hard asks in the absence of significant support from the commonwealth government, because, let us be honest, the commonwealth have done the very bare minimum, the absolute bare minimum, they can in this process.

So the ACT has to bite the bullet on this. I think the government has done that, and that is why I have supported the bill today and why I feel that the point Mr Hanson is making is not a fair one. I think he has got it wrong. I think that we have sought to find the best possible balance we can for the whole community on this package.

MS GALLAGHER (Molonglo—Chief Minister, Minister for Health, Minister for Higher Education and Minister for Regional Development) (12.00): I move:

In proposed clause 3A(b), after “provide”, insert “, so far as is possible and reasonable.”.

Mr Hanson accused me of weasel words. I am actually picking up the words that he has inserted into paragraph (c) of his amendment. It will read exactly the same as his amendment: provide, so as far as is possible and reasonable, flexibility.

Instead of having that justified at subsection (c), it will apply to subsection (b). It is in line with the scheme that is in place and, as I said, with flexibility. More flexibility exists in the scheme than I think is commonly understood. That is why we need those who are not happy with how the scheme is to engage actively with the task force. That is the job that starts as soon as people would like.

For those people who are unhappy with the scheme: get a valuation done. Talk to the task force. No-one is going to move you out of your home without your permission. Nobody has a gun to your head; just engage with the task force. I think probably in my last opportunity to say any words on this bill today, I do note that I find it a little

ironic in a sense that the Commonwealth Bank has put \$2.5 million more than the commonwealth government on the table to help this issue. Here we have the Commonwealth Bank being more generous than the government that was actually responsible for the filling of people's roofs with this product some 40 years ago. I think the Assembly should note that.

MR HANSON (Molonglo—Leader of the Opposition) (12.03): I will be brief, Mr Assistant Speaker. Mr Rattenbury said that a line has to be drawn somewhere. It is very clear in this debate that the line that has been drawn by Mr Rattenbury is a tramline between Gungahlin and Civic, and he is putting that ahead of this issue today.

The decision is whether we are going to have something that is fair or something that is unfair. That is the debate that we are having now. There are always commitments that the government must achieve in health, education and community services. But equally there are discretionary priorities. It is clear that light rail, as a discretionary priority of this government, is being put above a solution that would be fair to Mr Fluffy home owners.

The reality is that the government scheme—I will say it again—in the words of Mr Fluffy home owners, puts a gun to their head. They are being forced off their land and that land will become unaffordable so that they are unable to rejoin their communities. Shame on you. We will not be supporting the government's amendment to my amendment, because what it is saying is that you do not stand up for fairness for the Mr Fluffy home owners.

Question put:

That **Ms Gallagher's** amendment to **Mr Hanson's** proposed amendment be agreed to.

The Assembly voted—

Ayes 9

Noes 8

Mr Barr
Ms Berry
Dr Bourke
Ms Burch
Mr Corbell

Ms Gallagher
Mr Gentleman
Ms Porter
Mr Rattenbury

Mr Coe
Mr Doszpot
Mrs Dunne
Mr Hanson
Mrs Jones

Ms Lawder
Mr Smyth
Mr Wall

Question so resolved in the affirmative.

Mr Hanson's amendment, as amended, agreed to.

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

Bill, as amended, agreed to.

Adjournment

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

That the Assembly do now adjourn.

Legislative Assembly—parking

MRS DUNNE (Ginninderra) (12.09): Mr Assistant Speaker, I would like to draw members' attention to the fact that the parking inspectors have been through the Assembly car park this morning. Those people who did not update their parking vouchers will have received a parking infringement notice.

I know that members have been warned about this—this is actually to save me writing an email—but on this occasion if members or staff who are entitled to park there have received a parking infringement, I would like to know about it so that the chief attendant can write to the parking inspector organisation about that.

Question resolved in the affirmative.

The Assembly adjourned at 12.10 pm until Tuesday, 10 February 2015, at 10 am.

Schedule of amendments

Schedule 1

Appropriation (Loose-Fill Asbestos Insulation Eradication) Bill 2014-2015

Amendment moved by Mr Hanson (Leader of the Opposition)

1

Proposed new clause 3A

Page 2, line 10—

insert

3A Guiding principles

The guiding principles of the appropriation are to:

- (a) eliminate, by demolishing all known affected houses, the ongoing risk of exposure to loose fill asbestos insulation for home owners, tenants, tradespeople and the wider community;
 - (b) provide a fair outcome for owners of affected homes, including the ability for affected home owners to retain ownership of their land;
 - (c) provide, so far as is possible and reasonable, flexibility and options for informed choices to be made by owners of affected homes, and
 - (d) minimise overall net costs to the Canberra community and the ACT Government (thereby minimising the flow-on impact to other government policy and program delivery areas).
-