



**DEBATES**

OF THE

LEGISLATIVE ASSEMBLY

FOR THE

AUSTRALIAN CAPITAL TERRITORY

**HANSARD**

13 September 1990

**Thursday, 13 September 1990**

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**MR SPEAKER** (Mr Prowse) took the chair at 10.30 am and read the prayer.

**PUBLIC ACCOUNTS - STANDING COMMITTEE  
Report**

Debate resumed from 14 August 1990, on motion by **Mr Wood**:

That the recommendations be agreed to.

**MS FOLLETT** (Leader of the Opposition) (10.31): Mr Speaker, I will not be detaining the Assembly for very long this morning in dealing with this matter. The Labor Party supports the recommendations of the Public Accounts Committee in its report into an independent advisory committee against corruption. We also support the Government's response which it made last month.

The Public Accounts Committee inquiry, as I am sure members do not really need reminding, had its origins in some fairly wild allegations which were being thrown around at the time, and which were made, indeed, from the very commencement of self-government, by the present Attorney-General.

It is interesting to note that, although at that time the present Attorney-General seemed to believe that the matter was one of great urgency, it has taken quite some time to be resolved, and in fact he has taken not much part in its resolution.

At the time those allegations were thrown around it was a case of saner heads prevailing, and the Public Accounts Committee, which at the time was chaired by Mr Kaine, was asked to inquire into the matter. I believe that the Public Accounts Committee has come to some very sensible conclusions about the need for appropriate structures in the ACT to guard against possible corruption.

At the time that the inquiry was conducted, I was the Chief Minister and Attorney-General. I was very pleased to be able to cooperate with that inquiry by providing a discussion paper from the Government Law Office which canvassed the various models for investigating corruption which already exist elsewhere in Australia. That paper outlined a number of different possibilities for the ACT.

The conclusion that there should be an independent body to receive complaints or allegations and to refer them for investigation seems to me to be a very sensible, modest and

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low cost mechanism, but one which, at the same time, maintains independence from all existing vested interests and will therefore be able to command public confidence. I believe that the matter of public confidence is one that is absolutely crucial for any such investigative mechanism.

We are very pleased, therefore, to see that the Government has accepted the general directions contained in the committee report and, indeed, we hope to see the legislation that is required to give effect to the committee's report in this Assembly before too much longer.

We are not happy about the time that it has taken the Government to come to a conclusion. I believe it is an important principle for a parliamentary system that recommendations of Assembly committees should be taken seriously by the Government, which is responsible to the parliament.

It is a fact that recommendations grow stale if they are not addressed by the Government in good time. I would just like to make the comment that while we were in government the Labor Party adopted a self-imposed requirement that we would respond to Assembly committee reports within three months and announce our proposed action in the Assembly.

I know that similar governments operate along similar time frames and I think it is important that committee reports, particularly ones of the importance of this one, are dealt with in a timely manner. It is not acceptable that it has taken eight months for the Government to respond to an Assembly report which, really, it instigated itself, at the time with a great sense of urgency.

Just before I conclude, I would also like to make a comment on proposals that have been floating around that the ACT in some way take part in the New South Wales royal commission into corruption in the building industry. I know that Mr Collaery has called publicly on the Labor Party for a response. He has not called on me personally for a response; but, just in case there is any doubt, may it be placed on the record that we are opposed to any such action. We do not believe that it is warranted. We believe that it is, in fact, a witch hunt and that there is no great support in the community on the building industry side, the union side or, in fact, in the community generally for such an action within the ACT. So we do not believe that that is warranted.

I am, however, pleased to support the recommendations, as I said before, by the Public Accounts Committee inquiry into an advisory committee against corruption, and we indeed look forward to the legislation being brought forward into this Assembly.

**MR JENSEN (10.36):** Mr Speaker, as a member of the Public Accounts Committee now and at the time of the preparation of this report, I also will speak briefly to this matter

this morning. As I prepared this response to this inquiry I took the opportunity to consider the points raised by Mr Wood in his speech when he presented the report last year.

One of the first things I need to say is that I would also have been happy to have presented the report to the Assembly at the time. However, in view of the changes to the structure of the Assembly and committees after 5 December, it was considered appropriate for an Opposition member to be offered the opportunity to do so, as the Leader of the Opposition had in fact chaired the committee since the start of the new Assembly.

**Mr Wood:** What date was that?

**MR JENSEN:** The date, Mr Wood, for your information, is 14 December. It is the small Hansard. Of course, this tradition has been continued in the Assembly as it is structured now. Unfortunately, it would appear that some of the concerns expressed by Mr Wood in December last year regarding the potential for political abuse of our committees have come true - not, I would suggest, on the part of Government members, as he has suggested, but in fact by his own leader in her attempts - - -

**Mr Berry:** Mr Speaker, I rise on a point of order. The issue of relevance arises here. This debate is about the report on the independent inquiry against corruption; it is not about the - - -

**Mr Jensen:** So why did you talk about the building industry?

**MR SPEAKER:** Order!

**Mr Berry:** Why did you not take a point of order?

**MR SPEAKER:** Order!

**Mr Berry:** You have muffed it for the last two days. Why should there be any change in your behaviour?

**MR SPEAKER:** Order, Mr Berry, please! Please proceed to the point, Mr Jensen.

**MR JENSEN:** The point that I am really trying to make, Mr Speaker, is in answer to the points raised by Mr Wood in his speech in this debate. I presume that it is appropriate for people, when responding to debate in this place, to be able to respond to matters raised by other members on this subject. That is all I am doing, Mr Speaker, and I hope you will allow me to continue.

There have been recent attempts by the Leader of the Opposition to talk about an inquiry into the Priorities Review Board being conducted by the Public Accounts Committee prior to the bringing down of the report. Clearly, Mr Speaker, the sorts of statements that have been made - - -

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**Mr Berry:** I raise a point of order, Mr Speaker. This debate is about the report on the independent committee against corruption; it is not about the current inquiries of the committee, and he should stick to the issue before the Assembly.

**MR SPEAKER:** Thank you, Mr Berry. Please proceed to the point, Mr Jensen.

**MR JENSEN:** Mr Speaker, I think I have made my point in relation to that - that Mr Wood's concerns in relation to possible political problems with the committees have in fact been taken up by his leader. I think I will leave it at that. I think everybody knows what I am talking about.

I can assure members that, as chairman of the committee, I have taken great care to keep my own views to myself, despite requests to comment by the media, until reports are presented to this Assembly. I will continue to maintain this position, particularly in relation to having been requested to comment on some of the statements by Ms Follett in relation to the current inquiry concerning the Priorities Review Board. But I think that is enough said on that matter.

Now that I have got that off my chest, I would like to comment on the report and the responses by the Chief Minister on behalf of the Alliance Government. I am pleased to see that the Government has effectively accepted this report. It is also pleasing to note that it was a unanimous report. In line with the recommendations of the report, I agree that a part-time independent committee is the most appropriate body for the ACT at this time. It is my hope also that such a committee will provide a deterrent effect to the possibility of official and bureaucratic corruption, because there will now be an independent committee to ensure that any complaints are properly and fully investigated. It is obviously essential to ensure that the community can have complete confidence in the impartiality of that committee.

Another key recommendation of the committee report was recommendation No. 23, which provides a sunset provision requiring the legislation to provide for a review of the committee and its operations after two years. This is an eminently sensible recommendation and one that probably should be included in all legislation that sets up statutory committees of this type.

Let me also say that I have no problems with the two changes to the recommendations proposed by the Government. Both recommendations ensure that action can be taken to protect any evidence that may be available to the investigators. While I originally supported the proposal that people being investigated should be advised of the investigation, I accept the Government's proposition that in cases of official corruption there is considerable

danger that important evidence could be destroyed. Sometimes you have to balance the rights, if you like, of those who are being investigated to enable the investigation to carry on at an appropriate level and to make sure that the full evidence is available and eventually can be brought before the court if that is necessary.

However, while saying this, I am also concerned to ensure that the confidentiality of investigations and information is maintained. There should be very severe penalties for people who breach the privacy provisions of this Act, and any other similar Act which establishes committees and organisations like this. It is most important for confidentiality to be maintained, and I would like to see serious and very heavy penalties for people who breach these provisions.

In closing, Mr Speaker, I would like to comment on recommendation No. 18, that heads of agencies and statutory office holders be required to report any matter suspected on reasonable grounds to concern corrupt conduct.

Such a provision will reinforce the responsibility of senior government officers to ensure that they pass on information provided by officials who report their concerns to them. They will know that any failure to pass on this information could well cause a problem if it is found eventually that those concerns have not been passed on and investigated.

Also I think it appropriate at this time to read into the record the definition of corrupt conduct generally accepted by the Government, as recommended by the committee. I refer to recommendation No. 10, on page viii of the report on the independent advisory committee against corruption. It says:

"corrupt conduct" be defined in the proposed legislation as:

any conduct that adversely affects or that could adversely affect, directly or indirectly, the honest or impartial exercise of official functions by any public official or public authority;

any conduct of a public official or former public official that constitutes or involves the dishonest or partial exercise of an official function, constitutes or involves a breach of public trust or involves the misuse of information or material acquired in the course of official functions, whether for that person's benefit or for the benefit of any other person; and

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conduct should only be considered corrupt if it would constitute a criminal or disciplinary offence or reasonable grounds for dismissing a public official ...

That definition comes from paragraph 4.13 of the report. It is my view that such conduct, unfortunately, is always possible when large sums of money can be made by actions relating to functions taken on by public officials. This report, and the Government's favourable response, will ensure that anyone who considers such conduct runs a severe risk of being called to account via an independent body. I therefore commend this report to the Assembly.

**MR COLLAERY** (Attorney-General) (10.45): Mr Speaker, I rise briefly to thank members for their support for this committee's recommendations. I will read into the record a couple of comments that have been made. This debate has gone on for a long time. On 14 December 1989, Mr Wood aptly summarised this recommended process as a sensible measure against possible corruption. He said:

It is a reasonable outcome for what little need there is in the community.

Mr Kaine, on 14 August 1990, summarised the Government's response by saying - - -

**Mr Berry:** That contrasts with your previous allegations.

**MR COLLAERY:** I will come to that. Mr Kaine said:

We believe the proposed body will be effective. It will be a body that will not cost a great deal of money to maintain. It will be at arm's length from the Government and will very adequately take account of the problems of possible corruption in the public service and amongst public officials in the Australian Capital Territory.

Mrs Grassby, in her comments on that date, was not so congratulatory and referred, among other things, to half-baked ideas in some areas of the Government's responsibility. We did not get much from Mrs Grassby's comments. It appears that this Assembly is unanimous in its support for the establishment of the independent committee against corruption. I say "unanimous" in the sense that no-one has stood up yet and opposed it, and I assume we can interpret the silence as being acquiescence. If someone is opposed to the establishment of the body, that person should stand now or forever remain silent. Clearly, we will hold those who remain silent to the point I make now, because there is space in the speaking order and leave would certainly be granted anyone who wished to stand up and speak now. Later, when Opposition members try to twist on this issue - as some members may very well do - we can quote these words back to them.



The thrust of the committee's report is that an independent committee should be established, that it should have specific functions to receive allegations or complaints of corrupt conduct involving ACT public officials, and that it should pass these complaints on to the appropriate agency for investigation. On 13 August 1990, Cabinet approved the main recommendations of the PAC's report. It agreed in principle to the preparation of legislation to establish such a committee, and that is currently under way in the Legislative Counsel's office. Unlike the New South Wales ICAC, the ACT body will not have power to investigate complaints itself, but rather will pass them on to an appropriate agency such as the Australian Federal Police or the Ombudsman for investigation. It will also have a discretion not to pass on a complaint if it believes there is no merit in it.

The ACT model is in line with the model adopted in Western Australia. It has been chosen because it is less resource intensive and will not duplicate functions of already established investigatory bodies. The Executive - that is, the Cabinet - will appoint a panel comprising the Chief Justice of the ACT Supreme Court and two prominent and respected members of the community to recommend appointment of three part-time members to the independent committee against corruption.

The committee itself will be appointed for a period of three years and will comprise a person who has held an office of a kind engendering public confidence, such as a judge, magistrate, senior public servant or academic, and two other members who are not public officials. The committee will meet as and when it is required and will receive complaints or allegations from any person, orally or in writing. The committee will receive anonymous allegations and complaints and will provide confidentiality for both informants and persons about whom information is received.

The proposed legislation will contain penalty provisions for the unauthorised disclosure of information by members and staff of the anti-corruption committee. It will also provide protections for the informant against legal proceedings and will make it an offence to harass or subject to detriment a person who has provided information to the anti-corruption committee. I stress the words "or subject to detriment a person who has provided information". Clearly, that is a protective mechanism for less senior public officials who may believe that, in a subtle fashion, they may not be advantaged by bringing matters to the attention of the committee.

The legislation will provide a definition of "corrupt conduct" which will be wide enough to cover not only public officials but also any other person involved in corrupt conduct with a public official. The legislation is currently being drafted, and I look forward to the support of the house for it - in particular from Mr Berry who, of

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course, has a lot to say occasionally on issues of this nature and then, more often than not, says something different at a future time.

The background to the creation of an independent committee against corruption is simply that the ACT has followed the trend elsewhere in Australia in ensuring that there is a third body, as it were, in the community - an interface body - that can deal with issues of this kind. The need for such a body is well established elsewhere in Australian society, and there is no reason why the ACT should stand alone and separate from those current developments.

The Opposition is attempting to put some dramatic basis to the introduction of this legislation. Mrs Grassby, in her comments on 14 August, suggested something sinister in the delay by the Government. The fact is that we have looked very carefully at this issue. We followed carefully the legal developments, particularly of the ICAC in New South Wales where there have been significant court findings and specifically a most significant Court of Appeal finding in relation to the proper separation of powers in relation to the judicial or quasi-judicial functions of such a body.

As members would be aware, the New South Wales Court of Appeal held, at an important juncture of the discursive stage for this Government, that the corruption bodies - in particular, the one in New South Wales - should not make findings of guilt because that transgressed a separation of powers doctrine dealing with the role of the judiciary, to put it simply. They were issues that we followed with interest, and certainly the Government now sees its way clear to undertaking effective legislative drafting and preparing a proper Bill for consideration soon by this Assembly.

Like many things prior to self-government, many of the issues in the Legislative Assembly elections were born in haste and produced in haste. Certainly, there has been a lot of rhetoric on a lot of issues. It is very interesting to hear the Leader of the Opposition say that we do not need a royal commission or an inquiry into the building industry because, inferentially, there is nothing corrupt going on in it. That, itself, is a presumption - an assumption - that the Leader of the Opposition is prepared to make.

**Mr Berry:** Where is the evidence?

**MR COLLAERY:** I am not prepared to make any assumptions in that regard, and I believe it ill behoves a member of this Assembly to make assumptions either way on issues of this nature. So, the response to Mr Berry, of course, is that his own leader has made a very prejudicial and prejudgmental statement today in this Assembly. That, of course, will be widely reported and may well hang about her in the future.

The Government welcomes support for this committee. Although the Leader of the Opposition has got up and supported it, Mr Berry clearly does not support it. He does not like it. He has been interjecting throughout the debate. The Leader of the Opposition, in her usual style, left the chamber as soon as she spoke. Mr Berry now has the opportunity to get to his feet and state whether he supports this legislation or not. I challenge him to get up now and give us his views - he is free to speak - before Mr Wood speaks.

**Mr Berry:** We have not seen the legislation, Bernard. We have not seen it yet.

**MR COLLAERY:** I am referring to the recommendations of the committee. I challenge Mr Berry now to put his mouth where his statements are.

**MR MOORE (10.55):** Mr Speaker, I made a submission to the Public Accounts Committee on this particular matter, and I think it is quite appropriate at this time to share with the Assembly and the community some of the points I made in that submission. I would like to have the opportunity of providing a brief submission to detail some of my own views. My main reason for doing so is that, having declared my independence from the Residents Rally at the time, I did not wish to be bound by any submission which may have been made, in effect, on my behalf in the past.

I find myself in basic disagreement with what I believe to be a central tenet of the Residents Rally's position, namely, that corruption can be effectively handled only by the establishment of a permanent commission of some form similar to the Independent Commission Against Corruption now operating in New South Wales. Such a model is patently unsuitable for us to follow because -  
- -

**Mr Jensen:** It is not on the list, Michael. When did you give it to us? It is not on the list.

**MR MOORE:** It is actually, Mr Jensen. If you read it, you will see. The different tiers of government - - -

**Mr Jensen:** Wrong one. Sorry, Mr Moore, wrong one.

**MR MOORE:** I understand by that, Mr Jensen, that you joined in your committee's report and obviously did not read it.

**Mr Jensen:** No, wrong one, Mr Moore. I was looking at the wrong list. I apologise.

**MR MOORE:** It just goes to show your sort of contribution to this committee and I say, "Shame on you".

**Mr Jensen:** I apologise, Mr Moore. I was looking at the wrong report.

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**MR MOORE:** I accept your apology. As I was saying, such a model is patently unsuitable for us to follow, for several reasons. Firstly, the different tiers of government, the size of their supporting bureaucracies and the sheer geographical spread of administrative services in that State provide the potential for a complex pattern of corruption which might require the undivided attention and scrutiny of a separate agency to investigate and identify. In contrast, the ACT possesses a single tier of government, a small and geographically close bureaucracy in which corrupt practices are more difficult to hide.

Secondly, allegations of corruption in New South Wales have attended public life in that State since the Rum Corps. Whether those allegations have been true or not, the very existence of such a tradition means that attempts to investigate corruption made by politicians and bureaucrats whose behaviour was already tainted in the public mind will be regarded with suspicion. In that atmosphere, the necessity for an independent commission which is visibly free of influence from vested political and administrative interests is critical to public confidence. With no real tradition of suspected corruption and the diversity of political interests represented in the current Assembly, there are far fewer barriers to the conduct of an investigation into corruption being carried out, for example, by a committee of the Assembly.

Thirdly, relative to the size of the alleged problem and the financial resources available in New South Wales, the cost of an independent commission - along with secretariat and investigative support functions - is minimal. I recognise that in this regard the report by the committee has suggested a minimal style of investigative body, not one of the sort that Mr Collaery had so long and so often pushed for. It is preferable to harness existing functions to the task, thereby confining additional costs to an absolute minimum, particularly with the economic circumstances applying at present.

Fourthly, the allegations of corruption thus far put before this Assembly have proved to be of little substance. Although this is no argument against the possibility that unrevealed examples of serious corruption may come to light in future, any process of investigation should proceed on the basis that sufficient flexibility exists to expand and intensify those investigations, rather than on the basis of diverting from the very start the kind of resources which might prove necessary if our most fearful and colourful imaginings somehow prove to be the case. In New South Wales, allegations and revelations about past administrations have established a clear need for a maximum effort to be directed at the problem from the outset.

On the basis of allegations or cases which have come to light so far, the main areas in which potential exists for corruption are: politicians accepting funds or other rewards for using their positions to influence decisions in

favour of those from whom they have accepted the payment or gift; public servants accepting funds or other rewards in exchange for influencing decisions or providing information which will be to the advantage of those from whom they have accepted the payment or gift; politicians or public servants engaging in nepotism to appoint others to administrative positions; and public servants with private interests abusing their positions of public trust to obtain or exploit information to the advantage of those interests, which we can call, if you like, conflict of interest corruption.

There are other forms of potential corruption to which attention has recently been drawn, but at the time of my submission those categories were the only ones referred to in respect of the ACT. Even at that level, though, the Assembly and general public have precious little to go on in drawing a conclusion that corruption is somehow endemic in our administration - or even that it exists beyond odd isolated instances. Of course, this whole inquiry came out of what was clearly a few odd and isolated instances.

In respect of the first category, we have heard questions raised in the Assembly which appeared to be hinting at the possibility that something or other might be discovered to suggest a hint of corruption in relation to the Government's dealings, you will remember, with the Revlon company. Also there was a series of other allegations about the casino and about Mr Whalan. The question of financial corruption on the part of the public servants was also raised. But, as far as I can recall, the Assembly has experienced only one example of what, at the strongest, could be described as doubts raised about the propriety of public servants in terms of conflict of interest. Again, they were raised by the Residents Rally, and again they were poorly defined, contained little factual information and were soon forgotten. I wrote at that time:

Committee members should be aware that of late in the Assembly I have sought to distance myself from the campaign by the leader of the Residents Rally to prosecute so far unfounded allegations of corruption. Mr Collaery's enthusiasm for the slightest hint of anything corrupt may be well-meant, but his preparedness to rush into allegations on flimsy circumstantial or hearsay evidence was counterproductive and, at the time I belonged to the Rally, personally embarrassing to me.

I do not deny that corruption is possible in the ACT Government at the political administrative levels.

**Mr Collaery:** How about you and Chris Donohue on the fish farm?

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**MR MOORE:** Mr Collaery, I am glad you raised the fish farm, because at no stage did I suggest that there was corruption there. You can go back through the Hansard and you will find that. And what is more - - -

**Mr Collaery:** Well, why did you get up and apologise for it?

**MR MOORE:** As you look at the committee report, Mr Collaery - and as members here will recall - you will see that I did exactly as you said. I apologised publicly and said that I was wrong in that. That is the only time I have done so in this house, and perhaps, Mr Collaery, if you had the same sort of guts you would be prepared to say that you had been wrong about those things and put your apologies.

I wrote further:

Even so, to set up a full Commission to investigate corruption is an almost hysterical over-reaction. It would be very much a case of using a sledgehammer to crack a nut. The allegations we have now, the rumours, the speculations were too few and too thin to do anything other than to ask a currently available body within government to extend its functions and take in corruption issues. The prime requirement is that this body should have the powers to obtain evidence and to protect witnesses by taking evidence in camera.

No doubt Mr Collaery will continue in this parliament with his innuendo and slur campaign on me, as he has done on many occasions in the past, and as he has done on many others in the past. But, Mr Collaery, people in this community recognise you for what you are, and it will achieve absolutely nothing.

**Mr Kaine:** A thoroughly nice chap.

**MR MOORE:** I am glad you mention that, Mr Kaine, because I realise it is your responsibility to say that. My submission continued:

This can be met by asking an Assembly Committee to do the job, preferably a Standing Committee to assure the public, those who may have evidence to provide and those engaged in (or thinking of engaging in) corrupt behaviour that uncovering corruption is a serious and long-term concern.

My view at the time was, and my view now is, that such a body is unnecessary. So, Mr Collaery, you have the opposition that you asked for. However, I do recognise that at least what the Public Accounts Committee has come up with and the response we expect from the Government is a very minimal committee against corruption or ICAC - certainly not one along the lines of the Hong Kong or New

South Wales model - and I see that as being better than going to the extreme that Mr Collaery had wanted and put forward.

**Mr Collaery:** Well, what are you saying: yes or no?

**MR MOORE:** I have already said it, Mr Collaery. It seems to me entirely unnecessary that we have a body of that nature.

**MR BERRY (11.04):** I rise to speak in this debate; but, firstly, Mr Speaker, with your leave, I would like to welcome representatives from Higgins Primary School who, of course, have been maintaining a vigil in this Assembly because of the Government's savage attack on the school system in the ACT. They are very welcome and I hope they keep up the pressure on these people opposite.

Mr Speaker, the reason I rise is to pursue that which I pursued by way of interjection earlier, and that was an apology from Mr Collaery to all of those whose character this person sought to assassinate, under privilege, for his own personal advantage. It has been much said that Mr Collaery lives a conspiracy-enriched life and I think that an apology is required. But an apology is also required to those people whom Mr Collaery used in his Pied Piper stunt in the lead-up to the last elections. That stunt, of course, misled people into believing that the party which Mr Residents Rally himself headed would deliver something special to the people of the ACT, not only in relation to the alleged conspiracies that allegedly abounded throughout the public sector in the ACT but also in relation to education and health.

That Pied Piper stunt has now been discovered by the community and, of course, the support for the Residents Rally in the community is three-fifths of five-eighths of nothing. The fact of the matter is that Rosemary Follett speaks for the Opposition, and I have no difficulty with the announcements that she has made in relation to the matter and, of course, we will support them.

**MR WOOD (11.06), in reply:** Mr Speaker, I had forgotten that I had brought the committee report before the Assembly, which affords me the opportunity to reply and to close the debate. I ask members opposite to reflect for a moment on the background to this report and the outcomes. The background was one of very bitter argument following allegations of corruption, or the possibility of corruption. That debate was very acrimonious and very unpleasant. The driving force behind this measure came from the then Opposition. The name of the precise person escapes me for the moment.

The committee - representing most of the groups in the Assembly - was formed, and it considered a wide range of options, the Hong Kong model, the New South Wales model and various others. In the end the result was quite clear.

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The committee had no particular difficulty in deciding what should be done. For a time, the outcome could not be seen, but as we proceeded it became apparent which path should be taken.

I ask members to recall my speech yesterday on the proposal for an Assembly committee of inquiry into education. I would claim that the background to that issue is much the same, one of great disputation. But a committee of this Assembly - and the Social Policy Committee in particular - would have the ability to put that disputation behind it, to make a thorough examination and to come up with the appropriate recommendations. The work of the committee that we are now examining demonstrates that the Social Policy Committee could well have done the task that some of us sought for it yesterday.

The outcome of this committee's inquiry - the one into the proposal for an independent commission against corruption - is a modest one. It is entirely appropriate. I think it is an outstanding result, bearing in mind the difficulties we had at the outset - being in a city where there was, despite some claims, no evidence at all of any public corruption. Yet we had to provide a committee against corruption. We were not asked to say whether there should be one or not; we had to provide the framework for one.

The committee inquired everywhere. I think that the committee secretary, Karin Malmberg, did an outstanding job in locating various options from other sources. We came up with a model that is unique in Australia. We looked at elements from all over. We looked at what happened in Perth and other places - on paper; we did not go there. We adapted all the components from other places that we wanted into a fairly unique model for Canberra.

The first thing to note about it is that it is going to be very cost-effective. It is not going to be a body which is going to have its own investigatory powers and fairly substantial bureaucracy; it is not that model at all. That is good. But the thing that we will have is a body to which people can refer concerns they may have. That is really what we need. I think the proposal that the body exist and refer complaints to other existing bodies for investigation and that those investigations be monitored is excellent.

The committee came up with, I think, an ideal answer to the problem that had been presented to it. I note that the Government response - and I appreciate that response - makes a couple of changes to our recommendations, and I would agree with those changes. I think that is a further improvement to the quality of the report.

Much has been said about Mr Collaery's role in this. I think he made the point a moment ago when he spoke that there were many issues at the time which were born in haste. No doubt he regrets that he acted hastily on some



occasions. But the strength of the committee system in this Assembly - if we can allow it to do its job properly - is that it does give due consideration to the important issues of the time; it does not consider in haste. I think we have shown in this report that the committee system can work very well.

Question resolved in the affirmative.

### **PERSONAL EXPLANATION**

**MR COLLAERY** (Attorney-General): Mr Speaker, I seek to make a short statement. I claim to have been misrepresented.

**MR SPEAKER:** Please proceed.

**MR COLLAERY:** Mr Speaker, the Hansard will record some interjections from Mr Berry calling upon me to apologise for some allegations. I draw the house's attention to the Hansard of 26 April 1990, pages 1348 through to 1350. In that Hansard record is a full and unqualified apology in relation to the matter that Mr Berry referred to. I think it is typical of Mr Berry to make further allegations. I will read it into the record.

**Mr Berry:** Mr Speaker, I raise a point of order. Mr Collaery should stick to the issue upon which he has been misrepresented. We are quite prepared to listen, but we are not prepared to listen to a diatribe.

**MR COLLAERY:** Mr Speaker, I claim to have been misrepresented in that it is alleged that I have not apologised about a matter. It is a matter that Mr Moore referred to, and my comments - about the unreasonable suspicions of the community groups at the time self-government was forced upon us - were made on the resignation of Paul Whalan. It is in the record and I stand by it.

**Mr Wood:** It was not full, nor was it unqualified.

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

**Mr Wood:** It was a very paltry apology, if I might say - and thank you for allowing me to say it. I appreciate it.

**MR SPEAKER:** Mr Wood, please rise off your bottom when you speak.

**MR COLLAERY:** Mr Speaker, I claim to have been misrepresented again and I wish to read into the record my remarks of 26 April 1990.

**MR SPEAKER:** Please proceed, Mr Collaery.

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**MR COLLAERY:** Mr Speaker, page 1349 reads as follows:

I came to this Assembly raw, inexperienced in politics and bursting to have a go and to even the score.

This is said in terms of the background of Mr Whalan's involvement with Federal ministers. I continued:

I believe that, in a debate on 4 July 1989 in response to a motion called by Mr Berry -

this was the motion Mr Berry called that produced this regrettable incident; and we wonder why the Left did it to Mr Whalan, but that is something that we all know about -

I overstepped the mark.

They are the words, Mr Speaker, that Mr Wood has forgotten - "I overstepped the mark". I said that in December and I say now that clearly I should never have tabled the document. It should have been supplied elsewhere in confidence in another circumstance. That was an error of judgment which I acknowledged, not in a mealy-mouthed way but directly in December, long before any good words about Paul Whalan were brought on by his resignation. That is the acknowledgment that was made. If that is not an apology, Mr Speaker, what is it?

#### **HUMAN RIGHTS BILL 1990 Speaker's Ruling**

**MR SPEAKER:** Yesterday, three private members' Bills were introduced into the Assembly. During introductory proceedings on two of those Bills - the Human Rights Bill 1990 and the Landlord and Tenant (Rental Bonds) Bill 1990 - points of order were taken that the Bills infringed the provisions of standing order 200 and section 65 of the ACT self-government Act.

I have examined the Bills and must inform the Assembly that the Human Rights Bill, if passed, would establish an office of commissioner of human rights and a human rights tribunal. The standing orders stipulate that it is only a Minister who may present such legislation, that is, legislation which has the object or effect of disposing or charging any public money of the Territory. I will therefore call on the Attorney-General as the manager of Government business to move the appropriate motion, pursuant to standing order 170.

I will be seeking further advice on the question whether the Landlord and Tenant (Rental Bonds) Bill 1990 contravenes the provisions of standing order 200. Unless there is a clear infringement of the standing orders, my intention is to maintain the current practice, which is to

rule on points of order relating to standing order 200 and Bills after I have had the opportunity to consider the Bills rather than at the time the point of order was taken. The issues raised by standing order 200 are often complex and it is difficult for the Speaker to rule quickly on what are often lengthy legislative proposals. I believe this practice ensures proper consideration of the points of order taken, together with providing all members with an opportunity to propose legislation for consideration.

**MR COLLAERY** (Attorney-General) (11.17): It must be clear to the house that I have had no conversations with the Speaker as alleged by Mrs Grassby by interjection, when she said, "They have done something". I had no prior notice that the Speaker was going to produce this finding.

Mr Speaker, pursuant to standing order 170, I move:

That the Human Rights Bill 1990 be withdrawn.

**MR MOORE** (11.17): Mr Speaker, it is a sad day when we see Mr Collaery of all people moving to remove a Bill on human rights. Had Mr Collaery been open-minded and broad-minded about this issue, he could well have gone to Labor and said, "Look, you have done a tremendous amount of work on this human rights Bill and I also have an interest. We could have a bipartisan approach to this". He could have said, "I would be prepared to introduce this Bill with some modifications". It could have been presented along these lines. But no; instead of doing that, Mr Collaery has delayed the introduction of a human rights Bill into this Assembly by, what is it, Mr Collaery, six months - something along those lines. What we will actually see is the introduction by Mr Collaery at some time of a Bill which, in fact, will be very similar to the Bill that was tabled yesterday. I think that relying so heavily on this and the self-government Act is very questionable.

I am not a lawyer myself, Mr Speaker; however, I am capable of reading about Bills whose object or effect is to dispose of public money, and I accept that there is a problem with this. This particular issue ties up every single issue that the Opposition wishes to raise and the result of it will be to ensure that private members' business almost becomes redundant. This is what this Assembly is doing, and the reason the Government members are not particularly worried about it is twofold. First of all, they are presently in government and, secondly, they are unlikely ever to be in opposition because they are unlikely ever to be re-elected. So the impact on them is going to be very slim, with the exception of, perhaps, Mr Kaine, if he does not decide to retire first. I do not mean to pre-empt anything.

**Mr Kaine:** I am not planning to retire for 10 years. I am going to be Chief Minister in 10 years' time.

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**MR MOORE:** In that case, I am delighted. It is quite possible then, Mr Kaine, that you ought to look very closely at this issue because you will be spending quite a lot of time in opposition and private members' business will be very important to you. I quite confidently predict this.

I would suggest, therefore, not only that you look at changing the standing orders but that we, as an Assembly, approach the Federal Government to get an amendment to section 65 of the self-government Act, in order to allow what is clearly its intent, that only a Minister ought be allowed to introduce a Bill the object of which is to spend money. A Bill that has as its consequence the effect that money needs to be spent is an entirely different thing. We must remember that if the Government does not want to spend that money it still has the prerogative, still has the numbers, to override such a Bill. For example, if you feel that it is inappropriate, you can override the section of the Bill that, in this particular case, would set up a human rights commission that would cost money.

**Mr Collaery:** This is gross naivety; this is absurd.

**MR MOORE:** I see Mr Collaery and Mr Duby there having a discussion, saying that this is gross naivety. As I say, for those two people who have a use-by date of early 1992 - - -

**Mr Jensen:** Come on; be original, Michael.

**MR MOORE:** Mr Jensen, of course, is in the same bed. I grant him his third of one per cent, although I would think that perhaps he does not warrant quite that much because Dr Kinloch and Mr Collaery will probably take the lion's share of the one per cent between them.

Obviously, this matter is going to be of no concern to them if they can manage to stay in government till then, which, of course, they will because it is out of self-interest that they remain in government and not out of community interest. Clearly, Mr Speaker, what we have here in the moving of this particular motion by Mr Collaery is not the simple issue that is being dealt with, but the ability of private members in a small parliament to make a major contribution to the community.

In this particular instance, by forcing this and by not looking for ways around it, the Government is forcing the matter of human rights to be delayed for in the order of six months when, in fact, we could have taken a relatively bipartisan approach to this particular issue. This is an issue which Mr Collaery claims again and again that he has been particularly concerned with and which I have believed that he is concerned with - unlike many other things that Mr Collaery says. The result of this is that we get a standard parliamentary political "them and us" approach, which could well have been avoided in these circumstances

and which could have led to what is better for the community of Canberra. What is made clear by this issue is that the last thing the Government has in mind is what is in the best interests of the community of Canberra. Again and again we have seen that it has been overridden by what it considers to be in its best interests.

**MR KAINE** (Chief Minister) (11.24): Mr Speaker, what we are talking about here is quite fundamental to the future of this Assembly, and I understand the consternation of the members of the Opposition when the effects of a provision in the self-government Act seem to prohibit the kinds of things that they would like to do. I can understand their frustration and their consternation at this.

There are a number of things in the self-government Act, Mr Speaker, on which I think we should be questioning the reasons why the Commonwealth wrote them in there. I think this is one. This provision, section 65, says that a Bill, the effect of which is to charge money against the consolidated fund, shall be presented only by a Minister. In my understanding this goes much further than the provision in the Commonwealth Parliament itself, and when you look at its effects you have to ask what the Commonwealth parliament had in mind when it passed this Bill. Did the members write those words in there deliberately to impose a constraint on the actions of this parliament, or was it inadvertent, or did they simply not understand the consequences of it?

It is not the only provision in the Act that I have difficulty with. There has been discussion before on, for example, the things that can prevent a member of this Assembly taking his or her seat. There is a provision in here which I will not go into but which is again quite different to the provision that is in all other parliamentary arrangements. This provision allows people to take their seats in this Assembly under conditions which would exclude them from taking their seats in other houses. I do not know why the Commonwealth wrote this in here either, but I think there are some questions.

We have recently had a debate in the house about the ability of the Chief Minister to appoint a requisite number of Ministers. Why did the Commonwealth see fit to prescribe that the Chief Minister can appoint only three other Ministers? This house is going to grow in size over the years; it will not always be 17 people. To prescribe that the Chief Minister must appoint three, and three only, Ministers is, in my view, quite prescriptive. It does not apply to any other parliament. The Premier or the Chief Minister in other parliaments in Australia determines how many Ministers he believes he needs to administer the State or the Territory.

So, there are a number of things in this Act that I think need to be questioned. I have some sympathy with the views of the Opposition on this particular prescription. I think

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it is unreasonable, on the face of it, and I would like to know what the parliament across the lake had in mind when it put this particular prescription in here. I wonder whether it intended it to have the effect that it does, or to carry the connotations that it does carry.

Mr Speaker, rather than arguing the point every time the Opposition wants to put a Bill on the table, I think the solution to this problem is whether we should not be asking a committee, or setting up another committee, or asking an independent person or body to review the self-government Acts - all of them - and to make recommendations as to what course of action this parliament should follow when approaching the Commonwealth to have the things changed in these Acts that we do not think are appropriate. I think that this is probably the direction that we should take. We have acrimonious debates from time to time on these issues. I think this is unproductive; it is unnecessary. We should be doing something to change it in principle rather than arguing about the symptoms.

**MS FOLLETT** (Leader of the Opposition) (11.28): Mr Speaker, I am afraid to say that Mr Collaery has again, yet again, absolutely amazed me by the depths to which he will plummet to discredit himself totally. I genuinely believed that Mr Collaery had an interest in human rights. Indeed, he built a reputation on it.

**Mr Collaery:** No-one out there is going to listen to this nonsense of yours.

**MR SPEAKER:** Order, Mr Collaery, please!

**MS FOLLETT:** Mr Speaker, as I was saying, I had genuinely believed in Mr Collaery's commitment to human rights, and at the time when we were in government I was not happy with the fact that while we were in government we were unable to produce human rights legislation during the seven months that we were there. I believe that Mr Collaery is similarly unhappy with the fact that he has not been able to produce human rights legislation in the eight or nine months that he has been in government.

It is a problem of drafting. It is not an easy matter to deal with in a drafting office and Mr Collaery has not been able to produce the goods. That fact, of course, would concern him, just as it concerned us both in government and in opposition. I believe this is an absolutely essential piece of legislation for the ACT, to bring the protection offered to ACT citizens into line with that offered to citizens elsewhere in Australia.

The piece of legislation that I introduced yesterday, as I said yesterday, implemented a promise which I made on the very first day that this Assembly sat. I do not go back on my promises. I introduced that piece of legislation in the genuine belief that it would add to the quality of life in the ACT, that it would protect some people who would

otherwise suffer from discrimination, and that it would allow them to take action in the ACT when they believed that they had been discriminated against.

As I said, Mr Speaker, I had always given Mr Collaery possibly a flattering view that he also would have believed in these kinds of ideals. Yet what we see today is his attempt to have this legislation withdrawn. The effect of the legislation is to promote human rights in the ACT. This is why I have introduced it, and I believe that any incidental effects - - -

**Mr Jensen:** Tell the truth, Rosemary.

**MS FOLLETT:** Mr Speaker, Mr Jensen has just said to me, "Tell the truth, Rosemary". I require that he withdraw that remark.

**MR SPEAKER:** Mr Jensen, please withdraw that comment.

**Mr Jensen:** I withdraw it, Mr Speaker.

**MS FOLLETT:** Mr Speaker, the legislation was prepared in my office, drafted by one of my private secretaries and introduced by me. This is just for the record, Mr Collaery - through you, Mr Speaker. The effect of this legislation is to promote human rights in the ACT. We have heard from members opposite that the effect of it is actually to incur expenditure. That is an incidental part of the legislation. I do not deny that it will cost money - money which, incidentally, has been allocated in your own budget. How you can now stand up and claim that I am requiring you to spend extra money, I just do not know. You allocated that money in your own budget which you introduced on Tuesday of this week. Your arguments are totally hollow. They arise entirely out of Mr Collaery's embarrassment and disappointment that he was not able to produce the legislation himself.

Mr Speaker, I put it to the Assembly that there are some courses of action open to members other than the withdrawing of this legislation. We could, for instance, as the Chief Minister has suggested, take up the matter with the Federal Parliament and, in fact, I have raised it in a letter to the Federal Parliament. I have asked what the members mean by this part of the legislation. I do not hear from members of the Government that they have taken any such action, and until I hear from them that they have, I doubt their credentials on this whole issue of section 65 of the self-government Act. They have done nothing about it. They have used it as a convenient excuse to attempt to curtail private members' business within this Assembly.

If you want to gain any credibility whatsoever - and I do believe the Chief Minister in his comments on the matter - then you need to take some action on it, not just ban our Bills in this knee-jerk way. This is a very childish way to behave, and it must be seen purely as political point

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scoring. It must be seen purely as a reaction because Mr Collaery, yet again, is miffed. It is pathetic.

Mr Speaker, there is yet another option available to members opposite, if they have a commitment to human rights, and that is, of course, for one of their Ministers to sponsor this Bill. We have not heard that option put up by any of them and I would ask you why that is. I would suggest to you that it is because this issue has raised in them such a degree of bitterness, such an irrational approach, that they are unable to see the commonsense solution. I know that they are embarrassed because we have done their job for them. I know also that they have put money in the budget for just this purpose. So, all of their arguments are totally hollow. There are several decent, rational, responsible courses of action available to them; they have not taken any of them. They stand condemned for this and they stand condemned for attempting to deny an improvement to the human rights of the people of the ACT.

**MR CONNOLLY (11.34):** Mr Speaker, I rise briefly in this debate not so much to answer the diatribe from the Attorney-General as to address the thoughtful remarks of the Chief Minister.

**Mr Collaery:** I have not spoken yet.

**MR CONNOLLY:** I refer to the words of the Attorney-General in his efforts to throw this Bill out yesterday, and also this morning when he moved this motion.

Mr Speaker, as the Leader of the Opposition said, the Chief Minister's comments were thoughtful on this point. There is clearly a difficulty with the legislation and that is acknowledged by all sides of the house. The point is, however, that this side of the house does not accept the view of the law which was set down in the one letter that has been circulated on this point, that is, the opinion of Mr Sorbello. Even going to Mr Sorbello's letter, it is clear that it answers the point that the Chief Minister raised, and that was: why did the Federal Parliament intend to so limit the Legislative Assembly? Mr Sorbello makes the point that the explanatory memorandum, the short title to the section and the parliamentary debates show that there was no intention on the part of the Federal legislature to limit this parliament in the question of private members' Bills. Indeed, the implication that one draws from the explanatory memorandum, the title to the section and the parliamentary debates is that the same rule ought to apply here as applies in the Federal Parliament, that is, that Bills appropriating supply may not be moved by the Opposition. In other words, the Opposition may not move a budget, and quite properly that is in the Westminster tradition that applies in all parliaments throughout Australia.



Having effectively had common cause on parliamentary intention, there are differing legal views as to whether the clear words of section 65 - the clear grammatical phrase - which refer to the effect of incurring a charge, or the object of incurring a charge, can be read down. It is a clearly accepted principle of law that a rule which leads to an absurdity may be read down. That again is common ground in the two legal views - - -

**Mr Collaery:** Like the bias rule yesterday.

**MR CONNOLLY:** The Attorney-General may think this amusing, but he should consult his own law officer's opinion and, indeed, any authorities on this point. It is clear law, almost trite law, that a legislative provision which leads to an absurdity may be read down. The views differ as to whether section 65 may be read down. In Mr Sorbello's opinion on the specific legislative provision that he was commenting on there, he felt that it could not be read down.

We now seem to have reached a position where any private members' Bill is being struck down without an opinion being circulated. The view of the Opposition in that debate when we put on record our difference with that legal opinion, and the view remains today, is that this is a matter of such fundamental importance - the Chief Minister's remarks bear out the fundamental importance of this point - that it is an appropriate matter on which senior counsel's opinion should be sought.

Mr Speaker, what we are considering is the future of all private members' legislation in this parliament. It is, in my view - - -

**Mr Collaery:** That is what the Chief Minister said.

**MR CONNOLLY:** As indeed the Chief Minister acknowledged. I would submit that it is not appropriate that we act on what is a disputed legal view. This Opposition has repeatedly said that this is a matter of such importance that we ought to go to senior counsel, we ought to go to a very experienced queen's counsel who practises in the field of public law and who is familiar and experienced with the way superior courts interpret constitutional provisions, because section 65 is a constitutional provision. We ought not to leave it to the Government Law Office. It would be put in the very difficult position for any law officer serving the Executive Government of prescribing the powers of the parliament. We ought to go to senior counsel on this point. And, as we ought to go to senior counsel on this point, we ought not to be throwing Bills out until we have a clear opinion from senior counsel.

If Mr Collaery is of the firm view that this is in dispute, the appropriate course is to leave this resolution that Mr Collaery has moved on the table and to adjourn the debate until we have a clear opinion from senior experienced

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counsel. By senior counsel, I am really thinking of one of a number of queen's counsel in Australia who practise regularly before the superior courts, who practise regularly in the High Court, and who have more appropriate qualifications, background and experience to give us a definitive view on this. It may indeed be that at the end of the day that opinion is contrary to the view that I have been putting, and we may have to take the course of seeking reform of the text of section 65 in the parliament on the hill. But I suggest it would be far better to get a definitive legal view before we try to persuade the Federal Parliament to change its mind on a matter where it may well - indeed, I suggest, it did - think it was giving us a legislative provision which imposed upon us only the same limitations that it imposes upon itself.

In calling for this course of action, and before resuming my seat, I also make the point that I can see the Attorney-General is eager to get up and score a little cheap political point on this. In her remarks yesterday the Leader of the Opposition said that this Bill, whilst implementing a longstanding Labor Party promise, was drafted with the resources of the Opposition and the resources of the Opposition do not include access to the experienced counsel of the law office. "We believe", said the Leader of the Opposition, "that this is a good Bill, but we are not, in introducing it, claiming that it is a perfect Bill in every provision". The Attorney-General is no doubt going to leap to his feet and point to a couple of what he will claim to be errors in the legislation, and make the dramatic theatrical comments that we have mucked up some provisions. The Leader of the Opposition did not say that this Bill was perfect in every provision, as I also said of the Bill I introduced yesterday. We do not have unlimited resources. We have done our best to provide a Bill - - -

**Mr Moore:** There is the detail stage.

**MR CONNOLLY:** As Mr Moore remarks from the seat next to me, these sorts of minor errors can best be dealt with in the detail stage. We said yesterday in respect of both Bills that we would welcome comments from the Government to improve the drafting of the legislation. But the mere pointing to some provisions in the Bill which Mr Collaery may say may be incorrect - - -

**Mr Collaery:** You know about it.

**MR CONNOLLY:** I know enough to say that, like any lawyer, when one or two people look at a Bill they cannot assert that everything is perfect. I am experienced in the process of getting legislation prepared for parliament. From my experience, which Mr Humphries also had at one stage, of preparing legislation as a public servant, I know that it is a job which usually involves a large number of highly skilled legislative draftspeople. We do not have these resources in the Opposition; so the Bills that we

produce for discussion in this parliament will not be perfect. But they are being introduced to further the interests of the community and to be on the table for proper debate in the legislature.

Mr Speaker, the proper course of action today is to defer voting on this provision until all of the members of the parliament have had the benefit of advice from senior counsel. To do otherwise is a disgrace.

**MR BERRY** (11.42): Mr Speaker, I rise to seek to facilitate the procurement of senior legal advice before this matter is decided. I will therefore move:

That the debate be now adjourned.

Question put.

The Assembly voted -

AYES, 8

Mr Berry  
Mr Connolly  
Ms Follett  
Mrs Grassby  
Mr Moore  
Mr Prowse  
Mr Stevenson  
Mr Wood

NOES, 8

Mr Collaery  
Mr Duby  
Mr Humphries  
Mr Jensen  
Mr Kaine  
Ms Maher  
Mrs Nolan  
Mr Stefaniak

Question so resolved in the negative.

**MR BERRY** (11.49): The actions of the Government members opposite have clearly demonstrated that they are more concerned about their own embarrassment about this issue than they are about the provisions that were intended by this Bill. The Attorney-General, of course, has locked himself into a position on this matter because he has been embarrassed in the past, and all of the talk from the Chief Minister in a reasoned tone, that it was somebody else's fault, is about justifying the position that they have locked themselves into. It is not about providing appropriate legislation for the people of Canberra. It is not about this house dealing appropriately with private members' business, though I must say that I did sense that the Chief Minister recognised that this was an important issue for Liberal Party members because there may be some of them in the next Legislative Assembly and, on today's assessment, it could be argued that they would be in opposition - certainly on the prospects that are reported to us through the media.

For the Chief Minister to be somewhat careful about his position in relation to this matter makes some sense, because the Chief Minister would not want to lock any future opposition into a position where it could not do anything in private members' business in terms of

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legislation. But what the Attorney-General has sought to do is to ensure that private members can never do anything in this place in terms of legislation that could be described as meaningful.

The Government has set out to prevent the debate of private members' legislation, because it would show the flaws in its political position, and it would particularly show the flaws in the position of the Residents Rally party. To maintain any credibility in the community over these sorts of issues Rally members would have to support the Labor Party, and they would have to support the other members on the opposition benches in relation to this legislation. Of course, it would then be even more difficult for its members to argue that they ought to be part of the conservative Government opposite, and it would become more pointed that they are in it only for what they can get out of it personally. All of these issues are matters which should not escape public scrutiny.

Mr Speaker, this issue is about blocking sensible discussion of important legislation. It is about the refusal of some members of the Government opposite to admit that they have made a grave mistake. It is not the Opposition's position in relation to this matter to rub their noses in it although, politically, that opportunity looks attractive from time to time. It is a matter of the Opposition seeking to ensure that there is reasoned debate about important legislation. I think the Government's behaviour on this issue is scandalous; it will go on the record as being scandalous.

In relation to the adjournment of this issue, Government members have even prevented us from seeking senior legal advice to assure this Assembly that it is doing the right or the wrong thing respectively. The blocking of the procurement of that advice before making a decision on this issue, I think, clearly establishes what their position is. They are frightened of what the outcome might be. This is a bloody-minded approach to the issue and I have to say that they will pay the price for it. It is unreasonable and bloody-minded. It is intended to stop the reasoned debate.

**Mr Jensen:** Only if you misrepresent, Wayne.

**MR BERRY:** I hear Mr Jensen interjecting; I could not hear what he said.

**Mr Jensen:** Only if you misrepresent the issue. That is what I said.

**MR BERRY:** I am pleased that Mr Jensen used the word "misrepresentation", because this is what the Residents Rally members have done in relation to their attendance at this place from very early days.

The fact of the matter is that the Government has set out to block the Opposition. It is clearly a political stand. I understand the politics of it, but what it cannot do is pretend that it is anything else. This is a bloody-minded move to prevent the Opposition from introducing legislation. It is a bloody-minded move to get the Government off the hook because its members are embarrassed because of their dismal performance in the production of meaningful legislation for consideration by this Assembly.

**MRS GRASSBY (11.55):** Mr Speaker, what a fake! That is all I can say. Human rights are the right of every citizen in the ACT and we do not have a Human Rights Act. We, as an Opposition, with the very little means we have, have prepared a Bill and brought it into this house.

The Residents Rally party, led by the leader, Mr Collaery, who was always telling people that he stood for human rights, spent most of the time when we were the Government talking about a human rights Bill and asking why we did not bring one into the house. Now he has the chance to do something about it. We have brought one into the house, and what has he done? He has used some part of an Act that is in the green book and says that we cannot do it. Yet we look at the budget and there is money being provided in the budget to do exactly what we want to do. If he found the Bill was not to his liking or to his law officers' liking - and I am not sure that would be true, anyway - we could easily have sat down and talked about that, or it could have been changed in the detail stage.

There is no rhyme or reason for doing what the Attorney-General is doing. I get the feeling that the Attorney-General is just jealous of the fact that, with our meagre ways of being able to do it and with very little staff, we could bring a Human Rights Bill into this house. The people of Canberra believe that we can put our money where our mouth is, not like the Attorney-General who keeps telling us that the Residents Rally believes in the human rights of the people of Canberra, and, of course, it has been shown today that its members do not. By their words we shall know them, and their deeds; and this is what the people in Canberra will know them for.

It really upsets me to think that he would pull this gag to stop us having a Human Rights Bill. As I said, he knows he can change it in the detail stage. The Government has the numbers. It would be very simple, even if he did not want to sit down and talk to our leader about it. But, no, he pulls this on so that we do not have to have a Bill; or, Mr Speaker, is it really the truth that there is no real business? If we look at what the Government has brought into the house in the last few months, they are either Bills that were in the pipeline with our Government, or ministerial statements. We waste time speaking on ministerial statements.

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Yesterday we brought three important Bills into this house, but the most important of them all was the Human Rights Bill - the Bill of rights of the people of Canberra. We had a right to have this Bill. The Leader of the Residents Rally is forever on his feet, out in the public here, talking about human rights. We really know what he is all about now. We really know what the Leader of the Residents Rally is all about. He is all talk and no action - all puff and wind. That is exactly what he is, Mr Speaker. The people outside will know exactly - - -

**Mr Kaine:** This is the best speech you have made so far, Ellnor. I am enjoying this.

**MRS GRASSBY:** I am sure you are, because I am criticising the man who is sitting beside you because he is all puff and wind, and you know it, Chief Minister. He is all puff and wind. I will not say what my colleague wanted me to say, because the Speaker would make me withdraw it and it would be a rude word; but that too, Mr Connolly. He is all that and wind too.

I will not say that about the Chief Minister. I have not ever heard the Chief Minister on his feet pronouncing about getting a Human Rights Bill and doing all this. At least the Chief Minister is honest about it. He would just do it, but not go on with all the puff and wind Mr Collaery and the Residents Rally have gone on about. He sits there with a great smile on his face, Mr Speaker; but the people outside will know him for what he is. They will know that he is just a lot of nonsense. He has a use-by date, and we will not see him back in this house after the next election; but that will not matter because he will have stopped us from bringing a very important Bill into this house - a Bill that gives rights to the people of Canberra, the aged, the sick, the ethnic communities that he is always on his feet speaking about.

He reminds me of that sign you see at the dry cleaners: "We take all care, but no responsibility". Mr Collaery is all care, but no responsibility, because he really does not care about the people here in Canberra. If he did care, he would have let this Bill come into the house. He would have at least sent it to some senior legal adviser to find out whether we could do it. If he believed we were breaking the rules of this house, he would have at least done that. Or if he felt, as he said, that the Bill was all rubbish, he would have at least then sat down with our leader and said, "Look, you know, you are doing the right thing. We need a Human Rights Bill in this house, because I have gone on and on about it, and I am going to sit down and do something about it with you". But, no.

I think Mr Collaery is jealous that our leader and her very few staff, who have done a wonderful job on this Bill, were able to bring a Bill into this house and he, in all the time he was in opposition, could do nothing. Never did I see Mr Collaery bring a Bill into this house when he was in

opposition, or anybody else. But we brought three in yesterday, and we have given the house some work.

**Mr Collaery:** Four.

**MRS GRASSBY:** We brought three into this house yesterday. We were able to do this. But what has Mr Collaery been able to do? As I said, he is all puff and wind. We hear him babble on about it, but we do not see any results; none whatsoever. It is a sad day in this house to see a Bill of such importance thrown out. It is a sad day for the people of Canberra, and it is a sad day for the people who have been discriminated against out there.

Here they have the rights. This was going to give them the rights and give them an office to do something about it; but Mr Collaery, with all his talk - he is a great talker - does nothing, absolutely nothing. The Residents Rally members sit over there with Norman the storeman, and they talk about how they really believe in the rights of the people. Here they had the chance and they knocked it back, because they did not want this Bill in the house. If Mr Collaery does bring one in, it will be watered down. It will be watered down until it has no power. It will be like a toothless tiger and it will not have any power to do anything. Mr Collaery has shown what he is today: a person who talks, but does not do anything.

**MR JENSEN (12.03):** That was interesting, Mrs Grassby; rather a fascinating comment. Let me just ask one very important question of the members of the Opposition. If they really wanted to have a wide-ranging debate on this issue, as they claim they want at the moment, why could they not have put the Bill out for public comment? Why could they not have sent it out with all those letters that they have been sending out? They could have sent it out to all the organisations that they have been sending masses of letters out to. Why did they not send it out?

That, of course, Mr Speaker, raises another point. Mrs Grassby has raised the issue: why did not Mr Collaery come across and talk to their leader about this issue, if he thought there were some problems with it? Mrs Grassby, I ask you - through you, Mr Speaker: why did not Ms Follett come across to the Attorney-General if she was so keen to have a bipartisan approach to this important issue in the ACT? Why did not she seek to have a meeting with the Attorney-General, or send Mr Connolly, as the so-called shadow Attorney-General, to discuss the issue with him? But no, they did not propose to do that at all, because clearly this is a cheap political trick. They knew full well that section 65 of the self-government Act is very different from the relevant provisions provided for in the Australian Constitution and also provided for in the Northern Territory.

Our Act was written a long time after both the Constitution and, of course, the Northern Territory Act. Why, after all

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this period of time of operation, was it so different? Why was it deliberately different? One has to ask. Maybe, it was because there was some suggestion that there may have been some minority government within the ACT. Therefore, it was important to enable that minority government not to have its programs upset by a greater opposition.

**Mr Berry:** Speculation.

**MR JENSEN:** It may not be speculation, Mr Berry. One must ask very carefully why there was this important difference. Why was this so important? Why was it different? Even if one looks at the explanatory comments in relation to this, unfortunately it does not follow this matter up; but clearly one has to wonder once again about the so-called bipartisanship attitude of the Opposition.

Mr Speaker, Opposition members knew that, once you had ruled that this Bill was out of order, in accordance with the standing orders the Government had no alternative whatsoever but to move for the Bill to be taken off the notice paper. That was why those opposite put this Bill on the table, for the first time, knowing full well that the Speaker would have no alternative but to rule the Bill out of order and then, of course, the Attorney-General would have to do exactly what he did.

In relation to the point raised by Mr Connolly on the other Bill that was put forward yesterday, there was clearly some doubt about it. But let me suggest to you that in clause 6 of the Human Rights Bill that Ms Follett put forward yesterday there was a clear suggestion that the Government was required to appoint a commissioner. I am sure that commissioners do not come cheaply. One has to pay for a commissioner. He is not going to do it for nothing.

On that basis the Government knew that this was in contravention of section 65 of the ACT self-government Act, and also the standing orders. We have heard some comment in relation to this matter in the past, about changes to standing orders. We may be able to change standing orders, but unfortunately we have no power to change the ACT self-government Act.

**Ms Follett:** What have you done about it?

**MR JENSEN:** Ask Mr Berry. Mr Berry is involved. I do not propose to get into discussions on committee deliberations, Mr Speaker, unlike some in this place. But I think it is important just to wonder why, why - - -

**Ms Follett:** You are a fraud.

**MR JENSEN:** No, there is only one fraud in this place, Mr Speaker, and it is sitting across there opposite me.

**Ms Follett:** It is you. You are a fraud.



**MR JENSEN:** You are the fraud, Ms Follett. You are the one who knows full well that the Attorney-General had no option but to do it.

**Ms Follett:** Rubbish, what rubbish! I have given you two different options.

**MR JENSEN:** No, those options, as you clearly know, Ms Follett, were not tenable at all. The Attorney-General had no option, and that is what he has done. I am sure that when the Attorney speaks on this matter he will once again confirm the facts that I have just raised.

**MR HUMPHRIES** (Minister for Health, Education and the Arts) (12.09): Mr Speaker, I rise to support my colleagues in this matter. I have not followed the whole of this debate; but I have not yet seen any reason put forward to distinguish the situation with respect to section 65 during the life of the Follett Government and the situation of section 65 now. It is apparent that this section imposes a severe limitation on oppositions, on minor parties, on non-governing parties to initiate legislation in the Assembly. As Mr Jensen has intimated, it is quite clear that the Federal Government intended that minority governments ought to be protected in some fashion against parties in the Assembly, other than that minority government, initiating legislation of a particular kind. I honestly cannot see any other explanation for section 65. Although those opposite pooh-poohed Mr Jensen's suggestion that that was the case, I would like to know what their alternative explanation is for the origin of section 65.

**Mr Stefaniak:** Terry reads it down.

**MR HUMPHRIES:** I heard something upstairs about Mr Connolly reading it down. He is very good at reading things down. I wish he would read down some of the ludicrous arguments that the Opposition comes forward with in this place. If section 65 means what it says - and I hold the curious view that, unread down, it does - then we have to draw the conclusion that it was not the intention of the Federal Parliament to permit parties other than government parties to initiate financial legislation. This is the only possible conclusion that can be drawn from that. That was the protection afforded by the Federal Parliament to minority governments. It was, moreover, protection upon which Ms Follett, as leader of the previous minority government, actually relied. I could feel more sympathy for the Opposition's present position if I felt that its members were maintaining the same single position over the life of this Assembly, but they clearly are not. They clearly are not adopting the same position.

**Mr Berry:** Why did you not agree to the adjournment so that we could get senior legal advice? Your opinion is not eminent enough.

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**MR HUMPHRIES:** They clearly are not adopting the same position because when in government they relied on the protection of section 65 and now they say that we in government are not entitled to rely on that protection. I cannot understand the difference and I am yet to hear from the Opposition a satisfactory explanation as to why there is a difference.

Now Mr Berry interjects across the chamber in his usual fashion and says something to the effect that we ought to have allowed the adjournment to proceed for legal advice to be obtained. I think the question here arises: in what circumstances ought proper rulings - and I have every reason to believe it was a proper ruling by the Speaker - to be enforced and acted upon by the Assembly?

It is perfectly obvious that advice was obtained - at least it appears obvious to me anyway - by the Speaker before he made the ruling that he did. I have every reason to believe it was proper and appropriate advice. It does, after all, let us face it, accord with the advice that Ms Follett herself had in government when she relied on section 65. Therefore, we are entitled to assume, I believe, that the advice was properly obtained and that the ruling made by the Speaker was a correct ruling. In these circumstances we ought to rely on that ruling, abide by that ruling and follow the procedures outlined in standing orders for the enforcement of that ruling.

The suggestion that it should be referred to legal counsel for a costly legal opinion arises, it seems to me, purely from a political desire by the Opposition to frustrate that ruling and to give more life to a proposal which is already, quite clearly, utterly and completely dead. I see no argument here. I think that those opposite are attempting to get political capital out of a proposal for a Human Rights Bill, one they know perfectly well is being accommodated by this Government. The primary and only consideration for those opposite is to get the most political capital they can out of the proposal before it is finally knocked off for perfectly legitimate legal reasons. As I have said, I would have far more respect for the position of those opposite if it had been consistent. It has not been consistent.

In the circumstances I propose to follow, not just the precedent laid down by Mr Prowse, the Speaker, in his ruling today, but also the precedent set by Ms Follett herself in opposition when she relied on section 65 to knock out legislation put forward by Mr Stevenson.

**MR STEVENSON (12.15):** Mr Humphries talked about the Labor Party using the protection of section 65 and said: why should not the Alliance have the same protection? I wonder what it requires to be protected from. I do not think members of the Alliance, or other members of this Assembly, should require protection from full and open debate. There is nothing in this Assembly or any other parliament that

should not be fully open to debate. If any members of this Assembly wish to introduce a Bill, they should have that right. One could perhaps talk about the budget. I would probably exclude that.

People elect members of parliament to represent their wishes and, if a member thinks that because it is the wish of the people - or perhaps for some other reason - a Bill should be introduced and debated, then it should be. If the numbers were not here, then it would not be passed; but at least it would have been debated and all members would have had an opportunity to talk on the matter, and the people of Canberra would have had the opportunity to know who thinks what on these different issues.

I think there are only two possibilities in this particular predicament we have, which is a very important one indeed concerning democracy, or whatever it is we have in this town. Either we get another opinion from the most senior legal advise we can get, or we go straight to the Federal Parliament and ask it to change it, otherwise no Bill could be introduced without challenge by members other than by those who control the numbers in the Assembly. Every single Bill affects money. If it did not, interestingly enough, the Alliance or any group that controlled the numbers in the Assembly could move to introduce a money change in some area that then could require any Bill to affect money. I am thinking of a couple of specific instances that were changed not that long ago that could rule out Bills in this Assembly.

We must have a situation where there is full and open debate in the Assembly. There must be a situation where members other than the Alliance have a right and the opportunity to present Bills and debate them on the floor of the house. The Alliance does not need protection in this matter. So, let us agree to get some other legal advice and, if not, let us agree to go to the Federal Government and ask it to amend the Act to allow us to introduce Bills in this part of the house.

**MR DUBY** (Minister for Finance and Urban Services) (12.18): Mr Speaker, I shall not take up much further time of the Assembly on this matter, but I think this has been a particularly acrimonious debate. People are suggesting that Government members on this side are opposed to the concept of human rights legislation, which of course is not true. To my mind the matter is cut and dried. Standing order 170, as you so rightly pointed out today, Mr Speaker, says quite categorically:

Every bill not prepared according to the standing orders shall be ordered to be withdrawn.

This Bill falls into that category and, no matter how much we want to argue the point, this Bill should be withdrawn. The matter of the literal interpretation of section 65 of the self-government Act has been traversed by many speakers

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today, and I think we are all agreed that the way it is worded is not, I think, the way it was intended. I applaud the Chief Minister's suggestion that we should have contact with the Federal Parliament and see whether there is any way in which those provisions which are odious to us can be removed.

I can assure members of the Opposition that this Government does not intend, or is not trying, to stifle the use of private members' business or the introduction of private members' Bills. I am saying this in a truly bipartisan approach. Clearly the health of this Assembly relies upon active and supportive private members' business being introduced into the house. I have read with interest comments by Mr Connolly and, of course, views put by the Government Law Office. It seems that our hands are tied. It seems that, no matter what our hearts may wish to do, our heads tell us that we have to withdraw this Bill.

**MR COLLAERY** (Attorney-General) (12.20), in reply: Mr Speaker, I think something should be made clear to the house, certainly to those waiting, and that is that standing order 170 says:

Every bill not prepared according to the standing orders shall be ordered to be withdrawn.

You called upon me as leader of business in the house to respond to your ruling. If I do that, Mr Speaker, I either stay in my seat and it is a vote of no confidence in you - and most parliamentary practice indicates very clearly what the result would be for you, and I say that with respect - or I respond to your ruling and stand and move that the Bill be withdrawn. I think it was obvious to everyone in the house today that this is very clear. I did it as I have done before, and the record will show that on moving that motion I did not speak to it. My very strong view is that either this Assembly follows established Westminster parliamentary practice or we bring the Assembly into disrepute.

I have supported your ruling, Mr Speaker - a ruling about which I was not aware until you made it, and I believe that was evident to everyone in the chamber. I have supported it. Following my support for that ruling I have been faced with the situation as leader of Government business in the house where, Mr Speaker, you have supported a motion calling for this motion that I have moved in deference to your ruling to be adjourned, on the argument of Mr Berry, for further legal advice.

This leaves the Government in a very difficult position. We do not wish to pre-empt that legal advice that clearly, Mr Speaker, in your support for the motion you now intend to seek. The choice available to me as leader of Government business in the house is to invite you, with great respect, either to withdraw your ruling and the implicit request that I move the motion that the Bill be

withdrawn, or to proceed to a vote on the motion. I make clear to the house and for the record that the basis for this is not convoluted; it is parliamentary practice.

Yesterday I went to the Federal Parliament at lunchtime and I had the advantage of sitting with the Federal Attorney-General and the Opposition shadow Attorney-General in a situation that made me realise that this Assembly has a long way to go before we will get the full and complete respect of the ACT public. One of the principal reasons why we are not earning that at the moment is the performance of the Opposition here. Knowing full well that I had followed your ruling and that I had sat down, without trying to take any point from your ruling, Ms Follett got up and attacked me in a manner that would have been slanderous and defamatory outside the house - she would not have been game to say it outside the house. She then proceeded to make what is typical of her personality these days, namely, a very strong, snide, personal attack on me. And then she left the chamber again.

This is the flavour of the manner in which members of the Opposition are proceeding in opposition. We see their magazines they issue, their Insider - scurrilous documents. I say through you, Mr Speaker, to the Opposition: you lower the concept of self-government every day longer that some of you sit in this house. You should go back to your jobs - not that many of you had a job - if you cannot try to elevate self-government in the chamber.

Mr Speaker, the fact of the matter is that section 65 - - -

**Mrs Grassby:** He gets really upset, doesn't he? Bernard earned only \$3,000. Anybody who earns only \$3,000 does not have a job.

**MR COLLAERY:** And that, I might add, Mrs Grassby, is because of the type of work I did in the field of human rights, but we will not go into that.

Mr Speaker, the Act is very clear, as the Chief Minister said. It allows of several interpretations, as Mr Connolly seeks to argue. I do not support his arguments. I do not support the notion that an Attorney and a shadow Attorney should engage in dry legal discourse across this chamber on points of legal interpretation, other than to say that I do not support his interpretations, particularly that courts always read down statutory enactments when the result would be an absurdity. I practised for years in the courts - unlike Mr Connolly - and I am not aware of that ruling and I dare say that Professor Pearce would not agree with that simplistic notion, either. Professor Pearce is the co-author of a leading Australian text on statutory interpretation.

The situation for the Government is that the Federal Labor Government, for reasons best known to itself, has clearly given drafting instructions and passed a provision that

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creates a very strict obligation on a government to be responsible for all enactments, votes, resolutions or questions, the object of which is to dispose of or charge any public money. We do not know the reasoning behind those drafting instructions, or the law, but it may have been the size of this chamber. The very clear intention of the Federal Government was to ensure that there was a clear delineation between a government and an opposition in a small chamber like this. This creates a very clear delineation. By bringing in these Bills that have these effects of charging public moneys, the Opposition is seeking to cloud the differentiation between government and opposition.

During the pre-self-government debates many of us debated this very issue over this chamber. I clearly recall the Chief Minister talking about the type of chamber that we are and whether we needed that delineation. Be that as it may, I would not be surprised if some of the reasoning behind the very strict ruling and the very tight drafting of section 65 was to make sure that the opposition could not become the government by stealth, and you could quite easily do that by bringing in a great number of private members' Bills.

I congratulate the Opposition for being able to get some things drafted. It is a fantastic job on their part. I do not agree with some of the provisions in the Human Rights Bill, and Mr Connolly clearly foreshadowed that. There is one provision, for example, that makes it unlawful for an education authority to discriminate against a person by expelling the student - and that is in very bald terms. There are many provisions in the Bill that I could debate here. Issues of this kind require the most careful consideration. We are doing it and we will have the best human rights legislation, the latest in the country, and you well know it. There is a mass of law reform issues facing the Territory. I believe you brought the Human Rights Bill and the rental bond Bill in as a point scoring exercise, possibly to get at me personally or, at least, at the Government. I think that is clear from the Leader of the Opposition's introductory comments this morning when she went straight for my jugular when the Speaker gave his unexpected ruling.

I do say, through you, Mr Speaker - and I trust the people who are recording today's events will say - that until you as an opposition support the views advanced by the Chief Minister and until you recognise that in debates recently I have supported the task of the Administration and Procedures Committee of this Assembly of getting on with trying to have section 65 amended, you will create this disturbance, for your own camouflaged reasons, every time you introduce a Bill that has an effect on public moneys, as this Bill does in my opinion.

Mr Speaker, I repeat my comments: if you wish me to proceed with the motion that this Bill is out of order and

should be withdrawn, the Government will proceed to that and will vote the Bill out. Alternatively, Mr Speaker, you may wish to withdraw your ruling in view of your subsequent support for the need for further advice. I say that in complete propriety, I believe.

**MR BERRY**, by leave: The Opposition's position is - and I take Mr Collaery's last point seriously: if the Speaker in his wisdom decides to withdraw his statement in relation to the matter, the Opposition will support that.

**MR SPEAKER**: I would like to make a statement to the house. It was not my intention to force the Government's hand on this issue. My intention was to put the proposal back to the Government for its motion. A way out of this would be: if Mr Collaery would seek leave of the Assembly to withdraw his motion, we would then be back to the status quo on this issue.

**Mr Collaery**: With respect, Mr Speaker, either you withdraw your ruling or I will proceed with the motion.

**MR SPEAKER**: Under the unusual circumstances, I withdraw the ruling that Mr Collaery move this motion. Would you please withdraw the motion?

**MR COLLAERY** (Attorney-General): Mr Speaker, I seek leave to withdraw the motion that the Human Rights Bill 1990 be withdrawn.

Leave granted.

Motion, by leave, withdrawn.

**Sitting suspended from 12.31 to 2.30 pm**

## **QUESTIONS WITHOUT NOTICE**

### **Land Use Variation**

**MS FOLLETT**: My question is to Mr Kaine, as Minister for planning. I would refer you, Mr Kaine, to the variation to policy announced in the ACT Gazette of 11 July 1990. It is a proposal to vary the land use policy of block 11, section 49, Deakin, to permit the construction of a sports ground for the Canberra Church of England Girls Grammar School. I ask: will this block of land be sold at full market price after open tender, or will it be granted free to the school?

**MR KAINE**: I do not know the circumstances in connection with that particular piece of land, but I will get the details and make them available.

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### **School Closures - Inquiry**

**MR WOOD:** I direct a question to the Minister for Education. Mr Humphries, in order to gain the confidence of the community that the schools inquiry will be independent, will you seek the approval of the Council of P and C Associations and of the Opposition on the person to be appointed to conduct that inquiry?

**MR HUMPHRIES:** I think Mr Wood is well aware that decisions of this kind are not necessarily made in this fashion. The Government may decide to consult with groups like the P and C about that matter; that is not to say that they have a right of veto over that decision. I would certainly hope that the name the Government chooses is a name that groups such as the P and C council could easily support.

### **School Closures - Inquiry**

**MRS GRASSBY:** My question is also to Mr Humphries. Will the Government's belated inquiry into school closures call school groups and others to give evidence, and will the proceedings be open to the public?

**MR HUMPHRIES:** I reject the assertion made by Mrs Grassby in her question that this is belated. The figures are on the table, and I think it is only appropriate, now that they are on the table, that there should be some consideration of the issues that they give rise to. To say that this could have happened before, I think, is hard to argue.

In terms of the way in which the inquiry will be conducted - I do not propose as a Minister, and the Government does not propose as a government, to prescribe the way in which the person conducting the inquiry should do so. If that person wishes to take evidence or to have public hearings or to have closed hearings, I remind Mrs Grassby - and I assume she attends some committee meetings - that some committees of the Assembly meet in camera on occasions. If these things are the choice of the assessor, then this is entirely up to the person conducting that assessment.

**MRS GRASSBY:** I have a supplementary question. The Minister can determine the way the inquiry will run. Can he promise an open and consultative inquiry?

**MR HUMPHRIES:** I think I have answered the question, Mr Speaker. I could prescribe the way in which the inquiry is to be conducted but I do not propose to. I believe that, it being an independent inquiry, the person conducting the inquiry should do so on a basis which is appropriate in the circumstances and which the person conducting the inquiry feels is appropriate. I am not going to tell that person that he or she should do certain things or should consult



certain people or should conduct all of his or her hearings in public. It is entirely up to the person conducting that inquiry and I do not propose to say what it is that that person has to do and the way the person has to do it.

### **Preschool Task Force Report**

**MRS NOLAN:** My question is also to Mr Humphries in his capacity as Minister for Education. In the implementation of the Preschool Task Force report, does the Government intend to sell vacant preschool sites?

**MR HUMPHRIES:** I thank Mrs Nolan for her question. The Government is giving detailed consideration to the recommendations of the Preschool Task Force report, about which there has been considerable discussion in the last few days in the Assembly. I know some opposite have a different view, but I maintain it is a very good report; it is a very sound and judicious assessment of the issues that face the preschool sector in the ACT. It is a sector which has not been free of difficulties in respect of the way in which its future should be determined, given that the previous Government made some attempt to close preschools. I think it is appropriate in this chamber to recognise that there are difficult choices to be made, and we are going to ensure adequate resources to maintain the quality of the preschool sector.

The report that Mrs Nolan has referred to recommends that alternative models for service delivery should be trialled in 1991. This could well mean that a number of preschool programs will be relocated to other settings. For example, preschool services could be provided in fully operational units based on the priority enrolment areas of relevant high schools. It would be irresponsible if the school system were to continue to meet the maintenance costs for facilities not being used for education programs. Options for alternative uses of vacant sites on a full cost recovery basis are being explored. The sale of vacant sites will also be considered in that context. Evaluation of new models, of course, will focus on the outcomes of the education programs. Finally, I want to say that I think the Canberra Pre-School Society has been extremely responsible in the way in which it has taken part in this process, not only in drawing up the report, but also in implementing it.

### **School Closures - Inquiry**

**MR BERRY:** My question is directed to the Minister for Education, Mr Humphries. Has the Government imposed a moratorium on action towards school closures while the school closures inquiry is proceeding?

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**MR HUMPHRIES:** Mr Speaker, the answer is no.

**MR BERRY:** I have a supplementary question. Perhaps Mr Humphries might inform the Assembly and the people of Canberra what the point of an inquiry is if you still intend to move to close schools?

**MR HUMPHRIES:** Mr Speaker, this is really not a supplementary question. I repeat the point of order I have made many times in the past about supplementary questions which are totally out of order. I will, however, answer it to the extent that it has been asked.

It is the intention of the Government to conduct this inquiry in the form of an audit, an audit particularly of the social and economic impact of a decision the Government made and of the costings and savings that arise out of the Government's decision. I am confident that this process will lead to a confirmation of the Government's position in respect of these school closures, not because I am predetermining the outcome, not because I am going to direct the independent assessor to come down with a particular decision, but because I am confident that the hard work done by those people in the department of education over the last five or so weeks will be confirmed. This does not mean, of course, that the Government will be insensitive or unresponsive to the results of this inquiry. But in my view it is appropriate for us to assess these figures independently, and this is the process that will be going on in this inquiry.

### **Dental Therapists**

**MR JENSEN:** Mr Speaker, my question is directed to Mr Humphries in his capacity as Minister for Health. It is in relation to the professional status of dental therapists employed by the ACT Community and Health Service. Can the Minister advise the Assembly what progress has been made by the Government in resolving the claim for professional status by the dental therapists?

**MR HUMPHRIES:** Mr Speaker, I thank Mr Jensen for his question. He will be aware, as will others in the Assembly, that there has been some dispute concerning the professional status of dental therapists in the ACT Community and Health Service over a period of some months. Following hearings before the Industrial Relations Commission on the 15th and 16th of last month, I am pleased to report that agreement has been reached between the Professional Officers Association, which represents the dental therapists, and the ACT Community and Health Service to include dental therapists in the professional pay structure which applies within the Australian Public Service. This is consistent with the formal offer made by the service prior to the hearing.

The question of professional status is dependent upon an assessment of the qualifications held by the dental therapists. Accordingly, the matter has been referred to the Public Service Commission, which is the appropriate body to make such an assessment, and it has indicated that this process will be completed within a very short time. Both management and the staff association have agreed to this approach and have further agreed to assist the commission in whatever way necessary to expedite the matter. I feel certain that the spirit of cooperation which now exists in this area will help to resolve this dispute satisfactorily.

### **ACTION Bus Replacements**

**MR CONNOLLY:** Mr Speaker, I direct my question to the Minister for Urban Services, Mr Duby. I refer to table 3.1 of the Travers Morgan report for the Priorities Review Board which established that there are currently 190 ACTION buses that are 12 or more years old, and to the budget undertaking to replace only 104 buses in the next two years. Given this discrepancy, how can the Minister justify the statement on page 23 of the Chief Minister's budget statement that there will be no need to refurbish old buses after 1992?

**MR DUBY:** I thank Mr Connolly for the question. I must admit I am not familiar with table 3.1 of the Priorities Review Board report to which he referred, and I am also not sure whether those figures that he has quoted are accurate figures.

The Government has indicated that as a result of this year's budget 52 new buses will come into line this year and a further 52 will come into line the year after. Undoubtedly the professionals who work in ACTION are well capable of advising the Government of their new bus requirements and -  
- -

**Mrs Grassby:** But the first 52 were already in our budget.

**MR DUBY:** May I please answer the question? Undoubtedly the professionals who work in ACTION are well capable of advising the Government of the future requirements of the ACTION fleet and, given the arrangements that they have requested us to fulfil, I am confident that these figures will meet the replacement requirements of ACTION in the foreseeable future.

### **Life Education Centre - Relocation**

**MS FOLLETT:** Mr Speaker, my question is to the Minister for Education, Mr Humphries. Can the Minister confirm that the Life Education Centre will be relocated to the Rivett

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Primary School site? When will this relocation take place? Since there is a lot of specialised equipment and there are specifically built structures to house it, what arrangements have been made to ensure that the relocation will be completed by the start of the 1991 school year?

**MR HUMPHRIES:** I thank Ms Follett for her question. Mr Speaker, the question of the location of the Life Education Centre is a matter that is yet to be fully and finally resolved. I expect that Rivett Primary School will be the final location for that centre. I think it is an appropriate location, given that it is very proximate to its existing location. It would be able to fulfil the needs of children in the Weston Creek area to the same extent that it has up until now and it would, of course, also be fairly central as far as the rest of Canberra is concerned. I believe, also, that the question of resolving the final location of the centre is one that ought to be resolved, not by my making a ministerial statement or answering a question in this house, but by confirming with the people who operate that centre and with the people who use it that the alternative location proposed is a suitable one in all the circumstances.

At this stage my advice is that we are examining Rivett Primary School, and I will confirm that with the Assembly when I am in a position to say that the option has been fully canvassed with the people who use it. The cost estimated in the document tabled on Tuesday is \$55,000. I am quite confident that that amount of money will encompass all the costs necessarily entailed in moving the specialised equipment, to which Ms Follett referred, to Rivett. I acknowledge that there is some specialisation of that material and it involves some structural work on the new location, Rivett school or wherever. I am confident that that can be accommodated within the \$55,000.

**MS FOLLETT:** I have a supplementary question. I would just remind Mr Humphries of the last part of that question which was: will the relocation be completed by the start of the 1991 school year? I would ask further: when will the Minister be in the position to let these victims of his restructuring program know what is in store for them?

**MR HUMPHRIES:** Given the tenor of the question, the first part of my answer is that to describe these people as victims who are not informed about what is going on is somewhat unfair. These people are being consulted. They have been consulted. They have been consulted up until now and  
- - -

**Ms Maher:** The Life Education Centre is happy to move.

**MR HUMPHRIES:** They are being consulted and, as Ms Maher reminds me, they are, in the circumstances, given that the Government is paying for the cost of relocation, quite prepared to move. The fact of life is that I believe that the move will be accommodated within budget, it will be

done in consultation with the people concerned and I hope that that consultation will conclude soon so that they can know exactly what will happen. I am also confident that the move will take place before the beginning of the next school year.

### **Skateboarding in Civic**

**MR STEFANIAK:** My question is to the Minister for Finance and Urban Services. Mr DUBY, has the Government any plans to alleviate community concerns on the dangers of skateboarding in Civic?

**MR DUBY:** I thank Mr Stefaniak for the question. Indeed, there has recently been some community comment on the dangers of skateboarding in the Civic area. I think it is fair to say that the Government recognises the need for additional skateboard facilities throughout the community as a whole. Priority has been given to the provision of facilities in the suburbs close to where the skateboard riders live. Usually, of course, they are young adults and young teenagers and most of them live in the suburbs. As a result, a major new facility is currently being constructed in the Belconnen town centre, adjacent to Ginninderra College and Lake Ginninderra. It will be completed this year, Mr Stefaniak. It will provide a safe venue for skateboarders and attract people from all over Canberra. The level of facilities being provided there is of an international standard and the skateboarding community has told me that they will be able to hold national meetings there and perfect professional routines. My department is also undertaking preliminary discussions to arrange additional funding for further facilities at the site.

The need for facilities in Civic will be addressed in the next stage of planning for skateboard facilities throughout Canberra, after the use of those new facilities that we are building at Belconnen has been fully assessed. After that project has been fully completed, I think the Government will be giving priority to providing a facility in close proximity to Civic. One location that springs to mind is adjacent to the new revamped and profitable Civic pool.

### **Therapy Centre - Relocation**

**MR WOOD:** I direct a question to the Minister for Education, Mr Humphries. This may be one of the questions the non-inquiry will take up - the non-inquiry which seems to be merely an audit, though much less satisfactory. Mr Humphries, concerning the Therapy Centre currently located at South Curtin School, can you tell me: where will that be relocated; will all the elements be located on one site; and will they have the same space as they currently have?

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**MR HUMPHRIES:** Mr Speaker, the answer to the question is that I am quite certain that all the facilities associated with the Therapy Centre will be located on the one site and they will not be split up, because I have given the people who are associated with that centre a guarantee that the quality of that centre will not be put in jeopardy through the movement of that centre away from the South Curtin School building.

**Mr Berry:** Have you been out there?

**MR HUMPHRIES:** Yes, of course I have been out there, Mr Berry. I think that there should not be any fears about the loss of quality in that respect. Obviously we have to balance delicately the way in which the movement occurs so as not to jeopardise the activities going on in the centre at any particular time, but I am confident that that can be done. At this stage the most likely location would be the Weston Creek Health Centre building, which does have space in it and would, I think, be a suitable alternative site. I have had meetings with the therapists who operate the Therapy Centre, with some of the parents whose children attend the Therapy Centre and, of course, with my department - both the health and education arms of it - and I am confident that that location would be a suitable alternative.

I think Mr Wood would be well aware that one of the concerns of the parents at that centre is that children do not go into settings which are hospital-like. They want a centre which is non-institutional in appearance and I think that the Weston Creek Health Centre building does fulfil that need. There will, of course, continue to be health centre activities going on in the Weston Creek Health Centre building; they will not be entirely dislocated by that movement. I am sure that in the circumstances it is probably a quite satisfactory outcome.

**MR WOOD:** I have a supplementary question, Mr Speaker. The Minister might indicate what the space in the health centre used to be. I am not aware that there was space available. I hope it is not a sign of a run-down of the health centres. Because of some speculation about health centres, can you also indicate that there will be no further relocation of the Therapy Centre?

**MR HUMPHRIES:** Mr Speaker, I can certainly undertake that there will be no further relocation of the Therapy Centre in the life of this Government. I cannot see into the endless future; but certainly, as far as this Government is concerned, there will be no other relocation. The space I am referring to in the Weston Creek Health Centre is not necessarily space that is sitting unoccupied at the present time; but there are - as Mr Wood would be aware if he has been out there - some rooms which are not dedicated to anything in particular, and I believe that by reallocating some things that are presently in that centre there would be the capacity to conduct the Therapy Centre from that site.

### **Licensed Clubs**

**MR JENSEN:** Mr Speaker, my question is directed to Mr Collaery in his capacity as Minister responsible for the operation of licensed clubs in the ACT. Minister, are you aware of a press release recently released by the Licensed Clubs Association alleging lack of consultation by the Government with the Licensed Clubs Association in relation to the new tax scales that were announced in the budget on Tuesday?

**MR COLLAERY:** I thank Mr Jensen for the timely question. Yes, indeed, a two-and-a-half page purported media statement was issued, I understand, today by Mr Frank Boyle, apparently on behalf - I say "apparently on behalf" - of the Licensed Clubs Association. That statement claims a lack of consultation relating to matters that were discussed at length here with me and with the Licensed Clubs Association.

The statement also makes some complaints about an increase in the tax scale for licensed clubs. As the Chief Minister pointed out today at lunchtime, the tax scales have been spread so that there is a more equitable impact on the smaller and medium sized clubs which, of course, would be a goal that one would think any licensed clubs association representing the interests of all clubs would welcome.

Certainly, Mr Speaker, it is disappointing to secure this response from Mr Boyle. We say, quite emphatically, that there has been consultation over a long period and we have been unable to secure a formula from the clubs. In fact, Mr Boyle said:

The budget papers make no comment on the LCA proposals for an ACT wide link jackpot system for gaming machines, which would provide a substantial lift in revenue ...

The fact of the matter is that that issue was put to us in May in discussions on the fifth floor with the Licensed Clubs Association. Its members were asked by me and by my department for a detailed submission and no submission was received.

The other arguments are simply unsubstantiated. Where there is a club, a typical medium sized club, with a revenue of around \$850,000, and it is now paying \$135,000 on the current tax scale, it will pay \$167,000 under the new scale. This is only a minimal increase of 3.75 per cent on the gross revenue. I believe that some of the clubs, due to the tax scale, have had it reasonably easy for a long time. Our rates are approximately half what I understand from media reports are those proposed in Queensland, and I doubt that our club industry would want

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to move there. The Government rejects the suggestion that the club industry was not consulted, and it totally rejects the suggestion that there is an inequitable tax scale being introduced.

### **School Closures - Inquiry**

**MR STEVENSON:** My question is to Mr Humphries. In this house yesterday in regard to whatever will happen concerning school closures, Mr Humphries said that it will also analyse - and I am referring to point 2 of the two terms of reference - the social and economic implications of school closures on a range of issues, including students and parents involved, shops and businesses in the suburb or suburbs, and comparative social and economic implications associated with the use of other expenditure reduction strategies to achieve savings. In other words, what are the alternatives? Looking at the definition of the word "audit" - an examination of an account or of accounts - and in light of the fact that Mr Humphries said that he is going to hold an audit, not an inquiry, could he inform the house how that relates to what he said yesterday? How can one audit social implications?

**MR HUMPHRIES:** Mr Speaker, I think that Mr Stevenson is becoming slightly confused about the description that has been used so far. When I have used the term "audit", it has been principally referring to the most important element of this inquiry and that is the consideration of the cost savings. The cost savings and the capital costs and other costs necessitated by these decisions are, of course - - -

**Mr Wood:** But your terms of reference said more than that.

**MR HUMPHRIES:** Of course they did. I am not suggesting that they did not. But I am saying that there were several elements and the audit aspect is particularly relevant to the cost savings aspect of the decision, and that is the emphasis that I have put on the issue in respect of the term "audit". Obviously, you cannot audit the social and economic implications of a decision to close schools, and in this respect it will be a more general kind of assessment; it will be a professional and expert assessment of the issues that have given rise to the decision. I do not think that means that it cannot be done professionally or accurately. There is obviously an element of subjectivity in issues of this kind, but the Government has made a decision based on the evidence before it and I would expect that a person assessing these issues would have to make a similar kind of judgment. I do not believe that means that it is impossible to make decisions of that kind; it just means that we have to look at the evidence and work out whether the decisions fit the available evidence about what the ACT needs to do.



**MR STEVENSON:** I have a supplementary question. If whoever is appointed to conduct the whatever it is is required to inquire into social implications, will it indeed be an inquiry?

**MR HUMPHRIES:** I think the terminology is really not terribly relevant or helpful in this regard. You can call it an inquiry if you wish; you can call it an assessment. The term I actually used in the press release yesterday, I believe, was an independent assessment or analysis of the school closure program. The terminology is not particularly important; the terms of reference are what defines the work that the person who is commissioned to do this work does. I suggest that the way in which that is done is really a question within those terms of reference for that person.

### **ACT Government Service**

**MR MOORE:** Mr Speaker, my question is directed to the Chief Minister and it follows a series of questions by Mr Stevenson about the number of staff that are in the public service. Mr Kaine, if one goes through budget paper No. 5 concerning program information, at the end of each program average staffing levels are given. If you add them up you find that last year the staffing numbers were 15,506.29 and this year they are 16,268. The difference of approximately 760 is mostly accounted for in terms of the extra police officers that we have gained in that time; but the numbers are still between 15,500 and 16,200, which is nowhere near the 17,000 figure or the 21,000 figure that Mr Stevenson has been bandying around. Is there a series of staff that are not included in this, which probably includes ACTEW which I notice is not in there? How many people are there in ACTEW and where are the records of the other staff so that the members of the Assembly can have access to them?

**MR KAINE:** Mr Speaker, I will answer both Mr Stevenson's and Mr Moore's questions. I will table the answer as soon as I have done so; I have about a minute left. In answer to Mr Stevenson's question, I have the figures that have been extracted. There are 15,668 full-time permanent and temporary staff and there are 1,731 part-time permanent and temporary staff, giving a total of 17,399. In addition to that there are 2,619 casual staff, 784 of them full-time and 1,835 part-time. There are also 853 people on the rolls who are non-operative. That means that their names are on the books but they are not being paid and their status is being determined. If you add all these together, the total figure on the payroll is 20,871, which includes the electricity and water authority. But there is additional information that amplifies that. I will table the response, Mr Speaker, and it can be made available to the members. I present the following paper:

Public Service - staffing levels.

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**MR SPEAKER:** Order! It being 3 pm, I interrupt the proceedings in accordance with the order of the Assembly of 11 September 1990.

### **APPROPRIATION BILL 1990-91**

Debate resumed from 11 September 1990, on motion by **Mr Kaine:**

That this Bill be agreed to in principle.

**MS FOLLETT** (Leader of the Opposition) (3.01): I thank the Assembly for giving me this opportunity to reply. Two days ago the Treasurer brought down the first budget of his Alliance Government. It is a budget that confirms the approach to government of this motley alliance to the people of Canberra. The budget makes it clear that this is a government which has no strategy for caring for Canberra. The kind of strategy that I mean is one which would protect the economic vitality of the ACT and at the same time provide measures to increase, not decrease, social justice. The budget confirms that Mr Kaine and Mr Collaery are intent on destroying some of the greatest assets in Canberra, and it is the people of Canberra who are being required to pay for their actions. Canberrans will be paying through higher taxes and through poorer services. But this Government has not even been willing to ask the community whether it wants these changes. Mr Kaine has made it clear that he does not care what the people of Canberra think.

In his speech, the Treasurer talks about the numerous sources of input into the budget process. He mentions the Priorities Review Board, the Else-Mitchell inquiry, the TAFE working party and the Callaghan report. The significant point that he misses is that these are all Government sponsored reports. There is no community input into the formation of his budget. The Treasurer goes on to say that this consultation with himself was supplemented by inputs from the Trades and Labour Council and from CARD, but the TLC has stated that it had no consultation with the Government on the budget. The Government does not care what the community has to say. It is a secretive Government making its decisions behind closed doors. We must ask whether it is too lazy or too scared to consult with the community.

I contrast Mr Kaine's approach to budget formulation with that undertaken by my own Government last year. We undertook real consultation. We involved the community in the decision making process from the very beginning, and as a result of that consultation process we changed our budget, the better to reflect community priorities. The secrecy under which this Government takes decisions is nowhere better reflected than in the budget papers

themselves. The Treasurer informed us of \$15m of expenditure reductions, but where are they? What functions will be affected by the \$2m cut in education? Where will the \$2m expenditure cut in TAFE come from? How will the general saving of 4 per cent on administrative functions be achieved? This is a budget of questions rather than of answers. It is a budget from a lazy government - a government that is too lazy to talk to the community that it governs. And, in fact, it is a government that is too lazy even to think up its own new policy proposals.

I believe that one of the major questions which arise out of this budget is: what is the economic strategy of this Government? Indeed, does it have a strategy at all? One could argue that it has a consultant driven strategy, a report based strategy. All we get from this Government is more and more commissioned reports and no action. No-one could argue that there is a coherent economic strategy in this budget. The Treasurer makes much of his four budgetary goals, but nowhere does he say how he will go about implementing those goals. The closest thing that we have had to an economic or budgetary strategy is the Priorities Review Board report. That report has been totally discredited in the community and publicly rejected by the Government itself. The only conclusion which can be drawn is that the Priorities Review Board report is still the driving force behind this Government. The Government is still hell-bent on attacking the public sector, privatising public services such as health and education and slashing public sector jobs.

At least 400 public sector jobs will go as a result of this budget and the Treasurer has indicated that next year even more jobs will be lost. We are well on the way to the 3,000 job cuts the Treasurer has said that he wants. The Treasurer assures us that no-one will be sacked, but it has to be said that no-one will be employed either. In 1990-91 over \$6m is going to be spent in paying people out of the public service. This is a disaster for Canberra at a time when the employment outlook is very gloomy. There is some bad news hidden very deep in Mr Kaine's budget.

This budget predicts that the ACT will move from having the lowest unemployment in the country to being closer to the national average. What Mr Kaine is predicting is an unemployment disaster for Canberra, which he is helping to produce with his public sector cuts. Unemployment in Canberra at the end of June was 7,800, or 5 per cent. The Federal budget predicts that the national figure will be 7 per cent by June next year. Mr Kaine says that the ACT will move closer to that figure. In other words, close to 11,300 people will be unemployed, which is an increase of up to 45 per cent. There will be 3,500 more people unemployed, and Mr Kaine is contributing to the problem by cutting employment himself.

I would ask: what will Canberra's children do about a job? There will certainly be no help for them from this

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Government. Canberra needs now, more than ever, a government which is willing to act decisively on economic policy, not a lazy inept government incapable of making decisions.

One of the most important decisions which should be made to assist in Canberra's economic development is to bring some certainty into our planning system. I remember all too well, as I am sure all members do, the howls from Mr Collaery and from Mr Kaine 12 months ago over the fact that my Government had not introduced new planning legislation. In their 10 months in office - and that is longer than I was in office - this lazy Government has not progressed this issue one iota from when it took power. All that has been achieved is the release of our legislation, which was based entirely on the policy and the drafting instructions developed by Labor last year.

**Mr Jensen:** What a lot of rot! Goodness me!

**MS FOLLETT:** You are tetchy on that subject.

**Mr Kaine:** If you are going to talk rubbish, you are going to get rubbished.

**MS FOLLETT:** Take as long as you like. My time is unrestricted.

Mr Speaker, I would ask: what has happened to the Civic Square redevelopment project? Tenders have been closed for months, yet not a word has come from this lazy Government as to whether this important project is to proceed. The ACT needs decisive action on industry development and job creation. All we get from this Government is reports and speeches. Quite frankly, I do not believe that the ACT can wait for a report-led recovery.

What has the Government given us in this budget in terms of economic policy? It has simply re-released its decision to implement the Priorities Review Board recommendations on corporatisation. Corporatisation by itself is not economic reform. The Treasurer has failed to explain to the people of Canberra how corporatising the already fully commercial ACTEW will improve its performance. I have no doubt that the efficiency of ACTEW can be improved, but how does corporatisation achieve this?

ACTEW is already a highly profitable public enterprise. This must be clear from the \$12m which the Government is taking from it in this financial year. The same can be said for the Gaming and Liquor Authority. It is another extremely profitable ACT public enterprise. Quite clearly the Treasurer is confusing efficiency with commercialisation and corporatisation, and they are not necessarily synonymous. Is it necessarily efficient, for example, to corporatise ACTEW, take away ministerial control over pricing and then establish a regulatory regime to monitor its pricing? What does that achieve?

It seems to me that, like his Priorities Review Board, the Chief Minister is acting on the basis of ideology rather than fact. Indeed, it is quite clear that the Alliance Government has an agenda of privatising public assets. This is what it is already doing in education and health and this is what it is proposing to do with the Government's trade waste service. If trade waste is an example of how the Government will undertake its privatisation program, then the ACT economy will indeed be in trouble. How can the Government expect to get a proper market price for a business which it says it is going to shut down if it is not sold in six months? It will underprice the assets in order to sell them and the ACT taxpayer will be ripped off yet again. This lazy Government is simply not doing its homework on economic reform.

But nowhere, Mr Speaker, is this lethargy more obvious than in the cynical way it is treating the Canberra community over expenditure reductions. For several months now the Government has been trying to deceive the Canberra community over the savings it expects from school closures. I must commend the efforts of the P and C associations and the Save Our Schools Committee in discrediting the Government's figures. It has not been an easy job for them. After all, the Government's figures have been a moving target. Every time the Government's figures are demolished it simply makes up new ones. Now, in his budget documentation, the Treasurer has reverted to his original and totally discredited figures. As has been clearly spelt out by the ACT Council of Parents and Citizens Associations, the Government's \$3m savings figure is overestimated by at least \$2m. Its one-off costs are underestimated by around \$3m. The Government's total failure to produce convincing figures has now been publicly acknowledged.

We are to have a so-called independent review - I beg your pardon, that should read "audit" - in a desperate attempt to retrieve some credibility for the Government. There will be yet another report. I have accepted for some time that the Government's agenda has been the destruction of our system of public education, not savings. There is no educational, social or budgetary need to close schools. The community opposes the decision, as do we. But the cynicism with which the Government is treating the Canberra community on education does not end with school closures. A superficial reading of the budget papers would suggest that the destruction of the neighbourhood school system is all that this Government has in store for education. The Treasurer makes no mention of the over \$2m additional cuts to funding. There will be 71 jobs cut in our public education system next year, but is the Canberra community told how this will be achieved? It is as if this Government is saying to this community: what has it got to do with you?

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Mr Speaker, I turn now to the Treasurer's announcement that he will make a \$2m, or 5 per cent, cut to TAFE. In real terms it appears to be a cut of some 10 per cent. I accept the Treasurer's statement that this is an area where the Grants Commission assessed significant overfunding. I also know, however, that technical and further education is a crucial part of our future economic development and we should also acknowledge TAFE's clear role in this international literacy year. It is important that we increase the level of training in our community, not reduce it.

Mr Speaker, I would have liked now to comment on the appropriateness of the savings targeted for the TAFE system, but this is simply not possible. The Government is hiding its proposals from the people of Canberra. The most detailed statement about how this 10 per cent cut will be achieved is in budget paper No. 5 and I will quote:

These savings are reflected across the recurrent expenditure of the TAFE.

This is less than fulsome, I would suggest. It does appear that half of these cuts are going to be achieved by running down reserves, but you have to ask: what happens next year when even larger cuts are foreshadowed?

Public housing has also been attacked in this Alliance budget. The allocation of \$36m to public housing is a reduction of some 32 per cent from the allocation made in our budget last year. This is a reduction in the public housing construction program of some 100 houses, and confirms the fact that this Government has no commitment to public housing and to social justice.

We must, of course, examine the continuing disaster of this Government's hospital redevelopment plans. These plans have been comprehensively rejected by the community as an attack on our public health system. The Government's plans have already shut public hospital beds, increased waiting lists for surgery and added to the costs of health services in the ACT. All of this destruction has taken place for a nebulous promise of future savings.

This is the same sort of poorly costed promise as we have seen in the school closures debate. In reality, the Alliance hospital restructuring program is no more than a thinly veiled attack on the public health system. This year alone we are seeing a reduction in public hospital expenditure in the order of 10 per cent. Up to 300 jobs can be expected to be lost in our health system as a result of this budget. These include the massive job losses which will result from the Jindalee decision. The haste to complete this project has meant huge increases - increases not spelt out either by the Minister for Health or by the Treasurer.

This glib approach to expenditure reductions is continued in the Treasurer's speech when he discusses general administrative savings of 4 per cent. One is simply left asking: how will these cuts be achieved? It is as if this Government does not believe that administration has anything to do with service delivery. It is up to the Government to detail how these cuts will be implemented and prove that they will not affect services. We do not accept that this is possible. Across the whole spectrum of expenditure cuts, this Government is keeping the people of Canberra in the dark. I must say that I am absolutely appalled at this approach to government. What is so terrible about the expenditure reduction you will be implementing that you are afraid to tell the community?

Mr Speaker, another dubious area of this budget is the abolition of the Community Development Fund. One advantage of the fund is that it guarantees the availability of money for community projects and for the support of important community service and non-government organisations. The decision to abolish the fund must be a major concern for many groups in the community. The Government has made no promise about funding beyond the next two years. Of course, the Alliance will not be in government for that long; so its promises are merely academic, and in any case, there is hardly anyone left in this town who would be prepared to believe any promise that its members made.

The lack of information in the budget papers about the CDF decision is a disgrace. The Treasurer has said nothing about what will happen to the balance of the fund. Budget paper No. 4 shows that the closing balance of the fund will be some \$15m. Elsewhere in the same document the consolidated fund financing transactions include \$5m from the CDF. The question must be asked, Treasurer: what are you doing with the rest of the money? Mr Berry asked you that question as you delivered the paper and, as usual, you did not answer.

Mr Speaker, I would like to make a few comments on the Government's so-called new policy proposals. On those that actually deal with the delivery of new services to the people of Canberra rather than the implementation of restructuring proposals or new administrative arrangements, you will not find many objections from the Labor Party. Most of them, after all, were proposals which were included in our budget last year and which this lazy Government has not got around to implementing.

I welcome the Government's decision again to allocate funds for the establishment of an ACT human rights office. Hopefully this year it will get around to actually spending that money. I think we can be more confident that this will be achieved now that the Labor Party has done the Government's job and actually drafted and introduced some human rights legislation. The inability of Mr Collaery to produce this legislation has to be counted high amongst his many failings as a Minister.

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I also note that the Treasurer announced in his budget speech the establishment of a rental bond trust. I am happy that this Government has finally come to the same decision that we did in government some 12 months ago. As all members know, however, the Labor Party has proceeded with the legislation it promised last year and we introduced it yesterday. I do hope that the Government will behave with some respectability and allow our Bills to proceed so that these worthy schemes can be introduced as a matter of priority.

We also welcome the Government's decision again to allocate funds for the establishment of a 24-hour mental health service. It has been a great disappointment to us that this important project, which was included in last year's budget, has been delayed because of the ineptitude of this lazy Government.

It is also worth congratulating the Government for its decision to allocate funds again for an additional domestic violence refuge. It has been a great disappointment to me that the Minister has been more interested in playing politics over this important issue than in simply getting on with the job. I sincerely hope that the Minister actually gets around to spending this money and establishes the refuge. The community will not judge him well if he continues to fail in this area.

Finally on their so-called new policy proposals, the Government should also be congratulated for continuing the commitments made by our Government last year to construct the Tuggeranong community centre and the Parkes-Barton child care centre. As I said earlier, the Government will find no disagreement from the Labor Party on the implementation of such measures, particularly given that they are our policy and were funded in our budget last year.

There is, however, one new policy proposal which we do have concerns with, and that is the expenditure of \$2m on the Civic pool. While we welcome the Alliance Government's continuation of our commitment to the Civic pool, we are unable to understand why its cost has doubled over the past 10 months since we examined the proposal. The community must also doubt the wisdom of allocating such a large sum to this proposal, especially at a time when seven schools are being closed for alleged savings of, at most, about the same magnitude.

I must say, however, that I am concerned about the method by which the ongoing funding of these measures - the new policy proposals - will be achieved. As we all know, they are to be funded as a result of the winding-up of the Community Development Fund, and that is an issue which I discussed earlier. The aim is to utilise the difference between what has been the ongoing expenditure and receipts from the CDF. It does appear, however, that this sleight



of hand funding method may produce problems in terms of future years' expenditure. Like all other aspects relating to this budget, the Government is hiding its facts. As I stated earlier, it is simply impossible to tell from the budget papers what is happening to the CDF.

Mr Speaker, it is on the revenue side of the budget that we can most easily see the callous disregard that this Government has for the people of Canberra. The decision to almost double the business franchise fee on petrol at this point in time clearly shows how out of touch this Government is. I would remind the members opposite that very few Canberrans are in the position of having their petrol paid for or of being driven around at public expense. Those Canberrans are already facing enormous price hikes, along with the price uncertainty associated with the Middle East crisis. We should also remember that, whether we like it or not, Canberra has been built for cars. Our public transport system at this point is not adequate. While this Government has talked a lot about improving public transport, it has done very little other than put up the bus fares. We must remember, when listening to this lazy Government, that talk is cheap. If you are serious about transport you should do something about it.

Other than petrol, there is not much bad news in the form of tax increases in the Treasurer's budget statement. The reason for this is that he announced all the tax hikes in June and got it over early. And what was announced is just what we could expect from a Liberal government. It seeks to place the economic burden on the average working person and allow the wealthy and the business community off. We have seen massive hikes in household rates, parking fees, and car registration. All this while the Treasurer laughs off the tax evasion schemes which his own party has entered into.

In terms of the financing of this budget, the people of Canberra must also be concerned at the enormous plundering of reserves which this Government is carrying out. A \$4m special dividend from ACTEW has been raised. There has been no mention of what is to happen to the CDF and GALA reserves which jointly approach some \$30m. In addition to this, the reserves of budget dependent statutory authorities are being run down to the tune of some \$6m. I have no difficulty with the Government using some of these reserves during the transition phase after the real terms guarantee expires, but to empty out the hollow logs now is simply ridiculous. What is even worse is that the Government is simply not willing to tell the people of Canberra what it is doing.

I believe that the 10 months of this Government which have culminated in this budget have proved two things beyond any doubt. Firstly, this Government does not care at all for the people of Canberra. It does not care what the community wants from its Government, and it does not care

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what the community thinks and it does not have any intention of finding out. The Government is only interested in itself and in what it wants to do. It was the Government who wanted to close schools, not the people. It was the Government who wanted to close Royal Canberra Hospital, not the community. It was the Government who wanted to close Ainslie Transfer Station, not the community. And it is the Government who wanted to close our health centres, but it is the community who will stop it.

Secondly, Mr Speaker, this is a lazy Government. It is a Government which has trouble doing even basic things after 10 months in office. This Government has failed to implement planning legislation. It has failed to implement human rights legislation. It has failed to establish a rental bond board, and it has failed to implement budget initiatives funded last year, like the mental health crisis service and the domestic violence refuge. It is, in fact, a lazy Government, an uncaring Government, whose budget will burden the Canberra community with higher taxes, fewer jobs and services and a reduced standard of living.

**MR COLLAERY** (Attorney-General) (3.29): Mr Speaker, there was a very great ambivalence about what the Leader of the Opposition just addressed the house with. Ambivalence seems to permeate her office, and nowhere is this ambivalence more obvious than in these comments I have noted down about the abolition of the CDF fund. Ms Follett described it thus, "Another dubious area of the budget is the decision to abolish the CDF fund". That typified the whole speech from the Leader of the Opposition. It was a hedged statement. On one side this, on one side something else, but no clear statement as to how she would govern this Territory and bring down an alternative budget - no clear statement at all.

Let me tell you why. In the CDF area, for example, our decision was described as dubious. She did not say she agreed with it or she disagreed with it. She described it as dubious. Let me quote from the ALP election policy on funding community organisations. Let me quote from the ALP pre-election policy on the CDF, because this is amazing:

An ACT Labor Government will ensure that the major community organisations which received funding under the Community Development Fund will receive funding directly from the ACT budget.

How is that? How is that for an about-face? It is a volte-face of the greatest order.

Reading on in ALP policy:

This will avoid the demeaning and expensive cap-in-hand approach of the past. Major community organisations will receive regular and assured funding for their core budgets.

Is not this what the Chief Minister said, in effect? How appalling of this Leader of the Opposition to pull the wool over the eyes of the people with that disgraceful statement in her speech. It typifies the whole ambivalence and incompetence of this person.

Mr Speaker, the 1990-91 budget provides a responsible framework within which the ACT community can have some confidence about the future. We have made a substantial start on the process of structural adjustment required as a consequence of the Commonwealth withdrawal of assistance. The circumstances have been set to facilitate micro-economic reform within the ACT public sector. It is clear that difficult decisions have been taken on revenue measures, and this has been done in a manner which treats residents of the ACT in much the same way as those who live in the region surrounding the ACT. The budget presented by my colleague the Chief Minister is deserving of support, and that was manifest today at the National Press Club.

Importantly, Mr Speaker, from my own perspective and particularly within my portfolio, we have set about a process of social justice and equity reforms that is probably unparalleled in the first budget of any new government. The Alliance Government has delivered a budget which has the interests of all residents at heart, but pays particular attention to those with the most disadvantage. It demonstrates the solidarity of the Government - I repeat, the solidarity of the Government - and illustrates the advantages that have come from a partnership of experience, trust, a preparedness for community consultation and a genuine commitment by all of us to social reform and stable government.

Our social policy reforms, which have received widespread acceptance in the community, follow a period of extensive consultation with community groups who have drawn the Government's attention to gaps in services. We have responded to these community concerns through a series of exhaustive community consultative measures and by putting together a carefully targeted package of new policy measures which are aimed at closing gaps, so that those with complex needs or those in difficult circumstances are able to be assisted.

The law reform measures announced in the budget further the aim of social justice and, taken together with our legislative program and reviews under way, will eventually catch up with the backlog of the years of Commonwealth inaction. I am determined that they will place the ACT at the forefront of law reform. It will not be knee-jerk, impulsive and opportunist reform of the type that we saw attempted to be introduced in this Assembly yesterday.

Perhaps the best illustration of this strategy in the budget is the new system for guardianship matters. It is simply not acceptable for residents of the ACT in 1990 to

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have to rely upon the archaic provisions of the 1898 New South Wales Lunacy Act - - -

**Mr Berry:** You argued for it to stay, in the house today.

**MR COLLAERY:** I notice Mr Berry interjects at this stage. Residents rely on the 1898 New South Wales Lunacy Act to obtain a simple order to empower - - -

**Mr Berry:** On point of order, Mr Speaker: from a government which bases most of its budget decisions on what its members can get out of it, it is very interesting that the Minister opposite has just decided to spend some money on - - -

**Members** interjected.

**MR SPEAKER:** Order! What is the point of order, Mr Berry?

**Mr Berry:** It is interesting that this Minister has decided to spend some money on some cells for those with mental illnesses.

**Members** interjected.

**MR SPEAKER:** What is the point of order, Mr Berry?

**Mr Berry:** I think Mr Collaery was directing some attention to me on the issue of lunacy. I would like him to withdraw any imputation that I am mad.

**MR SPEAKER:** Mr Collaery, please withdraw that imputation.

**MR COLLAERY:** I withdraw any imputation, Mr Berry. I do not know what the imputation is, but I withdraw any imputation.

It is simply unacceptable, Mr Speaker, for the residents of the ACT in 1990 to have to rely upon the 1898 Lunacy Act in order to obtain a simple order to empower a guardian to attend to the private financial affairs of a person with a disability. During this year we will move to introduce new legislation which will not be demeaning in its title and its operation towards people with a disability.

Associated with this is the proposal for the establishment of an office of community advocate to assist persons who are unrepresented, and to protect the rights of those that are subject to orders of the tribunal. This proposal arises from concerns in the areas of mental health, suggestions about the future of the youth advocate role canvassed in the Callaghan review of substitute care and the successful operation of a similar scheme in the State of Victoria. The discussion paper, which I released on Tuesday, outlined the suggested models, and we are seeking community input before the final decisions are taken. This amply demonstrates, in contrast to recent media reports, that we want to involve the community more in the operation of the law.

A legislature cannot expect its citizens to be informed about the operation of the law unless there is ready access to its legislation. It is appalling that there has been little reprinting of legislation since 1979 and practitioners in this chamber will, I am sure, endorse my remarks. I am sure that all members will welcome the \$450,000 we provided in the budget for the electronic publishing of ACT legislation. Similarly, my announcement on Tuesday concerning the establishment of an office of the ACT Human Rights Commission in Canberra this year must be welcomed by those who have a concern for human rights. It was the Commonwealth Government who closed the ACT office of their Human Rights Commission with little regard for the impact on disadvantaged ACT residents. The Alliance Government believes that only through ACT Government action can we improve human rights. Our legislation will extend anti-discrimination provisions to areas and activities not covered by the Commonwealth legislation.

Mr Speaker, tenancy law reforms are another issue high on the agenda of the Government. When I established the Community Law Reform Committee earlier this year I asked the committee to review tenancy law so that the proposed rental bond scheme could be considered in its wider context. This Government's rental bond scheme will be different in some respects to that proposed by Mrs Grassby last year and to Mr Connolly's proposal earlier this week. We do not propose to create a statutory board but instead will have an advisory committee to reduce costs and reflect the true structure of the ACT.

There will not be a separate statutory dispute resolution tribunal. This would be inconsistent with proposals yet to be fully considered for the restructuring of the ACT courts. Instead, the Small Claims Court will be used to settle disputes. May I add that any litigation solicitor would have supported that and I am sorry the Opposition did not seek advice before it drafted its Bill. The advisory committee will be appointed to oversight the implementation of the scheme and review its operation once introduced. Again, this is a demonstration of our consultative approach to reform.

Our approach is also reflected in the budget announcements for juvenile justice and adult corrections. The proposed ministerial advisory committee, which will oversight our reforms in corrections policy and service delivery, will have representatives of the judiciary, the legal profession, former offenders, the community and people with expertise in this area. I will be announcing the membership of the ministerial advisory committee in a few weeks. The committee will help us to develop the legislation for home detention, work release schemes and other sentencing options. It will develop a five-year strategic plan and it will develop strategies for greater community involvement in the delivery of programs, such as the proposal for a bail hostel. But we have not deferred

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action in this area. The budget provides the funds to build the attendance centre in Belconnen and to expand the community service order and attendance centre programs.

The budget allocates funds to improve the operation of our existing custodial system by improving forensic psychiatric reports, by the construction of new cells for detainees with psychiatric disorders at Belconnen Remand Centre and by the transfer of responsibility for the transport of offenders - - -

**Mr Wood:** I came here to hear budget speeches.

**MR COLLAERY:** Mr Wood should be interested to hear this - so that New South Wales prison officials are provided with better briefing and files on offenders' psychiatric circumstances. I have already written to the New South Wales Minister proposing an overhaul of the 1971 agreement covering the placement of prisoners and a survey of ACT prisoners is nearing completion.

The budget also allows us to make a start on changes in the juvenile justice program. (Quorum formed) A pilot environment upgrading program for young offenders will be introduced, and plans are well advanced for a national seminar in October to examine wilderness programs. We have allocated funds to upgrade security at Quamby and discussions have already started between officials on the possibility of using Quamby for the detention of young offenders from the surrounding region of New South Wales. The budget is therefore a combination of strategies. On the one hand there is urgent action to attend to pressing needs; on the other there is a long-term consultative process for the overhaul of juvenile justice and adult corrections.

We have adopted a similar strategy in relation to youth services. Shortly after becoming Minister, I asked the youth sector to develop arrangements for a proposed ministerial advisory council on youth affairs. This will proceed and we expect to be calling for nominees soon. This forum can be expected to help young people have more direct access to the business of government. The budget, however, further consolidates our strategies for young people. It builds on a 25 per cent increase in funding I announced within weeks of going into government last year. The Street Link program, the adolescent day care unit - so vitally needed - and the completion of the youth health network are all measures towards solutions to identified gaps in services.

As a community we must make every endeavour to assist young people to complete their education and to gain life skills. The programs included in this year's budget improve those prospects. We have recently allocated \$35,000 for the development of a housing education and life skills kit. The matching of Commonwealth funds for youth sector training and for the Aussie Sports youth program are small

but significant features of the budget. While not required to do so, I have also decided that we should help the Commonwealth Government to establish a youth mediation service to provide advice and family therapy to assist young people resolve family difficulties. There will be \$40,000 allocated for this program.

The Alliance has tackled the issues in the youth sector and the budget demonstrates our commitment. We have gone further than was required under Commonwealth-State programs flowing from the Burdekin report. I wish Mrs Grassby was here to hear this. We cannot be accused of lacking commitment and delay, as has been suggested by Brian Burdekin about other States. I expect that the Commonwealth Minister and I will be announcing the successful projects to be funded from the \$288,000 Burdekin funds in the next few weeks. These recommendations have gone to the Federal Ministers responsible, and certainly I anticipate the early processing of these recommendations from our Government. These projects will further improve services for young people.

Mr Speaker, we are continuing our attack on the problem of youth homelessness. I announced on Tuesday that the Housing Trust will provide a further 42 tenancies in this area in 1990-91, 30 of which will commence in November. Contrary to suggestions by Mrs Grassby that public housing is under attack, this budget will see expenditure through the ACT Housing Trust increase. It will increase from \$103m in 1989-90 to \$108.9m in 1990. (Extension of time granted) While there is a reduction in the overall number of houses able to be provided this year, I remind members that the Commonwealth Government has not increased its funding for public housing. There is, in fact, a minor reduction in Commonwealth financial assistance, which when inflation is taken into account is a substantial real reduction. If we have less real money from the Commonwealth we can only acquire less housing. I believe that Mrs Grassby's suggestions and the comments by the Leader of the Opposition today are completely inaccurate and are discredited by the figures I have just read into the record.

Nevertheless, we have put together a housing program which maintains the priority for aged persons housing, which continues the demolition and replacement of Melba Flats, but which also makes progress on upgrading and protecting our existing housing assets. I also announced that this year we will be examining a system of off-budget borrowing to enable the Housing Trust to expand its assistance to home owners. If Mrs Grassby is serious in her criticisms in relation to our financial difficulties, I expect that she will support these proposals.

I will be releasing a discussion paper on a progressive purchase scheme before the end of next month. On the other hand, I note that the Commonwealth has ended the first home owners assistance scheme, saved a considerable amount of

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money and now proposes to transfer the residual funds and responsibility to the States and Territories. This will need to be taken into account in the redesign of ACT housing strategies. I understand that discussions are soon to start between Commonwealth and ACT officials.

This year's budget increases the ACT contribution to the supported accommodation program by \$326,000, which will mean that, together with a matching Commonwealth fund, some \$679,000 will be available for new refuges in the ACT. In addition to this, the Government has resolved the problem surrounding the second domestic violence crisis service for single women survivors. We have funded this service from outside the supported accommodation assistance program and, in addition to the matching funds of that program, \$200,000 is being provided this financial year as recurrent funding for the service. The Leader of the Opposition should hang her head in shame to hear this news.

The 1990-91 budget therefore makes advances in the provision of housing assistance. In November, all Commonwealth and State Ministers will be attending a Ministerial Council in Canberra, which I have agreed to co-host with Brian Howe, to discuss the development of a national housing strategy which will guide the further development of our housing policies.

The capital side of the ACT budget has not been neglected. The budget strikes an appropriate balance between capital and recurrent expenditure. In my portfolio we have confirmed the Tuggeranong community centre and will proceed with capital expenditure estimated at \$750,000. I have already mentioned the \$1.4m attendance centre at Belconnen and the \$546,000 to be spent on new cells at the Remand Centre.

The Government has allocated \$1.1m to redevelop the Lollipop centre at Woden, and \$461,000 will be spent on upgrading a range of existing community facilities. The parliamentary zone child-care centre will proceed, as will the new Calwell neighbourhood centre. As well, design funds are available to commence the design of the Civic community centre. These new child-care services and other community services complement our programs for occasional care, on which we expect to spend \$1.1m in 1991. Another small but important initiative is the provision within the budget for a special needs child-care worker to integrate children with special needs into our existing network of services.

I am indebted to the efforts of my colleague, Carmel Maher, for pressing this issue and assisting me with the initiatives in the child-care area. This is another example of how the budget announcements provide significant progress in advancing the rights of people with disabilities and in improving the delivery of services. The creation of an office of the Human Rights Commission, the new system of guardianship and the community advocate



are practical measures which demonstrate our commitment to the improvement of human rights and to genuine community consultation. Unlike the women's budget last year by the Leader of the Opposition, when we say we are going to do something, the money is there for it.

Mr Speaker, promoting the independence of people with disabilities and providing services in the least restrictive manner are principles underlining other program expenditures in the budget for those with disabilities. We have provided for a 20 per cent increase under the home and community care program. About \$1.2m will be available to create new and expanded home based services for aged persons and younger people with disabilities. In addition, we have provided \$460,000 for new respite care services, accommodation and support needs for people with an intellectual disability. We will be consulting with parents - as we already are - advocates, and people with a disability, to develop these services. I met with the disability advisory group earlier this week. They were formed under the previous Government but never got to meet their Minister.

The taxi scheme has been restructured, and there is no longer a waiting list for users. The services of the Independent Living Centre are being upgraded. We have also started to prepare a five-year strategic plan for the intellectual disability services which will guide the development and improvement of client services. Again, I am indebted to the assistance of my colleague, Carmel Maher, for her visits and her assistance in this area.

Many of these initiatives would not have been possible if we had not decided to abolish the Community Development Fund. I stress this, Mr Speaker. This year's budget increases expenditure on recurrent community initiatives by over \$2.6m, and that puts the lie to claims made that the abolition of the fund was dubious and would be to the detriment of the community interest. These are claims the Leader of the Opposition just made in the house.

I have also announced that there will be a wide sweeping review of the community services grants program, and I will also appoint a ministerial advisory committee to advise me on priority areas under the program. Community organisations have been unhappy with the CDF process for many years. The budget has provided funds for this review which will enable gaps in services to be identified and will assist the community to consider ways in which we can more effectively meet community needs and the objectives of the program.

There have been suggestions that sport is a loser from this year's budget. This is not correct. The grants to sporting bodies were exempted from the 4 per cent savings target which we sought to achieve in the budget process. The estimates for the budget include about \$3.7m, including a continuation of the grants, the Bruce Stadium Trust

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outlays - one of our inheritances - a continuation of the sports loan interest subsidy scheme, and matching arrangements under Commonwealth-State programs and administrative costs. (Extension of time granted)

I have also announced that I intend to press ahead with proposals for the establishment of a sports commission for the ACT. I would be happy to receive suggestions from the sporting community on how we should proceed with this proposal and with improvements in administrative reform in sports administration and financial assistance schemes.

The abolition of the ACT Gaming and Liquor Authority is yet another example of this Government's commitment to the reform of public administration. Accountability and efficiency in the regulation of gaming and liquor will be enhanced by this decision. The budget decision to address the inequitable distribution of the tax burden under the gaming machine tax scales is an indication that we are prepared to make the tough decisions.

The budget, however, does not detail all the reforms which are being advanced within my portfolio. There is a considerable agenda of change under way, which is being achieved by refining policies, making more creative use of existing funds, and continuing a very tough agenda of community consultation. Substantial reforms are being achieved in the delivery of statutory child welfare. We are putting more emphasis on family support programs which help to reduce the incidence of child abuse and neglect. We are reducing the emphasis on the institutional care, and I am indebted to the Opposition for its support, or at least its acquiescence, in these initiatives. We are also reducing the emphasis on institutional care and helping community organisations develop a broader range of programs. We are putting greater efforts into developing the skills of our staff.

We have sought preliminary community views on the Callaghan report which reviews substitute care in the ACT. Some of the urgent recommendations of the report are already being implemented, and others will be addressed this financial year. I intend next month to make a more detailed statement to the Assembly on the Government's plans in this area and I truly hope that some bipartisanship can continue in this area. The long overdue response to the review of adoptions in the ACT is being prepared. We are heading towards a more open adoption process, and exposure draft legislation has been approved by Cabinet and is currently being drafted so that the ACT community has an opportunity to contribute to and comment on our plans to radically reform ACT adoption law. There has also been considerable progress in consumer protection in the ACT.

These examples amply demonstrate that our budget cannot be considered in isolation but must be viewed in the broader context of our social justice and overall equity reforms. We are providing the vision, leadership and stability

necessary for effective and responsible government and this budget backs up our commitment to achieve a more just society for the ACT.

**MR MOORE** (3.54): I rise feeling quite humorous after hearing Mr Collaery talking about vision, leadership and stability. It is certainly highly amusing. The other morning, the morning after the Chief Minister's budget, Pru Goward introduced the Morning Program by asking the Chief Minister whether this was really the second public service budget or his budget. It seems to me that the other alternative is that it is a budget of the arch-conservatives and that that is the sort of budget that we have actually got. It can be summarised best by looking at where the increase in funding, that is the 15 per cent or approximately \$30m increase in capital expenditure, has gone.

It seems to me that the vast majority of people, when looking around Canberra, recognise that our capital infrastructure throughout Canberra is in very good condition, especially when compared with other cities throughout Australia. Nevertheless, this Government has chosen to spend an extra \$30m, give or take a bit, on capital infrastructure. So who are the winners out of that particular manoeuvre by this ultra conservative Government? It is the same people who put this ad in the Canberra Times back in July, the people who say the way to save our schools is to save money. I quote:

In other words, if you want to save our schools, you'll want to save our schools money ...  
Under this program freeloaders can have a field day at the expense of others. Hardly fair.

There they are talking about preschoolers and the freeloaders they are talking about are those who can least afford early childhood education, and - - -

**Mr Jensen:** What names are on the bottom, Michael?

**MR MOORE:** I will just get to that, thank you, Mr Jensen. No doubt I will need several extensions of time, but I am sure you will be delighted to give those to me. The people who put this advertisement in the paper also say:

This represents an almighty drain on resources. Clearly, if we are to maintain or improve standards in our schools, something has to be done. And quickly. After all, we're talking about the welfare, livelihoods and future of our children.

These are the people who are saying the way to go is to cut schools. And at that stage, of course, they were talking about cutting 25 schools. The ad was placed by the Australian Federation of Construction Contractors, the Building Owners and Managers Association, the Canberra

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Association for Regional Development, the Canberra Chamber of Commerce, the Housing Industry Association (ACT and Southern New South Wales Division), the Institute of Management Consultants, the Institute of Purchasing and Supply Management, the Insurance Council of Australia Ltd, the Master Builders Construction and Housing Association of the ACT - all the people that Mr Jensen now believes are the members of the community with whom he needs to consult.

I would agree that they are members of the community with whom he should consult. But, Mr Jensen, they are not the only members of the community with whom you should consult. They are going to be the winners out of this budget. The \$30m basically will go their way, while the losers will be the ordinary people - those who seek to have a fair education, whether it be in their preschools or schools, and those who are entitled to neighbourhood values and neighbourhood schools.

As for the budget overall, I would like to start, if I might, Mr Speaker, by making some positive comments. The first positive comment I would like to draw attention to is the community advocate and the guardianship commitments that are made in this budget through Mr Collaery. I must say that something that I have been at one with Mr Collaery on for quite some time is a domestic violence refuge. Of particular interest to me is a quite small item that he has mentioned in the budget, and that is a community justice convention to be held at Birrigai in October and where that might lead. I think in fact it may well be something that brings a particular advantage for our young people and a particular financial advantage as well as a social advantage to us as a community.

In Mr DUBY's portfolio the commitment to the findings of the commercial and domestic waste management report, I think, is a very positive thing, and I certainly have appreciated over the last year his commitment to parking controls, not only in the area in which I live but also around Lyons and other areas in which I have taken an interest.

Mr Kaine referred to community liaison with the territory planning authority. I imagine there is some credit due to Mr Jensen in this regard. To improve consultation I think is a very positive move. Clearly there also has been some real effort to make some progress on matters of conservation and environment. It is appropriate to give credit in those areas. I have chosen just a few areas because I have limited time. I also think it is appropriate to say that the philosophy of running a balanced budget and a reduction in borrowing is also a very positive overall concept or overall strategy.

My major area of concern is an issue that I have raised before, and it has to do with the police. It is in the program entitled "Maintenance of Law and Order". At some time earlier this year we were talking about an expenditure

of \$48m on police. That went to \$52m when the contract was announced. I see in the budget that we are now talking of \$54,680,000 being spent on police. I take you now to a question I asked on 7 August and the answer by the Chief Minister. He was talking about the police from a treasury perspective. He said:

We will make the same decisions about the police force and over a transition period we will bring the expenditure on the police force back to a reasonable figure, just as we are doing in education and health.

This should be of great concern to the community. If we go back to the Grants Commission's third report of 1988, where they talked about police expenditure at the time, we find that the per capita expenditure on policing in 1986 was \$99. In 1988 it was \$126. If you use the figure of \$54m and divide that by the number of people in Canberra currently, the result you get shows a per capita expenditure of about \$192. The first increase that is mentioned in the Grants Commission is 28 per cent and I will read from that Grants Commission report. It says:

The ACT actual expenditure figure used in the 1988 assessment was \$126.66 per capita ... an increase of about 28 per cent between 1985-86 ... and 1986-87.

For the States of New South Wales and Victoria the average increase for the same period was about 13 per cent. The average increase for all States was 8 per cent. At that stage of course we are talking about a 28 per cent increase in police spending for the ACT. The report states:

As the data were determined for the ACT Administration from outside the ACT Fiscus, the ACT did not have the same degree of control over expenditure decisions or expenditure allocations.

The Grants Commission recognised that. It continued:

The available data did not indicate why expenditure increased so markedly. The Commission invites the attention of the ACT Administration and the Australian Federal Police to this problem.

So the 28 per cent increase they were talking about then was considered to be a major problem which the Grants Commission drew attention to - and that was only a minimal 28 per cent increase, not the 53 per cent increase we have had over the next period. The Grants Commission went on in paragraph 5.42 to say:

Although there were some data problems, the ... ACT police staffing levels appeared to be higher than standard levels. The ratio of ACT police to population was clearly above standard, but there

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was conflicting information provided by the AFP on civilian staffing numbers.

The Commission had difficulty drawing certain conclusions about above standard police vehicles and above standard kilometres travelled. I quote:

The Commission considered that, based on these ratios, the ACT was providing levels of service higher than those provided in the States, despite an apparently lower level of demand in the ACT as indicated by offences per thousand of population.

So, whilst the ACT had less requirement for police so far as the Grants Commission was concerned, we were at that time spending much more. At this stage, according to our new budget, we have gone on a total and complete blow-out - a 53 per cent increase. This is absolutely amazing when you consider that this Government - the Liberal Government anyway - was elected on fiscal restraint. There are alternatives - - -

**Mr Jensen:** It is being paid for by the Commonwealth.

**MR MOORE:** I had forgotten to mention this. I am glad Mr Jensen interjects that it is being paid for by the Commonwealth because we have certainly heard that as a response up until now. I quite accept that this is to be paid for by the Commonwealth until next year. But what are we going to do next year? We have now a 53 per cent increase. Next year are you going to just cut back their funds, cut that same 53 per cent back, and bring them back to standard?

**Mr Jensen:** Not necessarily.

**MR MOORE:** Of course; not necessarily. That is the whole point that I have been trying to make. You are committing the ACT to a police force expenditure that is out of all proportion and it is particularly worrying - - -

**Mr Jensen:** That is what the Grants Commission is going to look at, Michael.

**MR MOORE:** Well, that is - - -

**Mr Collaery:** We will give you input to the Grants Commission. You can help us with our input.

**MR MOORE:** I certainly will. But, having made the sort of commitment that has already been made, the contract that Mr Collaery has signed, and then having spent this kind of money on it, we are obviously going to be in an absolutely disastrous position with this budget blow-out.

What should we be doing with the police force? In a very recently published book - in fact, I think it was released only last week, and I must say I was delighted to be at the

launch - called A Life of Crime, by Paul Wilson, who, Mr Collaery will note, is an assistant director at the Australian Institute of Criminology, Dr Wilson says:

My professional training and experience teaches me that society obtains diminishing returns from pouring more and more money into police forces. As I argued earlier, most crimes are committed well away from the police presence; over and above a certain level -

he qualifies it -

an increase in the size of a police force will make little if any difference to the crime rate. Such a view is clearly at odds with those held by senior police (and others) ...

"And others", of course, by Mr Collaery's interjection, may include Mr Collaery. I am quite happy to withdraw that if you would say it does not. I do not hear a "doesn't".

**Mr Collaery:** I am waiting for the Grants Commission judgment.

**MR MOORE:** In fact, while we are on Mr Collaery, I notice on page 136 - it is a little bit of a digression - that Dr Wilson says:

Despite the lack of any clear evidence of a need for the Territory to have its own prison, some politicians are positively panting to build such an institution.

He goes on to say:

Like the Queensland of old, reactionary politics and policies are creeping into the capital's culture.

But much more important is what we should be doing with the money we are spending on the police. We should be looking at reducing crime in the first place. I will give just one more quote:

Two types of crime prevention have been proposed.

He is talking about propositions from people in the Institute of Criminology. He continues:

The first, community crime-prevention, underlines the importance of using community groups and resources to improve the quality of life in local areas. By providing recreational, employment and training opportunities for the young, for example, it is possible to reduce the amount of juvenile delinquency in the community.

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I must say, in a positive aspect, that Mr Collaery has introduced some of those. However, he has not gone far enough. Dr Wilson continues:

France is a country that has been singularly successful in applying community crime-prevention techniques in a systematic and co-ordinated way; it appears to have reduced juvenile offending as a result of doing so.

When I spoke to Dr Wilson on this particular matter he also pointed out to me that South Australia has just committed \$10m to a similar program. I am suggesting that what we are spending on the police force may well be far better spent on using the two systems that they suggest, and more, on crime prevention. I foreshadow now that in the next sitting I will be moving to establish a select committee of this parliament to look into the police and crime prevention. I am quite happy to discuss this with the Government and with members. It might be that the Standing Committee on Social Policy is more appropriate. (Extension of time granted)

**Mr Jensen:** Get your act together, Michael; get your speech right.

**MR MOORE:** I have been relaxing and taking my time since the precedent has been set on the budget. I thought I would move on to education. Education has been dealt with at some length but let me say this: the statement on the ACT reshaping program and the justifications that have been so long awaited are a joke. They are a total joke. They will be totally discredited by whatever method, but primarily by a public method. I thought I would go back to the Grants Commission to start the discrediting. On page 48 of the Grants Commission's report, in point 5.19, it suggests this:

Initially, however, the closures will mean additional estimated recurrent costs of \$2.4m in 1988-89 in relocating the functions at present carried out in the schools to be closed.

That relates to the far smaller number of schools which were to be closed then. So what we have is a far greater number of schools to be closed at this time; yet this document claims that the relocation costs are going to be only \$1.9m when you deduct the costs from the savings.

**Mr Humphries:** It is misleading, Michael.

**MR MOORE:** It is not misleading, Mr Humphries. The people who have been doing the misleading in this whole debate are yourselves. The community is not going to have the wool pulled over its eyes, as you probably have, by whoever - and I have made comments on that before. I am going to leave the schools education reshaping program but I do draw your attention to some of the very sensible comments made



by the P and C council in questioning the figures in Budget Information Paper No. 3 - the ones that Mr Humphries unsuccessfully tried to debunk last night. I emphasise the word "unsuccessfully".

**Mr Humphries:** Why was it unsuccessful? What was inaccurate about what I said?

**MR MOORE:** I shall take you up on that at another time, Mr Humphries. I want to move on to the hospitals. We see in the budget a suggested capital expenditure of \$120m to handle the hospitals restructuring program, and the hope is that \$8m, give or take a little, will be saved in recurrent expenditures, which seems to be a very worthwhile cause. However, let us use the same methodology that is being used by Treasury as far as schools go and the methodology that was agreed by Dr Perkins. They related capital expenditure to recurrent expenditure. They divided by 9.8, and they had a series of reasons for doing that. I have quite accepted that. If you do that, then the \$120m capital divided by 9.8 gives you \$12.2m per year that we will be spending. So we will be spending \$12.2m a year in recurrent terms in order to save \$8m a year. That is really great stuff. In the meantime we wind up having our hospitals closed, against the wishes of the community.

I think, Mr Deputy Speaker, that I will leave it at that point. This budget, which has some quite good and positive aspects that I have referred to, is really after all a very conservative budget designed by a very conservative Liberal Government, and its hangers-on, to support their own Liberal Party support group who are referred to in the advertisement from the paper that I quoted earlier.

**MR DUBY** (Minister for Finance and Urban Services) (4.15): Mr Deputy Speaker, I think the headline in the Canberra Times of Wednesday, 2 September, said it all. It says, quite categorically, "Kaine's balancing act". I think that is the one thing that we are very satisfied about. There is one thing that the people of the ACT can be very proud of in this first Kaine budget, this first Alliance Government budget, and that is that the budget is balanced. Having listened to comments on all the budgets that have been brought down in other States, I know for a fact that people breathed a collective sigh of relief. They saw the horror budgets brought down in other States where there has been less responsible stewardship of the public purse than has been experienced here in the ACT.

**Mr Connolly:** Thanks to the good financial position you were left in by Labor.

**MR DUBY:** When we looked at the books when this Alliance Government took power in January, Mr Connolly, the good responsible management that you mentioned was heading this Territory for a budget deficit of over \$40m. If we had not pulled the whole economy around, pulled it up by the bootstraps, we would have been looking at a deficit of over

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\$40m. As I said, this budget is an indication, I think, of the fine economic stewardship that this Government has provided.

In speaking to this budget, Mr Deputy Speaker, I would like to go through some of the items that have been highlighted in terms of the capital works program. This budget, the Alliance Government's first budget, provides for a program of \$238m for new capital works. This program, together with projects currently under construction, will provide cash expenditure of \$192m during the 1990-91 financial year. There is no doubt that the construction industry provides a substantial contribution to Canberra's economy, and this program will make a substantial contribution to maintaining a healthy construction industry.

The construction projects included in the budget provide a balance between architectural and engineering construction, while providing new facilities for Canberra's growing community. The largest project included in this program is the hospital redevelopment program, which will commit \$110m this year, Mr Deputy Speaker. Other major projects include public housing projects to the value of \$35m. My colleague, Mr Collaery, has outlined that program in more detail. Another project involves arterial roads and major infrastructure works in Gungahlin in preparation for the future residential development in that district.

The works include trunk water mains and a water quality control pond on Ginninderra Creek intended to reduce the effects of development in Gungahlin on the quality of water in Ginninderra Creek and, of course, the Murrumbidgee River. The estimated value of this work is \$12.6m. There are various infrastructure works in South Tuggeranong, including stormwater drainage, neighbourhood landscaping, street lighting and the like, in the suburbs of Condor, Gordon and Banks. The estimated value of that work is \$5.6m. We will be continuing the Eastern Parkway, the Monaro Highway, from Newcastle Street to Morshead Drive, including a bridge across the Molonglo River, a major intersection and floodway structures in the Molonglo flood plain. The estimated value of that work, Mr Deputy Speaker, is \$10.5m.

There will be roads and hydraulic services to the Gold Creek tourist area east of the Barton Highway. These works will enable the release of a number of sites in line with demand for tourist-associated activities. The estimated value of that work is \$1.4m. We have the construction of a new community centre at Calwell, and refurbishment of existing community centres, particularly the Lollipop centre at Woden, which is also to be extended and will form the base for a range of services to be provided by the Woden Community Service. The estimated value of that work is \$1.3m.

There is to be improvement and provision of facilities for public recreation at riverside, national parks and urban

locations. Numerous projects of moderate size are planned, and the estimated value of that sort of work is around \$3.4m.

We will be upgrading the ACTION terminus facilities and providing new bus stops and shelters on new and current routes. All told, the value of that work comes to about \$1.6m. We will be providing improvements to urban infrastructure such as stormwater drainage, refuse disposal, pedestrian areas in shopping centres, traffic management and safety works, access improvements and cycle-ways. All told, it is estimated that we will be spending something like \$6.4m on those sorts of works.

One of the things we are very proud of is the Tuggeranong Community Centre at the Tuggeranong town centre. It will be funded from community development funds and is to commence this financial year. The estimated value of that community centre, long awaited, is \$4.6m.

Mr Deputy Speaker, the budget also includes funds for design to commence on some major projects scheduled to start construction next financial year. These projects include: arterial roads and major infrastructure works in Gungahlin, including trunk water mains, sewer mains and stormwater control facilities valued at \$18.7m; arterial and access roads in Tuggeranong to the value of \$8.54m; the Bruce TAFE electrical studies building valued at \$8.96m; convalescent care facilities valued at \$3.5m; the north Canberra juvenile justice and committal facility valued at \$1.2m; the City bus interchange modifications valued at \$1m; inner city arterial roads, Morshead Drive, valued at \$6m; and primary and preschools in Tuggeranong valued at \$11m.

I have a map here, Mr Deputy Speaker, which shows the location of the major projects that we are going to be entering into as part of our capital works program this year.

**Mr Jensen:** There are lots of them.

**MR DUBY:** There are many. I table that map so that it will be available for those who would like to see it. One of the projects included in our major capital works which I did not mention - about which the Labor Party likes to criticise us - is our commitment to the provision of pool services here at the heart of Civic. It means total works to the value of \$2.1m, including redevelopment of engineering works costing \$1.35m at the Civic pool, with the provision of an air supported structure to make it a 365-day-a-year facility. It is very interesting to note that the Labor Party is opposed to that. It does not think that the Civic pool is worth mention. The Labor Party does not say that it would like to provide those services to the 40,000-odd people who work and play here in the heart of town.

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In addition to the capital works program, Mr Deputy Speaker, I would like to comment upon some of the moneys that will be spent in other areas within my portfolio responsibilities. I am very pleased to say that the Government has continued its support for tourism marketing in this year's budget. At a time when, as we all know, the budget is tight, the Government has maintained its commitment to promoting the ACT by providing a budget of \$4.65m to the ACT Tourism Commission which is, I might add, Mr Deputy Speaker, an increase of some \$700,000 over funds provided last year. This includes funding for a computer booking management system for the commission. The increased budget will enable the commission to continue to undertake innovative and aggressive marketing campaigns on Canberra and the region.

I might add that I am delighted with the achievements of the newly established tourism commission in working with the local industry to encourage visitors to come to Canberra. Tourism is the ACT's largest private sector industry, contributing some \$500m to the ACT economy annually and employing some 10,000 people. Tourism spending has significant flow-on effects to many other areas of the local economy and has strong term growth potential. So, as I said, in light of that, I am pleased to say that the funding for tourism has increased in this year's budget. In addition, some \$0.276m will be provided from that budget to the Canberra Visitor and Convention Bureau which will assume responsibility for marketing Canberra as a convention and meetings destination from 14 September this year, while the Tourism Commission will continue to promote Canberra as a tourist destination.

So, within my portfolio area of the Department of Urban Services a range of initiatives have been announced as part of the 1990-91 budget. As well as being consistent with the Government's aims of providing efficient and effective services to the community, these initiatives reinforce government policies in the areas of recycling, transport safety, maintenance of roads and buildings and asbestos removal, et cetera.

In terms of recycling, the Government has begun the process of implementing its response to the waste management inquiry with the allocation of \$300,000 for a range of initiatives during the current financial year. These funds will be used for a promotional campaign for recycling and composting, investigation of the potential for harnessing methane from the two land fill sites, studies into the effectiveness of measures taken to ensure waste minimisation and the appointment of a recycling officer to coordinate recycling in the ACT. In addition, a major expansion of the static collection centres for plastic and glass is being undertaken as well as an extension of the current cash for cans network.

The Government recently announced the introduction of the Clinical Waste Act which will ensure that the safety of

workers and the general public is not put at risk by unsafe transportation and disposal practices. The cost of enforcing the clinical waste legislation this year is expected to be some \$800,000.

Funds have also been provided in the budget for the introduction of a new computer system for motor vehicle registry operations. The new system will replace the ageing motor vehicle registration and drivers licensing system and will provide for the full integration of parking fine default processing. The budget provides considerable commitment by the ACT Government to the Prime Minister's road safety package, the 10-point road safety package. Funding has been provided to implement those various points which cover, of course, national .05 blood alcohol concentration limits for drivers through to daylight running lights for motor cycles.

The Government has decided that booth operated long-stay car parks will be converted to voucher operation in order to improve cost effectiveness and maximise parking revenue. As well as providing a better return for the Government, the new voucher machines will result in more flexible, long-stay parking arrangements being introduced. These will include half-day parking, afternoon fees and the flexibility of combining short-stay and long-stay provision in areas to maximise the use of car parks.

We expect that conversion to be introduced within six months. I guess this is a prime example of how we can easily refute the claim by the Opposition that we are doing jobs for our mates, et cetera, because, of course, these long-stay parking arrangements are currently quite lucrative arrangements for private operators.

Turning to the roads maintenance program, many major roads constructed in Canberra 20 to 30 years ago during periods of rapid growth are now, of course, reaching the end of their economic life. That, combined with the slow-down in growth in the outer areas, requires the redirection of roads expansion away from the creation of new capital assets towards increased expenditure on maintenance and the reconstruction of the existing road network. That trend commenced last year with work to reconstruct parts of Yamba Drive, Bowen Drive and Limestone Avenue. As I say, that level of - - -

**Mr Wood:** In mothballs at the moment.

**MR DUBY:** Well, it is not my fault; it is all the fault of your mates. Actually, it would be a lot better, of course, if we did not have TLC elections coming up; we would not have the silly posture of unionists strutting around and saying, "I can be tougher than you" just to see who can win more votes.

Anyway, as I said, there is going to be substantial expenditure on that area in this Budget and, of course, it

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increases the attractiveness of the ACTION bus network. Funds have been provided for the delivery of 52 new buses during the year and the continuation of ACTION's bus refurbishment program right through until the end of June 1992. ACTION, also, is able to purchase this year a number of special vehicles for the operation of an inner city bus service to circulate throughout Civic and provide a service for inner city workers - something, I think, that has been long overdue.

In regard to repairs and maintenance of ACT Government facilities, the Government has allocated some \$7m this financial year to address the repairs and maintenance backlog inherited from the Commonwealth. The extent of the backlog was documented by Justice Else-Mitchell earlier in the year. The funds will be used for schools, particularly those affected by the school consolidation program, roads, government buildings and depots and TAFE facilities.

Since coming into office in December last year I have given high priority to getting the asbestos removal program under way. Two major contracts have been let for the removal of asbestos. Both these contracts are now well under way and the program will be in full swing by the end of next month. The four-year target will be met by removing asbestos from approximately 300 homes per year and, during 1990-91, some \$22m has been allocated to the asbestos removal program.

Many of the buildings handed over from the Commonwealth at self-government included materials now considered to be hazardous, like fibro sheeting. They also include heating, lighting, air-conditioning and water services that are wasteful in the consumption of energy. This budget provides for funding to allow surveys to be undertaken and for \$1.3m for the energy management and hazard removal programs.

We have allocated \$88,000 in the budget to provide more effective telephone and communication programs for the ACT Government Service. We have provided half a million dollars in this budget for the continued development of the automated library service at all public libraries in the ACT. This will enhance significant improvements and efficiencies already achieved in the library service and will enable the libraries to increase the range of material available for lending.

So, all in all, this is a good budget; it is a balanced budget, and it is one which all responsible citizens of the ACT should applaud.

Debate interrupted.

## ADJOURNMENT

**MR SPEAKER:** It being 4.30 pm, I propose the question:

That the Assembly do now adjourn.

**Mr Collaery:** Mr Speaker, I require the question to be put forthwith without debate.

Question resolved in the negative.

## APPROPRIATION BILL 1990-91

Debate resumed.

**MR STEVENSON (4.30):** Mr Speaker, I think we would all agree that all Australians, including Canberrans, are under tremendous economic pressure. Put simply, the economy is a mess. It does not particularly matter which government it is - which government comes in or goes out - the problems remain. We sink deeper and deeper into the mire of debt.

In Australia businesses go bankrupt at the rate of one every two minutes and eleven seconds. Well, that was a little while ago; it might be more than that now. Nearly all our problems stem from a lack of money. We have money problems. There is only one way we are going to get out of the problems that we have and that is to look exactly at what is happening with money - with the control of money and with the subsequent control of people's businesses and every other aspect of our lives.

I want to look at where exactly does money come from. If somebody borrows \$100,000 from a bank and you ask people where the bank gets the money to loan that \$100,000, most people will say that it gets it from other depositors. That is not true. This idea that we have about how the economy works is equivalent to thinking that the earth is flat. It is interesting that banks cannot lend depositors' money because it is a bank liability and they cannot lend their liabilities.

It will be surprising to people here that banks create money out of thin air. You say, "How do they do that?". Well, it is very easy: they take a pen, or some similar instrument to inscribe something on to a sheet of paper or a computer and at that time extra money is created. At that time new money that did not previously exist comes into existence. The cost for the bankers of creating that money is approximately two-thirds of one per cent. For that two-thirds of one per cent cost they charge people somewhere between 10 and 40 per cent interest rates, depending on whether it is done through some of the finance companies or through other banks.

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When I talk about banks, I talk about trading banks. Other banks do not have that privilege. How are the trading banks doing it? They have been given, or have got hold of, the power that is given to our State and Commonwealth governments to use parliamentary banks to create the wealth of a nation.

If no-one had the ability to create wealth on behalf of a nation we would still have the five and a half pounds worth of tents and other things that Captain Cook brought across with him. Naturally, there needs to be the right to create credit. Now, some people would think that I am talking about money; that is cash and coin. I am not. At any one time in Australia the amount of cash and coin is vastly outnumbered by the amount of credit or debt, depending on which end of the scale you are looking at.

To suggest that we cannot control money and cannot control inflation is to say that money controls us, and must control us. While I agree that money quite often does control most people, it is not a must; we can change it. We can change it by using the constitutional power for the State and Federal governments to create money through a parliamentary bank. The banks that we know of, State banks, are basically no different from other banks; they just happen to be owned by the government.

Now, I think it is perhaps time that I gave some of the evidence for these rather interesting statements that I have made, for all those people who are still absolutely 100 per cent convinced that banks lend depositors' money, that there is no way out of our economic problems in Australia other than to go deeper and deeper into debt, other than to have more and more businesses close, other than to have less people buy homes and more and more people driven off properties in the rural area.

That is the current thinking of governments in this nation. I really should ask for a hands up if there is anybody here that thinks that banks create money out of thin air. Mr Collaery thinks that banks create money out of thin air - well done. You are going to look very good in the ensuing time. Quite remarkable; well done. You are the only one. You are going to look very good in the future, Bernard.

Sir Josiah Stamp of the Bank of England - and, ladies and gentlemen, I suggest that you listen to the evidence - said:

The modern banking system manufactures money out of nothing. The process is perhaps the most astounding piece of sleight of hand that was ever invented.

Someone perhaps closer to home, a gentleman named Dr Coombs - "Nugget" as he was known - the former Governor of the Commonwealth Bank, later the Reserve Bank, and financial adviser to every Federal government from Chifley to Whitlam - said:



When money is lent by a bank it passes into the hands of the person who borrows it without anybody having less. Whenever a bank lends money, there is therefore an increase in the total amount of money available.

The Encyclopaedia Britannica, the 14th edition, stated in the section on banking and credit:

Banks create credit. It is a mistake to suppose that bank credit is created to any extent by the payment of money into banks.

Where are the smiles, gentlemen? It continues:

A loan made by a bank is a clear addition to the amount of money in the community.

Professor Soddy, London, states in his book *Wealth*:

The cheque system, by dispensing with tangible tokens for money, enables the banker to vary the quantity at will. In fact, it is now never the same for two instances at a time. His loans are not loans as between ordinary people in which one gives up what the other gets; he creates the money he lends and destroys it when it is repaid. What he really does is to empower the impecunious borrowers to buy, extracting security from them in the event of their defaults.

And so with it go our homes, our land and our farms. Thomas Jefferson, the President of the United States, said:

If the American people ever allow private banks to control the issuance of their currency first by inflation and then by deflation, the corporation that will grow up around them will deprive the people of all their property until their children will wake up homeless on the continent their fathers conquered.

Mayer Rothschild, father of the House of Rothschild which founded the great chain of banking houses, said:

Permit me to issue the money of a nation and I care not who makes the laws.

Of course, neither the Alliance nor the Labor Party. The High Court of Australia in the case of *City of Melbourne v. The Commonwealth*, 1974 CLR 81, stated:

State banking means the business engaged in by a state as a banker and does not include transactions between a state as a customer and a bank.

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Now, what that means is that, under section 51, the States as well as the Commonwealth are empowered to create the credit of a nation.

Let me explain practically what I am talking about here. It is like going out to the Canberra Airport and saying, "I would like to fly to Sydney", and the person behind the desk says, "I am sorry, you cannot go". You say, "They are all full?". And they say, "No, half empty, but we have run out of tickets". That is the equivalent of saying we do not have the money. Let me give you an example that will indeed bring it close to home. Sir Denison Miller was the director of the Commonwealth Bank. He was the first governor of the bank which unfortunately had its charter destroyed in 1924 - unfortunately for Australians, unfortunately for Canberrans who are concerned about school closures and the Royal Canberra Hospital, and unfortunately for other people losing their business and so on. He stated:

The whole of the resources of Australia are at the back of this bank, and so strong is the Commonwealth Bank, whatever the Australian people can intelligently conceive in their minds and will loyally support, that can be done.

He also said:

The Commonwealth Bank financed the Commonwealth of Australia during the First World War to the tune of \$700m without having to tax the people for the return of the money or interest upon it ... and I could have financed the country for a further like sum had the war continued. That kind of money is also available for productive purposes in times of peace.

Indeed, and in times of peace, the same credit creation was used to fund the national shipping line and the national rail line. Abraham Lincoln stated that the privilege of creating and issuing money is not only the supreme prerogative of the government, it is the government's greatest creative opportunity. Let us have a look at what the bankers themselves say about the idea of whether or not they create money, as I put it, out of thin air - newly created wealth. This is from the July 1983 issue of *Branch Banking*, an English bankers journal:

There is no more unprofitable subject under the sun than to argue any banking or credit points, since there are enough substantial quotations in existence to prove to the initiated that banks do create credit without restraint.

Perhaps that was well backed up a few weeks ago in Melbourne by the head of the Bank of Melbourne who said, "Banks have unlimited liquidity". That was an interesting statement.

**Mr Connolly:** Tricontinental should have lent itself more money. That was the answer.

**MR STEVENSON:** Well, the truth is, of course, that Tricontinental could not lend itself more money.

**Mr Connolly:** Why?

**MR STEVENSON:** Mr Connolly, I said "trading banks". The suggestion that State banks can run out of money is yet another myth. The State banks have what are called drawing rights and if they are short of money they can call on the Reserve Bank. Trading banks, under their drawing rights, can draw money from the Reserve Bank. If the Reserve Bank does not have it, it will print it on their behalf. That is the right they have under drawing rights. (Extension of time granted)

Let us look at some figures from the Year Book Australia from 1980 to 1988 and see actually how much money is in existence relative to credit - the credit creation ratios. Mr Speaker, people are trying to do something with their financial arrangements. Would you ask them to wait till I finish my speech?

**MR SPEAKER:** You have the right to be heard but not to be listened to, Mr Stevenson.

**MR STEVENSON:** I think that you have put yourself on the record very solidly and, indeed, in future, I will remind you of it.

In 1980, for every \$1 in coin and notes, there was \$66.74 in credit. In 1986 it was \$77.08. In 1988 it dropped remarkably, down to \$42.56. So, what is the import of what I am saying? What I am saying is that Australia has vast resources - in mineral wealth, in what is above the ground, in the Aussie people who are an ingenious lot of enterprising people and do not lack the desire to do well, do not lack the willingness to work hard. All we lack, we are told, is money.

Picture, if you could, a new playing field. We go out into the forest and we have timber to build. We have the minerals to create wealth - the minerals needed to create building materials to build. We have people who are prepared to work, to build. This was all gotten together and just when someone was about to say, "Okay, fellows, let us get into it and build and create some wealth", someone rushed up with a little sign saying "banker", followed close behind by someone with a little sign saying "politician", and said, "Sorry, gentlemen, you cannot do that". And they said, "Why cannot we do this?". And he said, "You cannot do that because we have not the pieces of paper to indicate the exchange, to indicate what you are doing. In other words, we do not have enough money". Now, if those people lacked awareness and were easily conned, as

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I shall put it, they would say, "Well, if that is the case, we will leave the things there with which we could build; we people who were about to work will not work; we will all go home". And if you do that long enough you end up with a situation like we have in Canberra where we are told we cannot afford to have the Royal Canberra Hospital because supposedly money cannot be created for capital works.

Now, I grant that the ACT Government, being a Territory, cannot create money for capital works. If the Federal Government continue with their effort to create statehood for the ACT and we did that, that would give them an interesting shock indeed. But the Federal Government could well have written the money to create the extra \$150m, or whatever was needed, to refurbish the Canberra hospital. At that time there is an increase in an asset. Is that correct, Chief Minister? Could I ask the Chief Minister that question, through the Chair, of course. Chief Minister, would that be true? Would we have a more valuable asset if it were done like that?

**Mr Kaine:** You would probably have a more valuable asset.

**MR STEVENSON:** All right, we would have a more valuable asset. As we cannot use this power that is given by the Constitution to the States and the Commonwealth, what we should do is ensure that the Commonwealth uses it on our behalf - certainly pays us the money that it owes us, particularly for capital works. I am not suggesting that money should only be created by the governments. We do not have the power. If we did, if we had that power as a State, indeed we could. Let us push for statehood.

**Mr Kaine:** I thought you were going to abolish it.

**MR STEVENSON:** Let me explain something to you. If we were going to push for statehood and if we convinced the Labor Government that we would then create a State bank and create money, indeed they would abolish this. There is no doubt whatsoever that they would not take kindly to that because with the creation of credit goes power. The Government unfortunately has totally abrogated its responsibility and requirement under the Reserve Bank Act. I suggest that you read it where it talks about these powers being used for the good of Australians, because that is the requirement. And it can be done. The suggestion that interest rates should be 17 per cent or 15 per cent or 25 per cent for small business overdrafts is an absolute nonsense equivalent to suggesting that - - -

**Mr Berry:** We would be able to have seven hospitals.

**MR STEVENSON:** Yes, indeed. So what we need to do is get the Commonwealth Government to use that power. Perhaps as a first indication, members of the Assembly, apart perhaps from Mr Collaery, but certainly including Mr Prowse, could attend a lecture next Wednesday night at which time they will hear Mr Len Clampett's talk about the creation of

money and how the problems of ordinary Australians can be solved by using this credit-creation mechanism.

**Mr Collaery:** What is the venue? The Mint?

**MR STEVENSON:** It is the ACT Racing Club. I thought it fitting.

Debate (on motion by **Mr Humphries**) adjourned.

### ADJOURNMENT

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

That the Assembly do now adjourn.

### Creation of Credit

**MR CONNOLLY (4.53):** Mr Speaker, Mr Stevenson is running around Canberra promoting the views of one Len Clampett of Tasmania whose book *Hand Over the Loot*, which I now display, claims that Australia's and the world's financial problems can be solved merely by the creation of unlimited credit.

**Mr Collaery:** Well, it is true. Dennis has explained it.

**MR CONNOLLY:** Exactly. Now, Mr Clampett is described in the publicity blurb for this book as "Professor of constitutional law research analysis Len Clampett". That, of course, is intended to fraudulently indicate that Mr Clampett has some sort of legal qualifications or expertise. He has none.

The sophistry, in fact, which Mr Stevenson no doubt would respond to, is that "professor" merely means one who professes; therefore the title "Professor of constitutional law" is not intended to indicate that Mr Clampett holds a chair of law in an Australian university, merely that he professes constitutional law. He professes, of course, utter nonsense. He professes that, because the Commonwealth has a power over banking and the States also, under section 51(i), have the power to run State banks, it follows that unlimited credit and currency can be created by both. Of course, any simple analysis of the Constitution would reveal that the power to create currency is distinguished from the power to conduct banking operations and that, indeed, is a power reserved to the Commonwealth.

The theory promoted by Mr Clampett and Mr Stevenson is the ultimate in fairies in the bottom of the garden nonsense. Dennis Stevenson's and Mr Clampett's magic pudding is the magic pudding that every treasurer, and indeed every citizen, would aspire to own. It takes the mad view that

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all you need to do to create wealth is to run the printing presses to create currency one step further; all you need to do to create credit is to plug into the computers and create unlimited electronic credit.

In Mr Clampett's fevered imagination, taxes will be abolished, prosperity will flow to all from unlimited credit at zero or 2 per cent interest. There will be no inflation under this regime, economists among us will be pleased to know. Inflation is not created by too much money chasing too few goods. Inflation is caused by interest rates. Once we abolish interest rates and create unlimited credit, inflation disappears. Economics is no longer a question of rational allocation of scarce resources; scarcity disappears. We just create credit and spend wildly in this no tax, no inflation Shangri-la. And we do not have to worry about the international economy. Some might say, "Well, this is wonderful for Australia, but we would have some balance of payments problems". There is no such thing, in the Clampett view, as foreign exchange or balance of payments constraints.

I have read this book. Mr Jensen laughed and said that I had wasted my \$6, but I think he would agree that it was \$6 well spent. I learnt a lot. Foreign investment does not exist; nor does foreign exchange. This is proved by Mr Clampett. A yen investment to Australia is only created into Australian dollars by a bank. It therefore follows that the yen investment is unnecessary. The bank could have just given you the Australian dollars without the yen investment.

Similarly I presume this bank, if we intend to travel overseas and go along seeking American dollar travellers cheques, would not want Australian dollars in exchange. It can simply create the American dollar travellers cheques out of thin air, just as it creates the Australian dollars by foreign investment. This is the blissfully simple truth of instant nirvana, the ultimate magic pudding. The whole world is wrong about economics. Only Mr Clampett and Mr Stevenson truly understand.

But this perfect world is not totally perfect. The villains of the piece are bankers with Jewish names. This is anti-Semitic nonsense. (Extension of time granted)

All is not perfect in this wonderful world. As Mr Clampett demonstrates, foreign landholders and bankers with Jewish names are the villains who have convinced us all that this simple truth does not apply. The financiers have conned us all, says Mr Clampett; but, yes, there is a remedy, a way of saving us all from these evil financiers and the politicians, economists and lawyers who have been conned by it.

I am sure that members of this house can guess what the solution is, given that Mr Stevenson is pushing the solution. The solution is the citizens initiated

referendum. We can all vote to suspend the laws of economics and, lo, paradise is nigh.

Mr Speaker, this would be funny if it was not sad. These views are being pushed around this town to small business proprietors who are in real financial difficulties. This financial genius, Mr Clampett, is to address a meeting in Canberra soon and, of course, Mr Clampett wants to be paid in good Australian currency, not credit to be created by these fanciful banks. Mr Speaker, I would hope that all Canberra residents would have the good sense to keep their \$10 and treat this nonsense with what it deserves.

### **Creation of Credit**

**MR STEVENSON** (4.58): One will be very aware, as Terry Connolly scurries away - - -

**Mrs Grassby**: No, he was called outside. He is coming back. He is listening.

**MR STEVENSON**: Let him scurry back in then. One would be very aware that, apart from any amount of colourful, nonsensical language, he absolutely failed to address the evidence not only that was extensively given in the book but also that I gave. If you know so much, why did you not address the evidence? When the encyclopaedia, the Governor of the Commonwealth Bank, the Bank of England and other people make these claims, why did you not call them the same thing? Why did you try to lead the debate up the garden path? You talk about people in Canberra having problems, and, indeed, they have. They will not be solved by people who are not prepared to look at the reality, are not prepared to debate the issue, but would far rather debate the man. It is all too frequently done by people like you, unfortunately.

**MR SPEAKER**: Order! It being 5.00 pm, in accordance with standing order 34 the Assembly stands adjourned until Tuesday, 18 September, at 2.30 pm.

**Assembly adjourned at 5.00 pm until Tuesday, 18 September 1990, at 2.30 pm**

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**ANSWERS TO QUESTIONS**

**CHIEF MINISTER FOR TIFF AUSTRALIAN CAPITAL TERRITORY**

**LEGISLATIVE ASSEMBLY QUESTION**

**Canberra Times Site**

**Question No 198**

MR MOORE- To ask the Chief Minister

Considering that a surrender and regnant with a different lease purpose clause for any site creates a new estate within the meaning of Section 29 of the ACT Planning and Land Management Act 1988

- (1) Can the Chief Minister identify which procedures were used, when the public was notified, and what document contains the procedures.
- (2) Is the decision with respect to the former Canberra Times site an appropriate one, since Section 29(2)(b) of the Planning and Land Management Act 1988 clearly states that "appropriate classes of decisions relating to the administration of estates in Territory Land shall be subject to just and timely review" and therefore surely demands consultation. with the objectors in the Supreme Court case.

MR KAINÉ- The answer to the Members question is as follows:

- (1) I am advised that the surrender and regrant of the subject Crown Leases has been dealt with in accordance with the requirements of Section 29 of the ACT (Planning and Land Management) Act 1988.

The policies and procedures relevant to Section 29 of the Act used in the administration of the ACT leasehold system were initially published on 1 May 1989 and notification of their availability was made-in pamphlets and in the local press at that time. That publication was entitled "Australian Capital Territory (Planning and Land Management) Act 1988- Policies and Procedures Relevant to Section 29 of the above Act used in the Administration of the ACT Leasehold System- 1 May 1989". On 4 November 1989 notification was given in the local press of the availability of an updated publication of the same title dated 1 November 1989. Both publications have been made available during their currency from the Land and Planning information shorefront on the ground floor of the Braddon offices, 220 Northbourne Avenue.

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- (2) A review of the redevelopment proposal for the former Canberra Times site was the subject of consideration and advice by the Standing Committee on Planning, Development and Infrastructure. The Committee held three public hearings at which it took evidence. Having regard to the extensive nature of the review by that Committee it was considered unnecessary to undertake further review in this case.

The Report of the Committee was made available to the public in October 1989 prior to the Government deciding on its recommendations. It was not considered to be necessary or appropriate in this case to consult with the parties to the litigation given the public exposure each step in the process received.

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**MINISTER FOR FINANCE AND URBAN SERVICES**

**LEGISLATIVE ASSEMBLY QUESTION**

**R and G Shelley Pty Ltd**

**QUESTION NO. 223**

Mrs Grassby - asked the Minister for Finance and Urban Services -

- (1) How many contracts have been let by the ACT Government to R & G Shelley Pty Ltd since 1 July 1989?
- (2) What is the total value of these contracts?
- (3) How many contracts with R & G Shelley Pty Ltd are currently still valid and what is the value of these contracts?
- (4) What contracts have been let to R & G Shelley Pty Ltd since 1 March 1990 and what is the value of each of these contracts?
- (5) Was the Minister and/or his Department made aware before April 1990 that R & G Shelley Pty Ltd were in financial trouble and were in the process of selling their financial assets to remain viable; if not, when was the Minister and/or his Department first made aware that R & G Shelley Pty Ltd were experiencing financial difficulty?
- (6) Does Clause 43.1 of the head contract (NPWC 3(1981)) allow the client to check the contractors records to ensure that all workers and sub-contractors were being paid?
- (7) Were any examinations carried out of R & G Shelley Pty Ltds records to ensure that workers and sub-contractors were being paid. If so, when and with what result; if not, why not?
- (8) Has, as quoted in the Chronicle of 31 July 1990, the Government been aware of R & G Shelley Pty Ltds cash flow problems since the beginning of the year. If so, why did the ACT Government continue to award contracts to R & G Shelley Pty Ltd?
- (9) Did the ACT Government conduct stringent financial examinations of R & G Shelley Pty Ltd prior to awarding contracts to them; and what documentation and/or written evidence did R & G Shelley Pty Ltd provide in substantiation of its financial stability?
- (10) Does the Minister consider the tender prices submitted by R & G Shelley Pty Ltd to be prices that provided for all aspects of the work inclusive of a realistic margin of profit for the company?

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- (11) Were the tender prices submitted by R & G Shelley Pty Ltd the lowest received?
- (12) On what basis did the ACT Government award its contracts to R & G Shelley Pty Ltd after it became aware of its financial troubles earlier this year?
- (13) What claims were made to R & G Shelley Pty Ltd to enable them to set up site establishments on recently acquired contracts that have since been cancelled by the ACT Government and were these claims paid in full?
- (14) Were R & G Shelley Pty Ltd permitted to submit inflated progress claims during the progression of their contracts and, if so, for what reason?
- (15) Is there sufficient money retained by the ACT Government on cancelled contracts to provide for them to be completed within the original prices of R & G Shelley Pty Ltd and, if not, why not?

Mr DUBY - the answer to the Members question is as follows:

- (1) Thirteen (13) contracts were let by ACT Government to R & G Shelley Pty Ltd since 1 July 1989.
- (2) Total value of original contracts was \$7,840,739.00
- (3) Nineteen (19) contracts were in progress where a certificate of practical completion had not been issued. Total value at the uncompleted work was \$5,935,425.00
- (4) Eleven (11) contracts were let since 1 March 1990; these are

\$000,000

Woden Bus Interchange 20 000  
Tuggeranong Lakeshore Development 306 204  
Tuggeranong Recycling Centre 192 929  
Limestone/Majura/Wakefield Ave 202 265  
Hackett Drainage 98 895  
Forrest/National Crt/Canberra Ave/Improv. 183 469  
Mugga Tip 142 040  
City Sewer Augmentation 598 574  
Turner/Acton Cyclepath 196 754  
Woden Town Park Stage 6 436 967  
Belconnen Town Park Stage 4 373 450

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(5) ACT Public Works was aware of suggestions in February 1990, that R & G Shelled Pty Ltd was experiencing a liquidity problem. Enquiries into these suggestions were made of the Company which indicated that it was experiencing a cash flow problem due to slow workload and consequential lower payments associated with wet weather and the cost of recreation leave payments for salary and labour employees during the Christmas close down.

ACT Public Works was aware of negotiations for the sale of Town and Country Hire, of units at Mawson House and that sale documents were being prepared for a number of units in the Campbelltown subdivisions which had been refinanced after the restructuring of Elders Finance. These sales were to improve cash flow.

(6) Clause 43.1 relates to the Contractors workmen engaged on the work under the contract and does not include other persons such as sub-contractors associated with the contract. Clause 43.1 does not provide for the client to check contractors records in regards to sub-contract payments.

(7) No, ACT Public Works had no cause to undertake any checks as it was narrower of any problems concerning payments to workmen.

(8) See Question 5. Checks were carried out to verify R & G Shelley Pty Ltds financial viability prior to contracts being let. These checks included:

confirming bank support for unconditional guarantees and overdraft; suppliers support;  
Superintendents reports on 18 separate projects.

In addition to this Directors guarantees were obtained for additional asset backing and security where necessary. These checks satisfied the requirements of ACT Public Works for awarding these contracts.

(9) ACT Public Works conducted financial examinations at R & G Shelley Pty Ltd and in doing so obtained:  
Balance sheets for year end operations

separate financial defaults which included:

- assets and liabilities
- details of plant and equipment
  - .. cost
  - .. amount owing
  - .. current valuation

details of private assets which were available to the company turnovers past and future predictions

suppliers to be used

- value to be supplied
- credit limit

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proposed sub-contractors (in regards to major works) expenditure programme

assessment of how funds were to be obtained to undertake project current workload

on a number of occasions the Directors of R & G Shelley Pty Ltd were interviewed to provide a status report on asset sales (referred to in answer to question 5) and contractual claim negotiations with other clients that were known to be taking place. (10) Yes.

(11) In each case where tenders were awarded to R & G Shelley they satisfied the criteria used to evaluate tenders.

- a. The tender price submitted is compared with the cost planners initial estimate for the works and an assessment is made of the tenderers ability to complete the project within his tender price.
- b. Tenderers technical, management, physical and financial resources.
- c. Current commitments of the contractor including record of performance and ability to perform this particular type of project.

(12) The decision to give R & G Shelley Pty Ltd continuing work was based on checks, including confirming arrangements made by them with banks, suppliers and performance reports on current projects set out in answer to question 9 .

Interviews were also conducted with the Directors of R & G Shelley Pty Ltd in regards to their financial status.

(13) The only payments made to Shelleys were progress payments. No payments were made to allow the Contractor to set up on site.

(14) No - Specific provisions exist for the contractor to submit on a monthly basis a detailed progress claim of the value of work carried out in accordance with the performance of the contract and incorporated in the works.

The Superintendent determines the value of works carried out and incorporated and issues a progress claim. The progress claim is required to show the gross value of work completed as determined by the Superintendent.

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(15) It is an unfortunate fact that whenever a contractor goes into liquidation it costs more than the original contract sum to complete the works. Some of the reasons for this are:

- a. costs of remeasurement and documentation
- b. re-establishment costs for new or old contractors
- c. difficulty in taking over work of others
- d. costs for others to complete maintenance on existing projects.
- e. Fees and costs for project managers to carry out the head contractor role.
- f. extra costs associated with accelerating the work to achieve necessary target completion dates in some instances.

While the retention of monies provided for under general conditions of Contract provide for funds to cover some of the additional costs to the Principal it is not usually sufficient to cover all these costs.

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APPENDIX 1: (Incorporated in Hansard on 12 September 1990 at page 314)

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY**

**LEGISLATIVE ASSEMBLY QUESTION**

**QUESTION WITHOUT NOTICE**

**15 AUGUST 1990**

MR STEVENSON: WOULD THE CHIEF MINISTER BE GOOD ENOUGH TO INFORM THE HOUSE, HOW MUCH IS THE COST OF EACH OF THE ALLIANCE MINISTERS INCLUDING SUCH THINGS AS FORD FAIRNESS, PERSONAL STAFF AND OTHER RELATIVE COSTINGS.

MY ANSWERS:

SINCE COMING TO OFFICE, EXPENDITURE TO THE END OF AUGUST 1990, TOTALLING \$1,087,090 HAS BEEN INCURRED ON DIRECT PROGRAM SERVICES TO THE EXECUTIVE, THE PRINCIPAL COMPONENT OF WHICH IS SALARIES. THIS AMOUNT INCLUDES SOME COMMITMENTS INCURRED BY THE PREVIOUS GOVERNMENT WHICH WERE NOT PAID BY 13 DECEMBER 1989.

RECURRENT COSTS ASSOCIATED WITH OPERATING THE EXECUTIVES VEHICLES TOTAL \$8,529. THIS EXCLUDES THE COST OF ANY FUEL DRAWN FROM GOVERNMENT DEPOTS AS THIS FUEL IS NOT DIRECTLY ATTRIBUTABLE TO SPECIFIC VEHICLES.

APART FROM DIRECT COSTS, THERE ARE A RANGE OF CORPORATE SERVICES WHICH ARE NOT INCLUDED IN THE ABOVE EXPENDITURE. THESE RELATE TO AREAS SUCH AS PERSONNEL, LIBRARY, REGISTRY, AND TELEPHONE SERVICES. THESE COSTS ARE INCLUDED IN THE RELEVANT CORPORATE PROGRAM ITEMS. TO SEPARATELY IDENTIFY THESE IN RESPECT OF THE EXECUTIVE IS NOT POSSIBLE WITHOUT THE COMMITMENT OF SUBSTANTIAL RESOURCES.

13 September 1990

**CHIEF MINISTER FOR THE AUSTRALIAN CAPITAL TERRITORY**

**LEGISLATIVE ASSEMBLY QUESTION**

**QUESTION WITHOUT NOTICE**

**16 AUGUST 1990**

MR STEVENSON: MY QUESTION CONCERNS CANBERRAS HAVING A SAY IN ALLIANCE, AS WE KNOW THE COMMONWEALTH GOVERNMENT AS WELL AS OUR OWN ACT COMMITTEE INQUIRY RECOMMENDED THAT CANBERRAS BE ALLOWED TO HAVE A REFERENDUM ON OUR ELECTORAL SYSTEM. MALCOLM MACKERELS HAS RECENTLY MENTIONED THAT THERE WAS A CONSPIRACY BETWEEN THE TWO MAJOR PARTIES TO ENSURE THAT CANBERRAS DIDNT HAVE THAT, TO DO A DEAL WITH THEM THEMSELVES BECAUSE THE LABOR PARTY WERE CONCERNED THAT THE SINGLE MEMBER ELECTORATE RIGHT MIGHT NOT GET UP, WHILE THE LIBERAL PARTY WERE CONCERNED THAT THE PROPORTIONAL REPRESENTATION MIGHT NOT GET UP. IS MR MACKERELS RIGHT WHEN HE SAID HE THINKS THERE WOULD BE A 40 PER CENT CHANCE THAT THEY WILL BE ABLE TO GET AROUND THE CONSPIRACY AND THE PEOPLE OF CANBERRA WILL BE ABLE TO HAVE A SAY ANYWAY AND THE REFERENDUM HELD.

MR COLLAERY: I POINT OUT THAT STANDING ORDERS 117 DO NOT REQUIRE ME TO ANSWER HYPOTHETICAL QUESTIONS OR TO GIVE OPINIONS. I WILL TAKE IT ON NOTICE AND SEE IF HE (CHIEF MIN) IS PREPARED TO ANSWER IT.

THE ANSWER IS:

MR KAIN: THE ALLIANCE GOVERNMENTS VIEW OF THE ISSUE OF WHETHER OR NOT THE ACT SHOULD DECIDE ITS ELECTORAL SYSTEM BY REFERENDUM WILL BE PROVIDED IN THE FORTHCOMING GOVERNMENT RESPONSE TO THE REPORT OF THE ASSEMBLYS SELECT COMMITTEE ON SELF-GOVERNMENT.

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