



**QUESTION TIME**  
OF THE  
LEGISLATIVE ASSEMBLY  
FOR THE  
AUSTRALIAN CAPITAL TERRITORY

**HANSARD**

Edited proof transcript

Tuesday, 2 December 2025

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## **Tuesday, 2 December 2025**

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**Questions without notice**  
**Health—General practice clinics**

**MR PARTON:** My question is to the Minister for Health. Modelling has shown that if a doctor bulk-bills a standard level-B consultation in the ACT they would earn around \$8 per appointment after insurance costs, overheads and income tax. Minister, can I ask how does the government expect GP clinics to remain viable under these conditions?

**MS STEPHEN-SMITH:** I thank the Leader of the Opposition for his question and congratulate him on his appointment, the first time I have had the opportunity publicly in this place to do that.

The Leader of the Opposition's question really speaks to the fact that, if he wants to be the shadow minister for health, which I understand is on the cards, he may need to get a better grasp of what is an ACT government responsibility and the viability of general practice and, in particular, as it relates to the Medicare Benefits Schedule. Reimbursement under that schedule is not a matter that is in the control, in any way, of the ACT government. We are, of course, working with the commonwealth and continue to advocate for sustainable primary care. One of the reasons that we have seen the significant pressure on the public health system is because of the primary care crisis that was created by an extended freeze of Medicare Benefits Schedule rebates under the previous coalition government, something that the Albanese Labor government has been addressing in multiple ways, including by tripling the bulk-billing incentive to encourage more general practitioners to bulk-bill—

**Mr Parton:** Point of order simply on relevance. The minister was asked how the government expects GP clinics to remain viable under these conditions and I am not sure she is answering the question.

**MR SPEAKER:** Well, she has 30 seconds to go.

**MS STEPHEN-SMITH:** I am on record repeatedly, Mr Speaker, acknowledging the challenge that is faced by GPs and primary care providers in the circumstances of the 10 years of neglect of the previous coalition government.

**MR PARTON:** Minister, what assessment has the government made of the impact of payroll tax settings on the sustainability of lower medical costs for GPs in the ACT?

**MS STEPHEN-SMITH:** Well, again, the Leader of the Opposition may want to look at some of the comments that were made around the changes to payroll tax for general practice that were announced by ACT Labor in the election campaign and then given effect through the 2025-26 budget. Those were welcome changes where any income that is generated from a bulk-billed appointment is not counted towards income for the purposes of payroll tax.

This is a balanced response that recognises that private practices are private businesses and some of them charge hefty fees and are very profitable private businesses. Some GPs make very good incomes. Other GPs who bulk-bill are really struggling to sustain that activity, and practices that bulk-bill are. This is why the Albanese Labor government's tripling of the bulk-billing incentive for all bulk-billed appointments and

their additional 12.5 per cent practice incentive payment for practices that fully bulk-bill are so welcome. We have already seen at least an additional five practices that were not previously fully bulk-billing in the ACT move to full bulk-billing since those changes came into effect in November. I expect as practices and GPs work through the implementation of that we will see more moves towards bulk-billing, and, of course, all of the revenue that is generated from any of those bulk-billed appointments will be exempt from calculation under the payroll tax arrangements.

**MR COCKS:** Minister, did the government choose to keep its GP tax because it has run out of money?

**MS STEPHEN-SMITH:** I refer Mr Cocks to my previous answer. I think I have covered that off.

### **ACT Policing—Winchester police station**

**MS MORRIS:** Congratulations to you, Mr Speaker.

My question is to the Minister for Police, Fire and Emergency Services. The government has known that the City and Winchester police stations have been functionally obsolete and have not met the needs of ACT Policing since 2018. Minister, has the government delayed outlining plans for these facilities because of budget constraints?

**DR PATERSON:** I thank the member for the question, and I congratulate Mr Hanson too. It is nice to see you up there.

As we have made clear to the Assembly and through the annual reports process, we have a process underway to understand. We had a request for expressions of interest from the market on a new City police station and Winchester police headquarters. We will continue to work through this process and recognise that it is a priority to see ACT police in new facilities.

**MS MORRIS:** Minister, when will you release a timeline and details for the new City and Winchester police stations.

**DR PATERSON:** As I said in my previous answer, we are working through a process at the moment, and we will continue to do so.

**MR PARTON:** Minister, how has the ACT's fiscal position impacted community safety and the ability of ACT police to do their jobs?

**DR PATERSON:** What we have seen from the ACT Labor government over the last three years has been a sustained investment in ACT police. We have seen investment and a commitment over the election to see 150 more ACT police officers. That has been committed through the budget. It is currently in process and will continue until 2029.

We have also seen significant investment in the last budget in the new enterprise agreement with our AFP officers, and this goes towards supporting the health and wellbeing of our officers. We are also seeing significant investment in our current ACT

Policing facilities to ensure that they remain open and operational, as well as investment in our newer projects looking at options for a new City police station and headquarters as well as a Molonglo police station.

### **Schools—coloured sand—management and remediation**

**MR BRADDOCK:** My question is to the Minister for Education, relating to the recent school closures due to asbestos contaminated sand. Parents from Ngunnawal Primary School have approached me with questions, given that their school was closed for an entire week. Minister, what was the decision-making criteria and process to determine which schools would be remediated and reopened first, and which ones would remain closed the longest?

**MS BERRY:** Thank you. I can say that I did provide a statement updating the Assembly on the work that occurred regarding the closures of schools as a result of asbestos contaminated sand, to ensure that our school staff and students were safe. I also said in that statement that getting our specialist schools opened was the priority, and I explained the reasons behind Malkara primary school needing to close for a second time because of increased contamination.

As the issue was identified, and the level of contamination was identified, the work was batched with the assessor so that the assessor could be working in parts of the ACT, to ensure that those schools could be reopened at a particular time. Having somebody working in a school in Tuggeranong then travelling over to Ngunnawal to do a school was not efficient. It might not have necessarily been that a school in Tuggeranong had more contamination than a school in Ngunnawal. It was about making sure the schools were batched in a way that we could efficiently open schools as quickly as we could.

Given the nature of the work and that there was a significant amount of work in going in to identify the contamination in the first place, and then having licenced assessors remove the sand, I acknowledge that it did take some time and there were some schools that were frustrated at the number of days that they were closed for. I have acknowledged that publicly every day since the ACT government made the decision to close the schools, based on our legislative requirements. But I acknowledge the confusion for some families and the disruption to their lives that that decision created for them. I also say that at the very front of our minds was making sure that our schools were safe for students and families. I acknowledge that some schools think that their school should have been reopened earlier, but it was a complicated process.

**MR BRADDOCK:** Minister, why weren't those schools which faced lengthy waits for reopening provided with that information earlier in the week, to allow parents certainty to plan?

**MS BERRY:** It was a matter of information not being available to get out to families, because the level of contamination was often not known. So, it was not possible to provide information earlier, as I said.

Those investigations were happening over a number of days, which I explained publicly every single day throughout this process. Again, I acknowledge that not everybody would have seen that communication and that they would have been frustrated at the

length of time that schools were closed. It was simply a complicated, complex process where the information was not known to be able to give to families in a more timely way. If I could have done that, I would have. The Education Directorate and others tried very hard to make sure that communication was going out families as soon as we had information.

It would have created more confusion and disruption if we had provided information that was incomplete, or if we needed to change that information, without knowing the incidences and circumstances within each and every school—which was dynamic.

**MISS NUTTALL:** Minister, outer-suburb schools were hit the hardest by these closures. Is that a coincidence, or was there rationale from your directorate on this timing?

**MS BERRY:** We are still going through removing sand from schools. So, sand will still be in schools for days—perhaps even in years it will be discovered. It was a complicated, dynamic process. Each school had a different circumstance. I would strongly advise members and the Greens, that if they have people contacting them who want information to put them in touch with my office.

*Mr Parton interjecting—*

**MS BERRY:** Yes, but I can probably solve the problem them if they put them in touch with me.

*Members interjecting—*

**MS BERRY:** So, rather than waiting to have their questions answered in this place, they could come to my office and ask me for advice, and I could perhaps provide them with a more fulsome response. But I don't think it is appropriate, given that we are just out of a pretty significant health risk in our primary schools and high schools and colleges here in the ACT, as a result of a national incident—

**Miss Nuttall:** With apologies to interrupt, minister. On a point of relevance under 118AA: the question was if it was a coincidence that outer-suburb schools were hit the hardest. I did not hear that in the minister's answer. I am wondering if the minister has in fact answered that.

**MR SPEAKER:** We will give her 34 more seconds and see if she gets to the point before I make a decision on that.

**MS BERRY:** Well, no, I think it was probably likely just a coincidence. But I would also say that fearmongering or suggesting that some schools were left out because of where they are situated is not helpful in the context of this discussion.

### **Roads—Black Spots Program**

**MS LEE:** My question is to the Minister for City and Government Services. Minister, on 23 September, you were asked whether the ACT government had submitted any requests for funding under the commonwealth government's Black Spots Program. The

response that you gave on notice confirmed that the ACT government had not submitted any requests due to Roads ACT's crash database being unavailable for an extended period of time as a now completed system upgrade took place. Minister, what was the expected downtime versus the actual downtime of the Roads ACT's crash database being unavailable?

**MS CHEYNE:** I thank Ms Lee for the question. I believe it was unavailable because new data was being added into it. Going to the point of the question, which was the expected downtime versus the actual downtime, I will need to take that on notice and come back.

**MS LEE:** Minister, how much commonwealth revenue was forgone due to the ACT government's failure to apply for funding?

**MS CHEYNE:** I will try to answer that as best I can, because we seek commonwealth funding for a whole range of different projects, and not just through Black Spots funding. I will interpret the question—through you, Mr Speaker, perhaps you can tell me if I am wrong—as being that it is about how much we did not receive from the commonwealth by not applying through the Black Spots Program. I will need to compare that to previous years and see whether there is any great deficiency. I would note that we continue to receive an awful lot of funding from the commonwealth, including for our major infrastructure projects.

**MR MILLIGAN:** Minister, how was this forgone revenue accounted for in this year's ACT budget?

**MS CHEYNE:** I will also take that on notice. I do not think it was. I will check this, but I do not think that we would be hypothetically assuming some revenue would be received every year through the Black Spots Program. I will check and correct the record if I am wrong, and see if there is anything further that I can add. It is probably more reflective of funding that we expect to receive, and have some reasonable confirmation of that, as opposed to something that might be open for a particular application but not yet provisioned. I will double-check that.

### **Public schools—senior secondary language courses**

**MR EMERSON:** Mr Speaker, congratulations on your new role. My question is to the Minister for Education and Early Childhood. The winding up of CIT Solutions has left the future of the ACT's external senior secondary languages offering in limbo. While year 11 students have been assured they can continue their studies through to year 12, year 10 students still do not have clarity on what will be available to them next year, in year 11. When did the ACT government first find out that CIT would no longer be delivering this program? And what has it done since to address this emergent gap in our public education system?

**MS BERRY:** I can only speak for the Education Directorate. The question with regard to CIT Solutions' decision would need to go to a different minister. I am not responsible for CIT. However, once the Education Directorate was made aware of the decision by CIT Solutions to discontinue their language program, Education has been working with CIT on ensuring that existing students would be able to continue their language program

with CIT Solutions until CIT Solutions complete the wind-up. I understand that there is a motion before the Assembly to discuss this at a later time, Mr Speaker, so forgive me if I say anything wrong or pre-empt anything that is coming up later in the week. Bring it to my attention and I will stop.

Also, our ACT school system is meeting with and working with families to understand their needs as far as language education within our school system is concerned. The ACT government and the Education Directorate are not considering opening a centralised school system or taking on the responsibility of the process that was formerly operated by CIT Solutions. However, we are working with students to ensure that they can continue to study languages across the college system, either in their existing college or a college that offers a language that might be appropriate for them or by having home college and perhaps having a satellite school where they can continue that language program. But, regarding the decision of CIT Solutions, that is not a question I can answer.

**MR EMERSON:** Thank you, Minister. Why in December has the government still not made a clear announcement about its plans for language learning options for year 10 students moving into year 11 next year?

**MS BERRY:** I will double-check this, but I understand that CIT Solutions has provided information to existing year 11 students. For year 10 students, I have described the processes that the Education Directorate is working on with individual students and their families.

**MS BARRY:** Minister, why isn't the Education Directorate exploring how we can take over management of the external senior secondary school language program, given it operates on a cost-recovery basis?

**MS BERRY:** Again, I understand that this is up for a debate at a later time in this sitting period. CIT Solutions offered a language program to both public and private school students as part of their ATAR studies. It is not for the Education Directorate to take responsibility of a private offering by CIT Solutions and open a centralised language school. What we are instead investigating and working with families on is to still offer a language program to public school students for free across our college system and offering languages that the students might wish to study. What Ms Barry is asking the Education Directorate to do is to fund a new school, basically, for education in both public schools and private schools, which is something that the ACT government cannot consider in this timeframe, but we can still offer language programs, and that is what we are working on.

### **Public schools—Strong Foundations program**

**MS CARRICK:** My question is to the Minister for Education and Early Childhood. In the Strong Foundations implementation plan phase 1 document, your message states that, as part of your “phased approach, the expert panel will undertake an annual independent review of implementation and report directly on progress to the government.” In particular, the progress on recommendation 5, which is about assessment and diagnostic tools, and recommendation 6, which is about individual and group support for students, is not clear. Minister, has the government received the

expert panel's review of implementation and will this review and the new learning and teaching policy be made public?

**MS BERRY:** Yes, the expert panel are currently doing the review process, and I have met with the chair of the expert panel to discuss the review that they have been undertaking. I do not yet have a document to provide for the public to understand, but I can take that question on advice. I am not sure when it will be available but, once it becomes available, I cannot see why it should not be made public. But I will take the question on notice on when it will be available.

**MS CARRICK:** Minister, has the government developed the new assessment strategy outlined in recommendation 5? Which assessments will be mandatory from 2026 in addition to the year 1 phonics tests?

**MS BERRY:** At this stage, it is only the year 1 phonics test. There is continued work happening with the implementation of Strong Foundations.

**MISS NUTTALL:** Minister, has the government identified the multi-tiered systems of support models to test in 2026, as outlined in recommendation 6? How long will it take to implement those preferred models permanently?

**MS BERRY:** Work has been happening with the Education Directorate on those models and on their implementation, and we will be working towards phasing that implementation in 2026.

### **Climate change—ACT greenhouse gas emissions inventory report**

**MR RATTENBURY:** My question is to the Minister for Climate Change, Environment, Energy and Water on the timely delivery of reports. Minister, you have made a number of comments regarding the contents of the *ACT greenhouse gas emissions inventory report 2024-25*, noting the ACT will not meet its legislated emissions targets for 2025. Minister, on what date did you receive the report on greenhouse gas emissions and targets from the independent entity?

**MS ORR:** I received the finalised report for the 2024-25 greenhouse gas inventory at the end of November.

**Mr Rattenbury:** Sorry, the end of?

**MR SPEAKER:** The end of November the minister said.

**MR RATTENBURY:** Thank you Minister. On what date did you receive a report from the independent entity indicating the emissions target was not met, and I mean a specific date as opposed to a period of a month.

**MS ORR:** I am going to take the term “report” in its broadest terms and say advice, because data that informed the greenhouse gas inventory was finalised in October. The final report, as I said in my previous answer, was provided at the end of November. I believe it arrived in my office on 27 November, but I would have to double-check with the directorate when they sent that up, if that is the date Mr Rattenbury is after.

What I would note is that while the final data and reporting was provided to the directorate and then to me through them in the timeframes required by the statutory processes, the City and Environment Directorate officials do engage regularly with the independent entity as part of preparing the greenhouse gas inventory. Throughout this process officials from the directorate have kept me briefed as to how the ACT was tracking with the available data and projections at the time.

**MS CLAY:** Minister, why is the government response to the Commissioner for Sustainability and the Environment's report *Close to the edge* overdue, given that the EPSDD annual report states that it was due on 15 November this year?

**MS ORR:** The government's response to the report is not overdue. The report was self-referred by the commissioner. That does not require—under the legislation, the statutory timeframe to respond—if the minister refers a matter to the commissioner for reporting then the government must respond within six months under the legislation. The reference that Ms Clay has made to the EPSDD annual report, following on from the most recent annual report hearings where this matter first came up—I have checked with the directorate and they have confirmed it is a mistake and they will be providing an amendment to the annual report in due course.

### **Economy—performance**

**MR WERNER-GIBBINGS:** Welcome, Mr Speaker. My question is to the Chief Minister. Chief Minister, could you please provide an outline of the territory's performance within the recent ABS State Accounts?

**MR BARR:** I thank Mr Werner-Gibbings for the question. I am please to report to the Assembly that the territory is now in its 33rd consecutive year of economic growth. The latest ABS data indicates that we are in fact the strongest growing state or territory economy. In the fiscal year 2024-25, the territory's gross state product grew by 3.5 per cent, which was the fastest rate of any state or territory and more than double the national growth rate of 1.4 per cent.

Pleasingly, we are also seeing gross state product per capita numbers that lead the nation—a growth rate of 2.1 per cent, which is three times faster than the next closet state, Tasmania, which had a GSP per capita growth rate of just 0.7 per cent.

This most recent data follows the 3.6 per cent growth result in 2023-24, meaning that the territory has gone back-to-back at the top of the table of economic performance around the states and territories. Equally important is the increase with experience in state final demand, which grew by 4.1 per cent in fiscal year 2024-25. It was principally driven by increases in public consumption, public investment and household consumption.

**MR WERNER-GIBBINGS:** Chief Minister, what did the release tell us about our labour market?

**MR BARR:** Pleasingly, it told us that our growth in output has been matched by strong labour market outcomes. In October 2025, the territory recorded an employment-to-population ratio of around 69 per cent, and a participation rate above 72 per cent. Both

these figures are significantly higher than the national averages of 64 per cent for employment-to-population ratio and 67 per cent for participation nationally.

At the same time, the territory's unemployment rate of about 4.3 per cent is broadly in line with the national rate. That means that we are combining high labour force engagement with relatively low unemployment.

We are also seeing robust growth in business numbers, from around 31½ thousand in the middle of 2021 to nearly 37,000 businesses operating in the territory in June 2025. That is an average annual increase of around 4.1 per cent. According to the ABS, that is the fastest in the nation.

These figures confirm that the ACT economy not only is growing faster than the rest of the country but is doing so on the back of a highly skilled and highly engaged workforce that is well placed to sustain our economic performance of 33 consecutive years of economic growth into the future.

**MS TOUGH:** Chief Minister, will the government continue to drive growth in the territory's economy?

**MR BARR:** Yes, we will, and I thank Ms Tough for the supplementary question. have launched our economic development framework for the rest of this decade. It is built around four key priorities: knowledge-based economic growth; taking the economic opportunities associated with a net-zero-emissions future; investment in productivity-enhancing infrastructure; and continuing to enhance our world-leading city liveability.

Delivering precincts that integrate jobs, education and culture is central to our approach, supporting business and attracting investment in the industries that will shape our city's future. Through innovation and partnerships we seek to turn climate ideas into impact by creating jobs and industries for a net-zero economy—and to build on our city's great strengths, education and research. This sector has a strong focus on delivering city-shaping infrastructure that strengthens our visitor economy and creates connected and engaging spaces for the community.

### **ACT Revenue Office—fees**

**MR MILLIGAN:** My question to the Minister for City and Government Services. Minister, this year the government increased parking fees by roughly six per cent; increased the cost to apply for, or renew, a licence by 10 per cent; increased vehicle registration by five per cent; and also removed the exemption of duties for electric vehicles. Minister, in real terms, what impact will this have on Canberrans?

**MS CHEYNE:** I thank Mr Milligan for the question. I probably need some clarification about what he means by “real terms”. I am not trying to be cute here, but I just do not know how you are looking for me to answer this.

**MR SPEAKER:** Mr Milligan, care to clarify?

**MR MILLIGAN:** It is pretty much: what impact does the minister think that these

price increases will have on Canberra families?

**Mr Barr:** Is that an expression of opinion, Mr Speaker, that is being sought?

**MR SPEAKER:** It is a fine line, isn't it, Chief Minister? I think we will move to a supplementary, Mr Milligan, and I remind you not to seek either hypotheticals or an expression of interest.

**MR MILLIGAN:** A new supplementary? Thank you for your generosity, Mr Speaker.

Minister, what was your role in these fee increases on Canberrans during a cost-of-living crisis?

**MS CHEYNE:** I would say it was as minister. So, all of these funding decisions go through an iterative process, through much consideration—and, I would say, consternation as well. We really were trying to make sure that our increases were proportionate to where there are other costs. As minister, of course, I take responsibility for any fees and charges that have increased within my portfolio.

I think Mr Milligan might be suggesting that we should put a pause on all of this. Looking at our fees and taxes and whatever it may be, the fact is that there are costs going up everywhere and it also remains true that a number of our fees and charges are inconsistent when compared with other states and territories—and, equally, that they have not been reviewed for some time. So, that is why you see some larger increases from time to time, but this is usually detailed extensively in the explanatory statement.

**MS MORRIS:** Minister, have you increased these fees because the government has run out of money?

**MS CHEYNE:** No. Mr Speaker, I refer the member to my previous answer.

### **Asbestos—loose-fill remediation scheme**

**MS BARRY:** My question is to the minister for the environment. Minister, the opposition has been engaging with constituents impacted by the Mr Fluffy disaster for a long time. Many of them have been deeply traumatised by the government's handling of the program and its subsequent effects. Minister, have you commenced genuine negotiations with all owners of the remaining Mr Fluffy properties to discuss revaluation of their properties and other outstanding matters?

**MR STEEL:** I will take the answer, as the remediation scheme is part of my responsibilities as Minister for Planning and Sustainable Development. The government continues to engage with the remaining Mr Fluffy owners that are on the register and provides them with information as needed on the options that they have to remediate the property themselves, if they wish to sell—and many of them do not wish to sell; they wish to remain in situ, and that is an option for them—or the options in the last resort scheme that are available as well. If they are unable to sell their property, the government can purchase it under the purchaser of last resort scheme.

We have been very clear as well to the remaining Mr Fluffy owners that we are not

currently considering compulsory acquisition as an option, but that we would reconsider that in 2027, as the next point of review. We are not currently consulting them on the review, as was the particular subject of the question.

**MS BARRY:** Minister, what would you say about the fact that home owners involved in the compensation scheme incurred an average cost of \$300,000 to the government?

**MR STEEL:** Obviously, there have been costs potentially incurred by owners, but this was a very generous scheme. The original scheme that was put in place by the government many years ago stepped in at a time when there were not many options for the owners. In our view, it was a generous scheme. It provided them with a voluntary option to be able to opt in and have the government step in. Of course, some of those owners have made their own financial decision not to participate in the scheme, and we respect that decision.

**MR CAIN:** Minister, has the government avoided genuine negotiations with the remaining Mr Fluffy victims—that is certainly what we are hearing—because the government has run out of money?

**MR STEEL:** No.

### **Energy—waste-to-energy generation**

**MS CLAY:** My question is to the Minister for Climate Change, Environment, Energy and Water. There is strong community opposition to waste-to-energy projects in the ACT and other jurisdictions. Consultation with Canberrans in 2018 to inform our current waste-to-energy policy showed that Canberrans support a ban on waste to energy and think the ACT should be a world leader in waste management and recycling. Our current waste-to-energy policy bans waste incineration for energy production. This policy expires in 2025. Minister, does the ACT government plan on extending the current ban on waste-to-energy projects?

**MS ORR:** Noting the member's question and reference to the expiry date of the current policy, my understanding—noting that the portfolio came to me recently—is that the previous minister agreed that the policy would remain in place and would be held over. So it will continue to be in effect while we look at what revisions may or may not be required and go through our standard consultation processes. That is my understanding. My apologies to the previous minister if I have misquoted her. It remains in place. That is the important part.

**MS CLAY:** Minister, do you acknowledge the evidence around negative health impacts from waste-to-energy projects?

**MS ORR:** I can certainly acknowledge that there is a range of views on this topic and I will continue to look to my directorate and the wider ACT public service to advise me on the most up-to-date information as we move through all policy considerations in the future.

**MR RATTENBURY:** Minister, when will you begin consultations with the community to inform revisions or any adjustments to the policy, which you referred to

in your first answer?

**MS ORR:** There is no set timeframe. That is something that we will be considering once the MOG provisions have been finalised and we look at aligning other pieces of work, including national considerations, noting I came into this policy area just in the middle of the year.

### **Small business—payroll tax**

**MS CASTLEY:** My question is to the Treasurer. According to the Canberra Business Chamber's most recently published *Business Beat*, over half of businesses missed their targets in the previous quarter; less than a third of businesses—just 28 per cent—had a positive level of confidence; one-quarter expected to cut employee numbers; and 70 per cent of businesses reported that they expected their business to remain stable or shrink. At the same time, you were going to lower the threshold for payroll tax to include smaller businesses. Treasurer, how will increasing payroll tax help businesses that are already struggling to make a profit and retain staff?

**MR STEEL:** I thank the member for her question. We have cut the rate of payroll tax for small businesses. Yes, we are broadening the base, but we have cut the rate. For small businesses with a payroll of up to \$4 million, it will be cheaper in terms of payroll tax paid in the ACT compared to New South Wales. Businesses in the ACT should have confidence, because our economy is growing faster than every other jurisdiction in the country at the moment. We have strong participation, and we are also seeing strong housing market outcomes in the latest data released today for the September quarter and residential dwelling data as well. Right across the economy, we are seeing really strong signs.

The government will, of course, continue to engage with the Canberra Business Chamber and their members around the economic growth of the territory and informing future decisions that we make in the budget.

**MS CASTLEY:** Treasurer, given the challenges highlighted by the *Business Beat* and that just 28 per cent have a positive level of confidence, why would a business owner choose to remain in the ACT rather than move to another jurisdiction?

**MR STEEL:** As I have just said, it is cheaper for small businesses here in terms of payroll tax compared to New South Wales for a business with a payroll of \$4 million or less.

*Opposition members interjecting—*

**MR STEEL:** That is because we cut the rate of payroll tax. We will of course continue to make sure that we remain competitive with other jurisdictions.

*Opposition members interjecting—*

**MR STEEL:** As I made clear in my address to the Canberra Business Chamber after the budget, Canberra will remain a great place to do business. It is a great place to live. We are of course home of the federal government. The economy overall continues to

grow. There are more businesses setting up here. The Chief Minister was very clear about that in the data that he was talking about today from the Australian Bureau of Statistics. We are seeing more businesses set up here, because it is a great place to do business. We are looking forward to continuing to support a strong economy and a strong business sector.

**MR SPEAKER:** I would just remind members—and the Chief Minister and Mr Parton—that, if you want to have a conversation, you can take it elsewhere.

**Mr Barr:** I have waited 18 years to have you tell me that, Mr Speaker!

**MR SPEAKER:** I was avidly listening to Mr Steel; it was a very interesting answer.

**MR MILLIGAN:** Yes; thank you, Mr Speaker. Treasurer, are you forcing businesses to cut costs and lose staff because you cannot manage your budget?

**MR STEEL:** No.

### **Government—investment**

**MR CAIN:** Mr Speaker, my question is to the Treasurer. Despite the Chief Minister's attempt to put a positive spin on the economic data for the ACT, the national accounts reveal that public fixed capital formation, that is, public sector investment, fell 10.4 per cent in the quarter, driven by a 9.9 per cent drop in general government investment and a 16.7 per cent fall in public corporations investment. ACT government consumption also fell by 1.3 per cent. Treasurer, what has been cut to achieve such a large fall in public investment?

**MR STEEL:** I reject the premise of the question. We have been very transparent in our budget about our continued investment in the ACT economy and across a wide variety of infrastructure and services. We continue to see very strong economic growth in the ACT. I know that the Liberals think it is their job to talk down the economy but with the highest GSP growth in Australia and very, very strong state final demand figures, overall our economy is growing strongly. We will continue, of course, to look at our other economic data but there are very positive signs right across the economy, whether it is the housing sector and the investment that is being made in it which has increased, by 2.3 per cent, the value of residential dwellings to \$197.4 billion to the September quarter, or whether it is the continued positive signs that we see in the participation rate in the labour market. Our economy continues to be strong and we will continue to invest in it and invest in the services that will support a growing economy.

**MR CAIN:** Treasurer, what has caused the fall in ACT government consumption?

**MR STEEL:** I am happy to take that on notice and provide some further detail if there is anything underlying the ABS figures. But, as I mentioned in my earlier answer, we are very transparent in our budget about what we are investing in and the measures and decisions that we have taken.

**MR COCKS:** Treasurer, is government investment and consumption drying up

because you have run out of money?

**MR STEEL:** No, and I will also point members to the underlying information supporting the GSP figures, which the Chief Minister mentioned, is being driven by the government sector. Now that includes the commonwealth government as well as the ACT government but that economic growth has, in part, been driven by the public sector as well as other parts of the economy. So we are still seeing very strong support of the economy. That may shift between different parts of the economy from time-to-time, but at the moment, the public sector is one of the key three drivers that are supporting that very high GSP number of four per cent growth.

### **Business—payroll tax**

**MR PARTON:** Mr Speaker, my question is to the Treasurer. This week you were asking the Legislative Assembly to enable changes to payroll tax that will increase the complexity and cost of compliance for businesses. This will add an extra tax on the jobs of some of Canberra's lowest-paid workers, including supermarket and fast-food employees. Treasurer, how will increasing taxes on Canberra's lowest-paid workers impact unemployment levels?

**MR STEEL:** I thank the member for his question. I think he misunderstands the payroll tax system. Payroll tax is paid by the company employing people. It is based on the locally based staff but also takes into account their national payroll. These are companies that have been paying payroll tax for decades, in many cases. We do not think these changes will have a significant administrative burden in terms of the transition, including what we are asking the Assembly to support—that is, a half-year transition point from 1 July for a new tax bracket that is being, effectively, added to the top end.

So, effectively, they will pay a changed number. That is what we are asking those very large businesses with a national payroll over \$150 million to pay—a changed number. The payroll tax system is relatively simple, and those businesses understand it well.

**MR PARTON:** Treasurer, have you modelled the likelihood that your payroll tax changes will encourage job cuts?

**MR STEEL:** I reject the premise of the question, in the sense that we do not expect that this will lead to job cuts. That is something that we will, of course, monitor very closely. What we are talking about is a one per cent increase compared to what they would have been paying in the year: a one per cent payroll tax increase.

Treasury has provided some feedback around whether that has impacted on their forecasts over the forward estimates. They say that it would be relatively small. That is because the additional amount of payroll tax that we are talking about is in the tens of millions of dollars in an economy that has, of course, billions of dollars. So it is a relatively small amount. For those businesses that are paying that extra rate, it is a one per cent increase on what they would have already been paying.

**MR COCKS:** Treasurer, have you chosen to implement payroll tax changes halfway

through the financial year because you have run out of money?

**MR STEEL:** No. The reasons we have introduced the payroll tax changes in the way that we have are very clear and have been publicly discussed. Following the budget, we struck an agreement with the Greens to add this extra tax rate for the very large businesses with a national payroll over \$150 million, in order to make up for a reduction in the health levy from \$250 down to \$100 for residential ratepayers. So that will provide some revenue this year, but less than had originally been forecast for this financial year.

**Richardson—shops**

**MISS NUTTALL:** My question is to the Minister for Planning and Development. Minister, back in June I moved a motion asking the government to work with the Richardson shops owners to find a tenant or tenants that met the needs of the community, and report back by the last sitting of this year. The Richardson community is pretty keen to get an update so I thought I would have a crack now. Minister, what work have you done since my motion in June to work with the owners and find a tenant?

**MR STEEL:** I thank the member for her question. I am sure she is not asking me to make an announcement in question time, so I will report, in accordance with the Assembly resolution, by the last day of the sitting in 2025.

**MISS NUTTALL:** Minister, have you decided to release the blocks adjacent to Richardson shops? If so, when would you intend to release them?

**MR STEEL:** I refer the member to my answer to the last question.

**MR BRADDOCK:** Minister, what is the next decision point from the government on the shops, and what is the timeline for this decision point?

**MR STEEL:** I thank the member, and I will refer him, again, to my previous—

*Members interjecting—*

**Mr Rattenbury:** A point of order, Mr Speaker. Mr Braddock did not ask for an announcement from the minister. All these questions have been essentially, “What work have you done?” This is not a question of an announcement. It is a question of finding out whether the government has actually made any progress.

**MR SPEAKER:** Do you have anything further you can add, minister?

**MR STEEL:** I encourage the member to look at the statement that I will provide responding to the Assembly resolution, which I understand will be tabled on Thursday and will be quite comprehensive in relation to the matter. It will explain the processes that are underway currently in relation to that matter; what decisions have been made to date, and what processes are continuing.

**Vocational education and training—National Skills Agreement**

**MS TOUGH:** Mr Speaker, congratulations on your election to the role. My question is to the Minister for Skills, Training and Industrial Relations. Minister, can you update the Assembly on the National Skills Agreement's implementation plans and the generational investment in vocational education that they are delivering?

**MR PETTERSSON:** I thank Ms Tough for the question. I am pleased to report to the Assembly that the ACT has now signed implementation plans across all the National Skills Agreement's priority reform areas. The National Skills Agreement represents a generational, \$64 million investment by the commonwealth and ACT governments in strengthening our VET sector. This is a wide-ranging investment, creating new opportunities for innovation through our TAFE centres of excellence and investing in deep work on improving research around VET learning and education.

Last Wednesday, I had the pleasure of hosting the federal Minister for Skills and Training, Andrew Giles, at CIT Bruce, where we announced a joint investment of \$14 million towards improving completion rates for VET qualifications in the ACT. This funding will provide grants for building wraparound supports for students, a careers hub to provide guidance on training and employment pathways through VET, and a completions research program to build an evidence base on how we can best ensure that learners complete their training.

I look forward to keeping the Assembly updated on the exciting times ahead for vocational education in the ACT.

**MS TOUGH:** Minister, what other priority areas are receiving funding and support under the National Skills Agreement's implementation plans?

**MR PETTERSSON:** I thank Ms Tough for the supplementary. It is an excellent question. As I mentioned, the National Skills Agreement is designed to support priority areas where we know our VET sector can be stronger. We know we need to be supporting our VET educators' needs for future learners, which is why we are investing \$3 million into the development of VET teachers. We also know we need good insights on what works, and we need to have the data insights and evidence to back it up, with \$5 million invested in improved VET data and evidence collection.

Most importantly, we know that to deliver the skills our future economy needs, we will need to collaborate. This is why the National TAFE Network is being established, with \$9 million invested towards it, ensuring that public providers work together closely to develop best practice teaching, innovative approaches to vocational education and ensure that their good ideas and best practice are rolled out nationally.

These reforms are designed to ensure that our VET sector is ready to support learners from the moment they enrol in a qualification right through to completion.

**MR WERNER-GIBBINGS:** Minister, how long will it take to implement these reforms?

**MR PETTERSSON:** I thank Mr Werner-Gibbings for the supplementary question and his continued interest in the skills needs of our city. We know that, when it comes to improving our VET sector, it is a marathon, not a sprint. That is why the National Skills

Agreement operates until 2028 and provides the certainty of long-term investment that our VET sector needs.

We know the improvements we are implementing are important, and we know we need to take the time to get it right. The previous federal coalition government did not take seriously the need to support our nation's VET sector and did not invest adequately in its success. The commonwealth, in close partnership with the ACT government, has already made significant investment to remedy this through fee-free TAFE, improving access to VET education to our community, and providing greater funding stability.

The National Skills Agreement builds on this and continues the deep work of uplifting our VET sector to ensure it is future-ready and focused on meeting the skills needs of our city.

### **Government—debt**

**MR COCKS:** My question is to the Treasurer. Treasurer, the territory's interest costs exceeded half a billion dollars last financial year. That is the first time that this threshold has been breached, and it is equivalent to 65 per cent of all general rates revenue. Treasurer, on what date did the total of the territory's cost of interest exceed the amount raised through residential rates?

**MR STEEL:** I thank the member for his question. I am happy to take it on notice, but I point out that a comparison between the two is not necessarily taking into account the full revenue that we receive, both own source and from the commonwealth, noting that our largest source of revenue is, of course, from the GST. We continue to manage our budget in accordance with the fiscal priorities that we set out in the *Budget Outlook* and adjusted. We continue to look at opportunities to consolidate net debt. What that interest represents in the budget is investments now in building hospitals, building schools and building transport projects to support the growth of our city, not delaying those projects into the future. They will benefit people now and for decades to come. They are important investments. We know that the opposition were opposed to them, but it is critical that we make those investments now. It also represents the investment that we made during the pandemic to support businesses and to support households through that very difficult time. That is what that interest represents.

The member's question does not provide the full context and seeks to cherry-pick and make false comparisons, and that does not necessarily add anything to the debate around the budget, which we know you opposed, including all the measures in it.

**MR COCKS:** Treasurer, what future rate burden will homeowners need to shoulder to fund your government's debt and interest bills?

**MR STEEL:** The level of net debt is set out in the budget. We have already borrowed against it and, of course, new borrowings will need to be made as well over time as we seek to invest in infrastructure and services that the community benefits from. The insinuation from the opposition is that they would not have built infrastructure projects like the hospital in Woden and they would not have built the upgrade to Garren Primary School, which the minister, Yvette Berry, and I visited last week—

**Mr Cocks:** A point of order, Mr Speaker: the Treasurer has moved to debating the question.

**MR SPEAKER:** I ask the minister to be directly relevant to the question.

**MR STEEL:** We support those investments, and those investments are required now to support extra capacity in our schools and extra capacity in our hospital systems, to support our community. That has meant that we have had to borrow for some of that, because they are needed now, but they will benefit people for generations to come. Yes, those generations will have to pay for part of the cost of delivering those services, but we will also benefit from the investment that our government has made in that infrastructure and in those services.

**MS CASTLEY:** Treasurer, why does the government insist on misleading ratepayers by not showing the amount of interest expenditure on rates notices?

**Mr Steel:** Mr Speaker, congratulations on becoming Speaker, by the way. I request your opinion on the question and whether it is in order, given it used a word that is unparliamentary. I would ask the former Leader of the Opposition to withdraw.

**MR SPEAKER:** I think the line referring to misleading the community is not an allegation that you have misled or that a member has misled in this place. I will get some advice from the Clerk so I do not make a mistake, but it is my view that it would be parliamentary in that it is with regard to the community as opposed to a member of this place.

I got a nod on that one, so we will allow it. I remind members that there will be no unparliamentary allegations of misleading in this place that would not happen without a substantive motion. I do not think that has occurred, Mr Steel. Do you have anything further?

**MR STEEL:** What would be misleading, Mr Speaker—and this is in response to the question; I am not questioning your view on the validity of the question—is making false comparisons between one point of data in the budget and own-source revenue, and not understanding or presenting the full context of the budget.

**Mr Barr:** Mr Speaker, we have reached that happy point where I can say: all further questions can be placed on the notice paper.

**MR SPEAKER:** Thank goodness for that!